

PROFILE

SAMTEL INDIA LIMITED

Registered Office : Village Naya Nohra
Kota Baran Road, Tehsil- Ladpura
Distt- Kota, Rajasthan- 324001.

CIN of the company : L31909DL1981PLC012073

Email ID : info@samtelgroup.com

Board of Directors : Mr. Satish K Kaura, Chairman & Mg. Director
Mr. Om Wadhwa, Director
Mr. Uday Sethi, Director
Mr. Alka Kaura, Additional Director

Plant Locations : Village Naya Nohra
Kota Baran Road, Tehsil- Ladpura
Distt- Kota, Rajasthan- 324001.

Share Transfer Agent : MCS Share Transfer Agents Limited,
F – 65, Ist Floor,
Okhla Industrial Area, Phase I,
New Delhi - 110020.
Phone : (011) 41406149, 41406151 & 52,
41609386, 41703885
Fax : (011) 41709881

REPORT ON CORPORATE GOVERNANCE (Clause 49 of the Listing Agreement)

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Samtel India Limited is highly committed to upholding corporate governance values and has been practicing the principles of good corporate governance over the years. Samtel is an organisation that strives for excellence with the objective of enhancing shareholder value. In achieving this overriding objective, it has always endeavored to be a transparent and an accountable corporate citizen. Samtel India Limited is led by a strong and highly independent Board, which provides it strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its oversight responsibilities and to provide management the strategic direction it needs to create long-term shareholder value.

I. BOARD OF DIRECTORS

Composition of the Board

The Board of Directors of the Company comprises of four Directors, out of which two Directors are non executive and independent. The Non Executive Directors are proficient in their own fields and bring with them decades of experience in the areas of finance, technology, legal and general management.

Mr. Satish K. Kaura, Promoter, Chairman & Managing Director, is the only Executive Director of the Company who is responsible for overall management of the Company.

Mr. Uday Sethi has been confirmed as Director in the last Annual General meeting held on 30th Sept., 2014. The other Independent Director is Mr. Om Wadhwa.

Mrs. Alka Kaura has been inducted as additional Director on the Board of the company effective from 20.03.2015. Mr. Ajit Singh had resigned from the Board of the company effective from 14th August, 2014.

The composition of the Board is in conformity to the requirements of Clause 49 of the Listing Agreement.

Number of Board Meetings

During the Financial Year 2014-15, the Board of Directors of the Company met five times on May 30, 2014, August 14, 2014, November 14, 2014 and February 13, 2015 and March 20, 2015. The maximum time gap between any two meetings was less than four months.

Directors' attendance record & directorship held (As on 31st March, 2014):

Name of Directors	Category / Status of Directorship	No. of Board meetings held during 2014-15	No. of Board meetings attended during 2013-14	Attendance in last AGM held on 30 th September, 2013	No. of Directorship in other Public Limited Companies	No. of Committee positions held	
						Chairman	Member
Mr. Satish K. Kaura	Executive/ Promoter Director	5	5	No	4	1	1
Mr. Om Wadhwa	Independent Director	5	5	Yes	-	1	-
Mr. Ajit Singh@	Independent Director	5	1	No	2	-	1
Mr. Uday Sethi	Independent Director	5	4	Yes	2	3	-
Mrs. Alka Kaura	Non Executive Independent Director	5	1	No	2	-	3

@ Mr. Ajit Singh has resigned effective from 14th August, 2014.

@@ Mrs. Alka Kaura was inducted as an additional director of the company effective from 20th March, 2015.

As mandated by Clause 49 of the Listing Agreement, all the Independent Directors on the Company's Board are non-executive and:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior management or and associates which may affect independence of the Director
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board
- Have not been an executive of the Company in the immediately preceding three financial years
- Are not partners or executives or were not partners or executives during the preceding three years of the:
 - Statutory Audit Firm or Internal Audit Firm that is associated with the Company
 - Legal Firm(s) and Consulting Firm(s) that have a material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.
- Have furnished annual disclosure that they satisfy the conditions of their being independent as laid down under Clause 49 of the Listing Agreement.

Information supplied to the Board

The Board is presented with the agenda for each Board Meeting along with explanatory notes which includes, inter-alia, the information as required under Clause 49 of the Listing Agreement well in advance of the Board meeting. All Board members are free to suggest any item they consider important to the agenda. The Board has unfettered and complete access to all information within the Company.

The Company has established procedures to enable its Board to periodically review compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.

Remuneration of Directors

The Company is not paying any remuneration/sitting fees to any of the Directors, The Company does not pay remuneration to its Chairman and Managing Director since he has been appointed as Managing Director without remuneration.

Pecuniary relationship or transaction between non-executive Directors and Company

The Company does not have any pecuniary relationship with any of the non-executive Directors and also has not entered into any transactions with non-executive Directors.

None of the non-executive independent Directors are holding any equity shares/convertible instruments in the Company.

Board Level Committees

The Company has constituted three Committees of Directors, namely, Audit Committee, Remuneration & Nomination Committee and Stakeholder Relationship Committee to deal with matters and activities falling within their terms of reference. Each of these Committees has their respective charters approved by the Board. The minutes of the Meetings are recorded and placed before the Board for its information.

Audit Committee

The Audit Committee of the Company comprises of three Directors, out of which two are independent Directors. Mr. Om Wadhwa, independent Director is the Chairman of the Committee. Mr. Ajit Singh is the member of the committee. On resignation of Mr. Ajit Singh, Mr. Uday Sethi joined as a member of the Audit Committee effective from 14th August, 2015. Mr. Satish K. Kaura, Chairman & Managing Director is the other member of the Committee.

During the Financial Year under review the Audit Committee met four times i.e on May 30, 2015, August 14, 2014, November 14, 2014 and February 13, 2015.

The attendance of members at the meetings is as follows:

Name of Directors	No. of Meetings held	No. of Meetings attended
Om Wadhwa	4	4
Mr. Satish K. Kaura	4	4
Mr. Ajit Singh	4	1
Mr. Uday Sethi	4	3

The terms of reference, role and power of the Audit Committee as stipulated by the Board are in conformity and in line with the statutory and regulatory requirements as prescribed under section 292A of the companies Act, 1956 and Clause 49 of the Listing Agreement.

The Chairman briefs the Board periodically about the Committee's activities and issues that arise with respect to the quality of the Company's financial statements, compliance with legal and regulatory requirements and the performance of the Company's Auditors.

It also holds periodical meetings with Auditors and provides an avenue of communication between internal auditors, statutory auditors and the Board of Directors

The Chairman of the Audit Committee was present in the last Annual General Meeting of the Company.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee approves and monitors transfers, transmission, splitting and consolidation of shares issued by the Company. This Committee also monitors complaints of shareholders relating to transfer of shares, non receipt of Annual Report etc. The Committee as on March 31, 2015 was comprised of two Directors i.e. Mr. Om Wadhwa , Non Executive Independent Director as Chairman and Mr. Satish K. Kaura, Chairman & Managing Director of the Company as member.

During the year under review the Company has not received any complaint from its investors/shareholders.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee consists of three members, out of which two are independent directors. Mr. Uday Sethi is the Chairman of the Committee and the other two members are Mr. Om Wadhwa & Mrs. Alka Kaura.

The Committee has not met during the year since as per the policy approved by the Board no remuneration/sitting fees is payable to the Directors.

Risk Management

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed.

II MANAGEMENT

Management Discussion & Analysis Report:

A Management Discussion and Analysis Report forms part of the Annual report and includes discussions on various matters specified under Clause 49 (IV)(F) of the Listing Agreement.

Disclosures:

a) Related Party Transactions:

Disclosure of all related party transactions, if any, has been made in the notes to the accounts of the annual accounts, which forms part of the annual report. All the Directors have disclosed their interest in form No. MBT1

& DIR8 pursuant to Section 184 of the Companies Act, 2013 and as and when there is any change of directorship or other interest, the same is placed before the Board at their meeting for their information

b) Penalties or Strictures imposed on the Company:

During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other Statutory Authorities on any matters relating to the capital markets except penalties imposed by Stock Exchange with regard to late submission of documents/information in terms of the provisions of Listing Agreement and SEBI Guidelines.

c) Particulars of Director to be appointed/re-appointed:

Information pertaining to particulars of Director to be re-appointed at the forth coming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

d) Proceeds from Preferential Issue of Equity Shares/Warrants/FCCBs:

During the year the Company has not issued any Equity Shares/Warrants/FCCBs.

e) Code of Conduct:

The Board has laid down the Code of Conduct for all Board members and senior management of the Company. All personnel to whom the Code is applicable have confirmed compliance with the Code of Conduct for the financial year ended on 31st March, 2015. A declaration to the effect, duly signed by the Chairman & Managing Director, is annexed hereto.

f) Disclosure of Accounting Treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

CEO/CFO Certification

The CEO and CFO certificate on financial and cash flow statement as per the prescribed format was submitted to the Board of Directors.

III SHAREHOLDERS

Means of Communication

During the year the quarterly and annual results has been published in one English and one Hindi daily. The Company has not sent any half yearly reports to the shareholders of the Company.

General Body Meetings

The details of the last three Annual General Meetings are as under

Year	Date	Time	Venue	No. of special resolutions passed
2013-2014	30.09.2014	3.30 P.M.	Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan- 324001.	6
2012-2013	30.09.2013	4.30 P.M.	Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan- 324001.	1
2011-2012	28.09.2012	11.30 A.M.	Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan- 324001.	2

Neither any Extra-Ordinary General Meeting of the Members of the Company was held nor any resolution was passed through Postal Ballot during the year under review.

Shareholdings

a. Shareholding pattern of the Company as on 31st March, 2015

S. No.	Category	No. of Shares	%age of shares
1.	Promoters & Associates	3611504	50.95
2.	Non Resident Indians	1078184	15.21
3.	Overseas Corporate Bodies	414349	5.85
4.	Mutual Fund & UTI	5430	0.08
5.	FIIS	585	0.01
6.	Banks/Financial Institutions/Insurance Companies	344703	4.86
7.	Private Bodies Corporate	173073	2.44
8.	Indian Public	1460115	20.60
	Total	7087943	100.00

Including 7409 partly paid up equity shares.

b. Distribution of shareholding as on 31st March, 2015

No. of shares	No. of Shareholders	%age to Total (Holders)	No. of shares	% age to total (Shares)
1-500	6743	94.31	695325	9.81
501-1000	207	2.90	159589	2.25
1001-2000	83	1.16	125297	1.77
2001-3000	41	0.57	100995	1.42
3001-4000	18	0.25	64443	0.91
4001-5000	13	0.18	60263	0.85
5001-10000	12	0.17	85648	1.21
10001 to 50000	18	0.25	427580	6.03
50001 to 100000	6	0.08	425934	6.01
100000 and above	9	0.13	4942869	69.74
Total	7150	100	7087943	100

Including 7409 partly paid up equity shares.

Dematerialisation of Shares:

The Company's shares have been covered under compulsory dematerialisation with effect from 29th January 2001 vide circular no. SMDRP/Policy/cir-23/2000 dated June 29, 2000 issued by Securities and Exchange Board of India (SEBI). Presently, the Company's shares are held by the Members both in electronic and physical mode.

As on 31st March 2015, 43,93,296 numbers (62%) of equity shares of Rs.10/- each are in dematerialised mode.

Share Transfer Systems:

The Stakeholders Relationship Committee meeting of the Company is generally held twice in a month for approving share transfers and other related activities. The facility of transfer in electronic mode is also available.

Dividend:

The Company has not declared any dividend for the year 2014-15, due to inadequate profits.

Financial Reporting Calendar

- For the year ending March 31, 2014 - 30th May, 2014
- For the quarter ending June, 2014 - 14th August, 2014
- For the quarter ending September 2014 - 14th November, 2014
- For the quarter ending December, 2014 - 13th February, 2015
- For the year ending March 31, 2015 - 30th May 2015

Annual General Meeting

The Annual General Meeting of the Company will be held on Tuesday, the 30th September, 2015 at 9.30 A.M. at Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Dist. Kota, Rajasthan.

Book Closure

Register of members of the Company will remain closed from September 25, 2015 to September 29, 2015 (both days inclusive).

Listing and Stock Code/ISIN

Stock Exchange	Stock code
Bombay Stock Exchange Limited (BSE)	500371
ISIN	INE538C01017

The Annual Listing Fees for the year 2014-2015 have been paid to the above Stock Exchange

STOCK DATA**Share prices of Samtel INDIA at BSE in 2014-15**

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover
April'14	2.10	2.35	2.05	2.25	6,356	28	13,673
May'14	2.36	2.98	2.25	2.98	2,110	31	4,927
June'14	3.12	4.70	3.11	4.50	12,491	75	49,922
July'14	4.49	4.77	3.73	4.69	71,688	283	3,03,716
August'14	4.92	5.16	4.66	4.66	10,190	34	52,517
September'14	4.43	5.48	3.80	5.48	19,678	88	83,239
October'14	5.75	5.75	5.75	5.75	7,500	10	43,125
November'14	6.00	6.64	5.72	6.00	19,238	63	1,18,753
December'14	5.70	7.91	5.42	6.75	34,903	169	2,28,026
January'15	6.42	7.60	5.91	7.49	33,943	177	2,23,713
February'15	7.86	9.75	7.03	8.85	69,053	288	6,02,273
March'15	8.41	10.66	6.46	6.46	25,410	159	2,30,467
TOTAL					312,560	1,405	247,403

Status as regards adoption / non-adoption of non-mandatory requirements laid down in revised Clause 49 of the Listing Agreement and forming part of the Report on Corporate Governance.

Sl. No.	Particulars	Status
1	Non-executive Chairman may be entitled to maintain a Chairman's office at the company's expenses and also allowed reimbursement of expenses incurred for performance of his duties.	Not Applicable
2	Constitution of Nomination & Remuneration Committee	Constituted
3	Independent Directors	
	Independent Directors may have a tenure not exceeding in the aggregate, a period of 10 years on the Board of the company	Adopted
4	Shareholders Rights	
	The half yearly declaration of financial performance including summary of the significant events in the last 6 months should be sent to each household of shareholders	Not adopted
5	Audit qualifications	
	The company may move towards a regime of unqualified financial statements.	Not adopted
6	Training of Board Members	
	Board Members may be trained in the business model of the company as well as on the risk profile of the business parameters of the company, their responsibilities as Director and the best ways of discharging them.	Adopted
7	Evaluation of Non-Executive Board Members	Adopted
	Mechanism for evaluating performance of Non-Executive Directors by peer group consisting of entire Board excluding the Director being evaluated.	Adopted
8	Whistle Blower Policy	
	The company may establish a mechanism for employees to report to the Management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.	Not adopted

Investors' Correspondence:

Registrar & Share Transfer Agent:

MCS Share Transfer Agents Limited,
F – 65, 1st Floor,
Okhla Industrial Area, Phase I,
New Delhi - 110020.
Phone : (011) 41406149, 41406151 & 52,
41609386, 41703885
Fax : (011) 41709881

Registered Office

Village Naya Nohra
Kota Baran Road, Tehsil- Ladpura
Distt- Kota, Rajasthan- 324001.

Correspondence Address:

501, 5th Floor,
Copia Corporate Suites,
District Centre, Jasola,
New Delhi - 110 025
Phone : 011 - 4242 4000
Fax : 011 - 4242 4099
website: www.samtelgroup.com

Samtel India Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

PERFORMANCE REVIEW AND OUTLOOK:

The year under review has been a difficult year for the Company. Even though the Company diversified into outsourcing business, particularly to man power supply activities, but the business plan of the Company could not be implemented successfully due to overall depressed market and economic conditions.

The Company ended the financial year on 31st March, 2015 with a gross turnover Nil and other income of Rs. 19.20 lacs as against gross turnover Nil and other income of Rs.2.07 lacs of the previous financial year. The Company incurred a net loss of Rs. 22.96 lacs during the year under review as against net loss of Rs. 183.90 lacs during the previous financial year.

The subdued industrial atmosphere and declining trend of diversification and expansion of existing manufacturing facilities all across the Country has adversely impacted the business plan of the Company of venturing into man power supply activities.

To come out of the situation and increase the revenue of the Company, the Management is seriously exploring various options including trading activities. In this regard it has applied to relevant statutory authorities for registration of the Company.

BALANCE SHEET ANALYSIS:

- a) **Loans: Unsecured**
Inter Corporate Deposit of Rs. 10.88 lacs was outstanding as on 31st March 2015 (Previous Year Rs. 10.75 lacs).
- b) **Fixed Assets:**
The net fixed assets at the end of the financial year were Rs. 4.18 lacs as against Rs. 5.47 lacs as on 31st March, 2015
- c) **Current Assets:**
The total current assets decreased to Rs. 168.48 lacs as on 31st March, 2015 from Rs. 437.76 lacs as on 31st March, 2014. Cash and Bank Balances increased to Rs. 1.62 lacs from Rs.27.13 lacs. Loans and advances decreased to Rs. 155.77 lacs this year from Rs.411.47 lacs at the end of the previous year.
- d) **Current Liabilities:**
Current Liabilities have decreased to Rs. 162.38 lacs as on 31st March, 2015 from Rs. 688.65 lacs as on 31st March, 2014.

INTERNAL CONTROL SYSTEMS & ITS ADEQUACY:

The Company has in place adequate internal audit and control systems. The Company has an independent audit committee which exercises requisite powers and control as envisaged in Clause 49 of the Listing Agreement.

M/s. S R K A & Company, Gurgaon has been appointed as the Internal Auditor of the Company.

OPPORTUNITIES & THREATS:

Even though, the Company diversified into new activities of man power supply. However, due to constraints beyond the control, the business plan of the Company could not be implemented fully and successfully.

To further the business interest and have a continuous revenue flow, the Management is exploring various other opportunities including trading activities.

However, such activities will be initiated only after carrying out all due diligence and obtaining requisite statutory approval and the same can be time consuming.

CAUTIONARY STATEMENT:

Statement in this 'Management Discussion and Analysis Report' describing the Company's objectives and expectations may be considered as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. The Company undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

DIRECTORS' REPORT

TO THE MEMBERS OF SAMTEL INDIA LIMITED

The Directors hereby present their Thirty Third Annual Report on the business and operations of the Company and the audited financial statements for the year ended 31st March, 2015.

FINANCIAL RESULTS

Particulars	(Rs in Lacs)	
	Financial 2014-15	Financial 2013-14
Revenue from operations (Gross)	Nil	Nil
Less : Excise Duty	Nil	Nil
Revenue from operations (Net)	Nil	Nil
Other Income	23.20	2.07
Profit/ (-) Loss before Interest, Depreciation and Tax	(22.96)	(183.90)
Interest	6.40	10.82
Depreciation	0.11	0.03
Profit/(Loss) after Tax	(22.96)	(183.90)
Provision for Tax	Nil	Nil
Deferred Tax Assets	Nil	Nil
Profit for the year	(22.96)	(183.90)
Balance of Profit/(Loss) brought forward from Previous Year	(1591.25)	(1407.35)
Appropriations		
Transfer to General Reserve	(22.96)	(183.90)
Balance Profit/(-) Loss carried forward to Balance Sheet	(1614.21)	(1591.25)

The Company does not propose to transfer any amount to the General Reserves.

DIVIDEND

Your Directors do not recommend any dividend for the financial year ended 2014-15.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was Rs. 708.42 lacs. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

Details of Directors' Shareholding have been given elsewhere in the Directors' Report.

COMPANY PERFORMANCE

During the financial year under review, the Company registered Revenue / other income of Rs. 23.20 lacs as against Revenue / other income of Rs.2.07 lacs during the previous financial year. The Company ended the financial year with net loss of Rs. 22.96 lacs as against net loss of Rs.183.90 lacs during the previous financial year.

Subdued business environment and slowdown in economy across the spectrum have impacted the industrial and manufacturing sector quite adversely. Most of the businesses are being run with minimum manpower and it has a negative effect on the whole manpower supply industry/business. Being a new

entrant to the business it became very difficult for the Company to overcome the competition from established player and thus the new business activity of the Company failed to take off despite the best efforts of the Management.

The Management is exploring various other business opportunities including venturing into manufacturing activities and will approach the members for their approval at an appropriate time.

FUTURE OUTLOOK

Since the efforts of the Management to set up man power supply business have not yielded positive results, various other options are being discussed and explored by your Directors at regular interval.

Considering the present market scenario in electronic industry, your Directors are of the view that carrying on trading activities of different products more particularly of electronic items may be beneficial to the overall interest of the Company.

Accordingly, requisite steps are being taken to set up trading activities by registering the Company with at different Statutory Authorities/Forum. Statutory Authorities and all Stakeholders.

EROSION OF NET-WORTH- REFERENCE TO BIFR

Due to continuing losses, the net-worth of the company had got completely eroded. However, since your Company does not fall under the purview of Sick Industrial Companies (Special Provisions) Act, 1985 no reference to the Board for Industrial and Financial Reconstruction (BIFR) has been filed.

SUBSIDIARY COMPANY

Your Company does not have any subsidiary company. Form AOC 1 is given as per Annexure A.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company neither has made any investments nor has given any loans or guarantees or provided any security during the year under review.

FIXED DEPOSITS

Your Company has not accepted any public deposits during the financial period under review.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013.

RISK MANAGEMENT

The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. It establishes various levels of accountability and overview within the Company, while vesting responsibility for each significant risk.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company's internal audit systems are geared towards ensuring adequate internal controls

commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

DIRECTORS

Appointment of Directors

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 Mr. Satish K Kaura, Director is liable to retire by rotation at the 33rd Annual General Meeting of the Company and being eligible, offer himself for re-appointment.

In terms of Section 149 and 161 of the Companies Act, 2013 and Articles of Association of the Company the Board of Directors in their meeting held on 20th March, 2015 has appointed Mrs. Alka Kaura as an additional Director. Mrs. Alka Kaura has been appointed as a woman Director in terms of the provisions of Section 149(1) of the Companies Act, 2013. She holds the office upto the date of ensuing Annual General Meeting. Pursuant to Section 160 of the Companies Act, 2013 the Company has received a notice in writing from a member of the Company proposing his candidature for the office of Independent Director. Your Directors recommend her appointment for your approval.

Brief resume of the above Directors, nature of their experience and expertise in specific functional areas and the name of the public companies in which they hold the Directorship and the Chairmanship/Membership of the Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in the Notice convening the 33rd Annual General Meeting and forms part of this Report.

Governance Guidelines

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Clause 49 of the Listing Agreement.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independent Director' as laid down in the Act and Clause 49 of the Listing Agreement.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

Annual Evaluation of Board Performance and Performance of its Committees and of Directors:

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Board's functioning was evaluated on various aspects, including *inter alia* degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

REMUNERATION POLICY

The Manager / Executive Directors are paid remuneration approval by Board of Directors on the recommendation of remuneration committee. The remuneration so approved is subject to approval by shareholders and such authorities as the case may be, the Directors / Key Man Persons do not draw any remuneration.

BOARD AND COMMITTEE MEETINGS

During the year under review the Directors of the Company met 5 times.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and

- estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - (iv) they have prepared the annual accounts on a going concern basis;
 - (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
 - (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the parameter as prescribed under the Companies Act, 2013 and relevant Rules thereof.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adequate mechanism to address and act upon complaints, if any.

During the year under review the Company neither have any woman employee nor has received any complaint of sexual harassment.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adequate systems, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

AUDITORS & AUDIT REPORT

The Auditors of the Company M/s. S.S.Kothari Mehta & Co., Chartered Accountants, New Delhi, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limit under Section 139 & 141 of the Companies Act, 2013. The Board of directors recommends their appointment, as Statutory Auditors for the next financial year for your approval.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory. Further, explanations with regard to the observations/qualifications of the Auditors' are as under :

- (a) As such there is no fund generation in the Company. The statutory payments will be cleared on availability of the funds with the Company.

- (b) The management is in process of seeking legal opinion regarding the applicability of provision of Sick Industrial Companies (Special Provision) Act, 1985 and necessary steps will be initiated accordingly.
- (c) The depreciation expenses was provided as per the new schedule II of the Companies Act 2013

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Ms. Alka Juneja, a Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2015. The Secretarial Audit Report is annexed as Annexure B.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory. Further, explanations with regard to the observations/qualifications of the Auditors' are as under :

1. There is no significant business activities justifying appointment of CFO and Whole Time Company Secretary, however the company has been scouting the market for an qualified chartered accountant to be appointed as CFO of the company. Company expects to comply with the provisions of Companies Act, 2013 expeditiously.
2. The company has a Vigil mechanism policy however the same will be adopted by the Board in terms of the provisions of Companies Act, 2013.
3. The loans are from related parties and the company is expecting to repay the loan once the commercial activities commence once again.
4. E-voting facilities are being made available to the members of the company.
5. All compliances towards listing agreement barring payment of listing fee have been made.
6. The web site of the company will be available shortly

DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

All Directors and Senior Management Executives of the Company have affirmed compliance with the Code of Conduct for Board Members and Senior Management executives for the period April 1, 2013 to March 31, 2015.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Agreement with the Stock Exchanges.

A separate Report on Corporate Governance alongwith necessary Certificates and Report on Management Discussion & Analysis are enclosed as part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report and the Report on Corporate Governance, as required under Clause 49 of the Listing Agreement, forms part of the Annual Report.

STATUTORY DISCLOSURES

None of the Directors of your Company is disqualified as per the provisions of Section 164 of the Companies Act, 2013. All the Directors have made necessary disclosures as required under various provisions of the Companies Act and Clause 49 of the Listing Agreement.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed as Annexure C.

PARTICULARS OF EMPLOYEES AND REMUNERATION

None of the employees of the Company is in receipt of remuneration equal to or in excess of the limits prescribed under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT.9 is annexed as Annexure D.

ACKNOWLEDGEMENT

Your Directors wish to thank all the employees of the Company for their dedicated service during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from banker, business partners and other stakeholders.

On behalf of the Board of Directors

Sd/
Satish K Kaura
Chairman & Managing Director

New Delhi
May 30th 2015

ANNEXURE A TO THE DIRECTORS' REPORT

FORM AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A" : Subsidiaries

Part "B": Associates

The Company does not have any subsidiary company.

ANNEXURE B TO THE DIRECTORS' REPORT

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

**The Members,
Samtel India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Samtel India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Samtel Colour Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of the FDI and ODI. As explained to us, there were no FDI, OCI and External commercial Borrowings.
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vi. and other applicable laws to the extent applicable on the Company : NIL as the Company has discontinued its operations

We have also examined compliance with the applicable clauses of The Listing Agreements entered into by the Company with the Stock Exchange in India.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above except as being mentioned hereunder in relevant clause

I further report that, there were no actions/events in pursuance of:

- a) The Securities Exchange Board Of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities Exchange Board Of India (Delisting of Equity Shares) Regulations, 2009; and
- c) The Securities Exchange Board Of India (Buyback Of Securities) Regulations, 1998;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Requiring compliance thereof by the company during the financial year and the secretarial standards issued by The Institute of Company Secretary of India were not applicable during the year.

We further report that, the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by Statutory Auditors and other designated professionals.

We have examined following non-compliance by the Company under Companies Act 2013

- It is reported that The Vigil mechanism as required under Companies Act 2013 is not maintained by the Company.
- The company has defaulted in repayment of its loan and interest thereon.
- The Books of accounts have been maintained at a place other than Registered Office of the Company and it has been explained to us that it has been done under the authority of Board Resolution passed long back in the past.
- The KMP's as per applicable provisions of the Companies Act 2013 has not been appointed.

We have examined following non- compliance Clauses of the Listing Agreement entered by the Company

- E-voting facility has not been provided in AGM held for F Y 2013-14 and thus. Annual Report is not as per Listing Agreement and has not complied with other requirements relating to the Annual General Meeting.
- There has been delay in compliance with the Clause 30, 31, 35A, 38, 17, 55A, 41 etc of Listing Agreement.
- The website of the Company as per provisions of the Listing Agreement is under Construction
- The Company does not have Whole-time Company Secretary as per the provisions of the Companies Act 2013 and listing Agreement.

We Further Report that due to unavailability of the complete records, we are unable to comment upon the compliance of the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992.

It has been explained to us that the working of various units of the Company has been closed, before the commencing the Financial Year under review and there is no worker on roll and therefore No labour Law is applicable to the company and dues outstanding in the Balance Sheet belongs to past years.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: New Delhi
Date: 30th May, 2015

Sd/-
Alka Juneja
M.No.-A35859
C.P. No.- 13765

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To,

Annexure A

The Members,
Samtel India Limited
Village Naya Nohra Kota Baran Road,
Tehsil Ladpura, Kota, Rajasthan-324001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit provided to us.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory Auditors and other designated professionals
5. Where ever required, we have obtained the Management representation about the applicability and compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is there responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Delhi
Date: 30th May, 2015

Sd/-
Alka Juneja
Practising Company Secretary
COP:13765

ANNEXURE C TO THE DIRECTORS' REPORT

[Pursuant to Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps Taken or Impact on Conservation of Energy:

All the production/manufacturing operations of the Company have been shut down. Thus, there has been no production activity during the year under review.

(ii) Steps taken by the Company for utilizing alternate sources of Energy: None

(iii) Capital Investment on Energy Conservation Equipments: None

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards Technology Absorption:

There were no R & D activities carried out by the Company during the year under review.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Since no R & D activities was carried out there have been no consequent benefits.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** None

(a) **the details of technology imported:** The Company has not imported any technology during the last three financial years.

(b) **the year of import:** Not Applicable

(c) **whether the technology has been fully absorbed:** Not Applicable

(d) **if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable

(iv) Expenditure incurred on Research and Development:		Rs. In Lacs
	2014-15	2013-14
Capital expenditure	Nil	Nil
Revenue expenditure *	Nil	Nil
Total R&D expenditure as a percentage of net sales	N/A	N/A

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

	2014-15	2013-14
1. Foreign Exchange Earned	Nil	Nil
2. Outgo of Foreign Exchange	Nil	Nil

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT.9 EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015 [Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

CIN	<u>L31909RJ1981OLC012073</u>
Registration Date	29 th June, 1981
Name of the Company	Samtel India Limited
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered Office and contact details	Village Naya Nohara, District Ladpura, Kota Baran Road, Kota (Rajasthan).
Correspondence Address	501, 5 th Floor, Copia Corporate Suites, 9, District Centre, Jasola, New Delhi – 110025 Tel. No.: 91 11 42424000 Fax No.: 91 11 42424077 E-mail: prabhatnanda@samtelgroup.com Website: www.samtelindia.com
Whether listed company	Yes

[illegible]

Funds									
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	585	585	0.01	0	585	585	0.01	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investors (Corporate)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	35475403	1552498	37027901	43.31	36074272	1553498	37627770	44.01	-0.70
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	165479	7594	173073	2.44	129909	7594	137503	1.94	0.50
ii) Overseas	0	414349	414349	5.85	0	414349	414349	5.85	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	642871	478310	1121181	15.82	600668	469160	1069828	15.11	0.71
ii) Individual Shareholders holding nominal share capital in excess of ` 1 lakh	338934	0	338934	4.78	413046	0	413046	5.83	-1.05
c) Others (specify) Non Resident Indians	1052004	26180	1078184	15.21	1052237	26713	1078950	15.24	-0.03
Trusts	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	12436008	1997056							
Total Public Shareholding(B)=(B)(1)+(B)(2)	57895451	2931256	60826707	71.15	57930147	2896560	60826707	71.15	0.00
C. Shares held by Custodian for GDR & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4393222	2694721	7087943	100	4389794	2698149	7087943	100	0.00

(ii) Shareholding of Promoters : As above

(iii) Change in Promoters' Shareholding (please specify, if there is no change) : No Change

(iv) Shareholding Pattern of top Ten Shareholders (Other than Directors, Promoters) : NIL

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares
1	PUNJAB NATIONAL BANK	343989	4.85
2	URMIL MAHASUKH GOPANI	136346	1.92
3	RHODE ISLE LIMITED	99304	1.40
4	SUPRAKASH MUKHERJEA	259357	3.66

5	RICKY ISHWARDAS KIRPALANI	265359	3.74
6	KESWANI HARESH	498698	7.04
7	PROTAIRE INTERNATIONAL LIMITED	297845	4.20
8	SANJANA KIRPALANI	48474	0.68
9	QUANTUM SECURITIES PVT LTD	63198	0.89
10	RAJAN KIRPALANI	47394	0.67
	Total	2059964	29.05

(v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors	Shareholding at the beginning of the year		Changes			Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	Date	Increase/Decrease	Reason	No. of shares	% of total shares of the Company
Mr. Satish K Kaura	33867	0.48	-	-	-	33867	0.48
Mr. Om Wadhwa	0	0	-	-	-	0	0
Mr. Uday Sethi	0	0	-	-	-	0	0
Mrs. Alka Kaura	8273	0.12	-	-	-	8273	0.12

During the year under review Mrs. Alka Kaura was appointed as an Additional Director of the Company.

V. Indebtedness :

Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	10.73		10.73
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i + ii+ iii)	-	10.73		10.73
Change in Indebtedness during the financial year				
Addition	-	0.15		0.15
Reduction	-	-		-
Net Change	-	0.15		0.15
Indebtedness at the end of the financial year				
i) Principal Amount	-	10.88		10.88

ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i + ii+ iii)	-	10.88	10.88

VI. Remuneration of Directors and Key Managerial Personnel

Remuneration to Mr. Satish K Kaura:

Sl. No	Particulars of Remuneration	Managing Director & CEO
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0
2	Stock Options	0
3	Sweat Equity	0
4	Commission	0
	- as % of profit	0
	- others, specify....(Performance based) (Refer Note)	0
5.	Others, please specify	0
Total		0
Ceiling as per the Act		Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

Independent Auditors' Report

To The Members of Samtel India Limited

Report On the Financial Statements

We have audited the accompanying Financial Statements of Samtel India Limited ("the Company") which comprises the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal controls system over financial reporting and the operating effectiveness of such controls. An audit



also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

- i) We draw attention to Note 28 of the financial statements stating the reasons for preparation of financial on -going concern basis. Our opinion is not qualified in respect of this matter.
- ii) We also draw attention to Note 29 of the financial statement regarding seeking the opinion for necessary actions to be taken under Sick Industrial Companies (Special Provisions) Act, 1985, our opinion is not qualified in respect of this matter.
- iii) We further draw attention to Note 33 of the financial statement stating that pursuant to schedule II of the Companies Act 2013, depreciation expense for the year is increased by Rs. 8,000

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e. On the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements- Refer Note 20 to the financial statements;
 - ii) As there is not any material foreseeable losses, on long term contracts, therefore the Company has not made any provision, required under the applicable law or accounting standards;
 - iii) As informed to us there has been no amount required to be transfer to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Date: 30-05-2015



For S.S.KOTHARI MEHTA & CO.
Chartered Accountants
Firm Registration No. 000756N

(Neeraj Bansal)
Partner

Membership No. 095960

ANNEXURE TO THE AUDIT REPORT TO THE SAMTEL INDIA LIMITED

Referred to in paragraph 1 of report on other legal and regulatory requirement's paragraph of our report on the financial statement of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us and according to the information and explanation provided to us all the fixed assets have been physically verified by the management with a program of yearly verification. In our opinion, the frequency of such physical verification is reasonable having regard to the size of the Company and the nature of fixed assets. We have been explained that no material discrepancies were noticed on such verification as compared to book records.
- (ii) During the year, the Company has not carried any business of manufacturing or trading in the goods and therefore no inventories were held by the Company at any point of time. Accordingly paragraph 3(ii) (a), (b) and (c) of the Order are not applicable.
- (iii) (a) The Company has not given any loan, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (b) Since there are no such loans, comments on repayment of the principal amount and interest thereon and overdue amount at the yearend are not required.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposit from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder with regard to fixed deposits accepted from public.
- (vi) Cost records as specified by the Central Government of India under section 148(1) of the Companies Act, 2013 has not been maintained during the year as there is no manufacturing activity.
- (vii) (a) according to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally *irregular* in depositing undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities *except Provident Fund by Rs. 12,85,000 , Service Tax (including cess) by Rs. 14,66,330, Employee State Insurance Scheme by Rs. 5,39,000 , Tax Deducted at source by Rs. 2,49,260 and interest on statutory dues of Rs. 20,57,380 which are outstanding at the yearend for a period of more than six months from the date they become payable.*



- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, custom duty, wealth tax, excise duty, service tax, value added tax and cess, which have not been deposited on account of any dispute, are as follows: -

Name of the Statute	Nature of Dues	Amount involved	Amount paid under protest	Period to which amount relates	Forum where the dispute is pending
Sales Tax Laws	Sales Tax	290,18,000	181,19,000	1985-86 1986-87 1988-89 1989-90 1990-91 1991-92 1992-93 1993-94 1995-96	Additional Commissioner, Sales Tax Appeal has remand back the file to relevant assessing officer
		3,12,000	1,05,000	1990-00 2000-01	Deputy Commissioner(Appeals), Jaipur
Central Excise Laws	Excise Duty	20,59,000	5,00,000	1989-90	Rajasthan High Court, Jaipur
		8,84,000	8,80,000	1997-98	CESTAT, Delhi
		24,04,000	24,01,000	1998-99	Commissioner(Appeals), Jaipur
Income Tax Laws	Income Tax	6,69,030	-	2005-06	Income Tax Appellate Tribunal
		167,49,400	-	2007-08	Income Tax Appellate Tribunal
		102,53,240	680	2009-10	Income Tax Appellate Tribunal

* Amount as per demand order, including interest and penalty wherever quantified in the order.

- (c) As informed to us there has been no amount required to be transfer to the Investor Education and Protection Fund by the Company.

(viii) *The Company does have accumulated losses as at the close of the financial year amounting Rs. 16.14,20,898 and the accumulated losses have exceeds its net worth as on 31st March 2015.. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.*

- (ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loan from bank or financial institutions and has not issued debentures during the year.



- (x) As per the information and explanations given to us and on the basis of our examination of the records, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) As per the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loans from Bank or financial institution hence this clause is not applicable.
- (xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

For S. S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Registration No. 000756N

Place: New Delhi
Date: 30-05-2015



Neeraj Bansal

(Neeraj Bansal)

Partner

Membership No. 095960

SAMTEL INDIA LIMITED			
Balance Sheet as at 31st March, 2015			
(Figures in Rs)			
Particulars	Note No	As at 31st March, 2015	As at 31 st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	70,842,385	70,842,385
(b) Reserves and Surplus	4	(85,877,120)	(83,580,961)
(2) Current Liabilities			
(a) Short-term borrowings	5	1,087,733	1,073,263
(b) Trade payables	6	3,758,892	3,785,344
(c) Other current liabilities	7	47,781,038	64,006,800
Total		37,592,928	56,126,831
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	18,288	147,414
(ii) Capital work-in-progress	8	400,000	400,000
(b) Non-current investments	9	8,729,500	10,920,640
(c) Long term loans and advances	10	817,460	883,187
(2) Current assets			
(a) Trade receivables	11	-	798,157
(b) Cash and cash equivalents	12	2,874,888	2,713,150
(c) Short-term loans and advances	13	24,752,792	40,264,282
(d) Other current assets	14	-	-
Total		37,592,928	56,126,830

Overview & Significant Accounting Policies

1 & 2

See accompanying notes to the financial statements

In terms of our report of even date

For & on behalf of the Board

For S.S.KOTHARI MEHTA & CO.

Chartered Accountants

Firm Registration No. : 000756N



NEERAJ BANSAL

Partner

Membership No. 095960





SATISH K KAURA

Chairman and Managing Director

DIN

11202



UDAY SETHI

Director

6944469

Place : New Delhi

Dated: 30-05-2015



SAMTEL INDIA LIMITED			
Statement of Profit and Loss for the Year ended 31st March, 2015			
		(Figures in Rs.)	
Particulars	Note No	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Revenue from operations	15	-	-
Other Income	16	1,919,822	207,011
Total Revenue		1,919,822	207,011
Expenses:			
Employee benefit expense	17	-	521,920
Financial costs	18	640,396	1,082,406
Depreciation and amortization expense	8	10,558	2,715
Other expenses	19	1,373,887	513,467
Total Expenses		2,024,841	2,120,508
Profit before exceptional and extraordinary items and tax		(105,019)	(1,913,497)
Exceptional Items	24	(2,191,140)	(16,476,420)
Profit before tax		(2,296,159)	(18,389,917)
Tax expense:		-	-
Profit/(Loss) for the year		(2,296,159)	(18,389,917)
Earning per equity share:	25		
(1) Basic		(0.324)	(2.597)
(2) Diluted		(0.324)	(2.597)

Overview & Significant Accounting Policies

1 & 2

See accompanying notes to the financial statements

In terms of our report of even date

For & on behalf of the Board

For S.S.KOTHARI MEHTA & CO.

Chartered Accountants

Firm Registration No. : 00756N

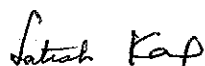


NEERAJ BANSAL

Partner

Membership No. 095960



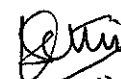


SATISH K KAURA

Chairman and Managing Director

DIN

11202



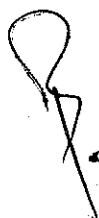
UDAY SETHI

Director

6944469

Place : New Delhi

Dated: 30-05-2015



SAMTEL INDIA LIMITED			
Cash flow statement for the Period ended 31st March, 2015			
		(Figures in Rs.)	
Particulars		For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/ (loss) before tax		(2,296,159)	(18,389,917)
<u>Adjustments for:</u>			
Depreciation		10,558	2,715
Loss on sales of impaired assets		92,190	
Interest expense		640,396	1,082,406
Provision for diminution of Investment		2,191,140	16,476,420
Bad debts and advances written off		-	-
Debit balance written off		-	-
Provisions and liabilities no longer required, written back		(1,716,723)	(16,909)
Interest income		(203,099)	(190,102)
Operating profit before working capital changes		(1,281,697)	(1,035,387)
<u>Adjustments for:</u>			
Trade and other payables		(14,535,491)	7,327,670
Trade and other receivables		798,157	13,654
Inventories		-	-
Other current assets		15,577,217	4,753,902
Net cash from / (used in) operating activities		558,186	11,059,839
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		203,099	190,102
Net cash from / (used in) investing activities		203,099	190,102
CASH FLOWS FROM FINANCING ACTIVITIES			
Unsecured Loan		14,470	(10,000,000)
Decrease in fixed assets		26,378	
Interest paid		(640,396)	(1,082,406)
Net cash (used in) / from financing activities		(599,548)	(11,082,406)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		161,737	167,535
Cash and cash equivalents (opening balance)		2,713,152	2,545,617
Cash and cash equivalents (closing balance)		2,874,889	2,713,152

Overview & Significant Accounting Policies

1 & 2

See accompanying notes to the financial statements

In terms of our report of even date

For & on behalf of the Board

For S.S.KOTHARI MEHTA & CO.
Chartered Accountants
Firm Registration No. : 00756N

NEERAJ BANSAL
Partner
Membership No. 095960



Satish K Kaura
SATISH K KAURA

Chairman and Managing Director
11202

Uday Sethi
UDAY SETHI

Director
6944469

DIN

Place : New Delhi
Dated: 30-05-2015

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SAMTEL INDIA LIMITED

3 SHARE CAPITAL

SAMTEL INDIA LIMITED

(Figures in Rs.)

	As at 31st March 2015	As at 31st March 2014
Authorized		
100,00,000 (Previous year 1,00,00,000) Equity Shares of Re. 10 each	100,000,000	100,000,000
Issued		
70,87,943 (Previous year 70,87,943) Equity Shares of Rs. 10 each fully called up	70,879,430	70,879,430
Subscribed and Fully paid up		
70,80,534 (previous year 70,80,534) Equity shares of Rs. 10 each fully paid up	70,805,340	70,805,340
Subscribed and not fully paid up		
7,409 (previous year 7,409) Equity Shares of Rs. 10 each, Rs. 5 paid up (see note (d) below)	37,045	37,045
Total Share Capital	70,842,385	70,842,385

(a) Reconciliation of the number of shares:

	No of Shares	No of Shares
Fully paid up Equity Shares		
Equity Shares outstanding as at the beginning of the year	7,080,534	7,080,534
Add: Bonus Issue	-	-
Equity Shares outstanding as at the close of the year	7,080,534	7,080,534
Partly paid up Equity Shares		
Equity Shares outstanding as at the beginning of the year	7,409	7,409
Add: Adjustment during the year	-	-
Equity Shares outstanding as at the close of the year	7,409	7,409

(b) Rights, preferences and restrictions attached to shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The company declares dividends in Indian rupees. In case the dividend proposed by the board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive in proportion to their shareholding, the assets of the Company remaining after distribution of preferential amount.

(c) Details of shareholders holding more than 5% shares:

Particulars	Current year		Previous year	
	No. of Shares	% holding	No. of Shares	% holding
Samtel Color Limited	1336812	18.86	1336812	18.86
Teletube Electronics Limited	1433344	20.22	1433344	20.22
Keswani Hareesh	498698	7.04	498698	7.04

(d) Calls in arrears

On 7409 (previous year 7409) equity shares of Rs. 10 each Rs. 5 paid up.

37045

37045

4. RESERVES AND SURPLUS

a) Capital Reserve

As per last account	1,500,000	1,500,000
Add: During the year	-	-
Less: Transferred during the year	-	-
	1,500,000	1,500,000

b) Securities Premium

As per last account	74,116,337	74,116,337
Less: Arrears/ Adjustments (Refer note no. 31)	(72,559)	(72,559)
Add: During the year	-	-
Less: Transferred during the year	-	-
	74,043,778	74,043,778

d) Surplus in Profit and Loss Account

As per last account	(159,124,739)	(140,734,822)
Add: During the year	(2,296,159)	(18,389,917)
	(161,420,898)	(159,124,739)
Total Reserves & Surplus	(85,877,120)	(83,580,961)



SAMTEL INDIA LIMITED

(Figures in Rs.)

As at
31st March, 2015

As at
31st March, 2014

5 SHORT-TERM BORROWINGS

Unsecured Short term Borrowings

Loans and advances from Related parties
Other loans & advances

Total Short Term Borrowings

1,087,733	1,073,263
1,087,733	1,073,263

Terms & Conditions, Repayment Schedule and interest rate on loan

Loan of Rs. 10,02,733 is interest free loan from Punswat Consultants Limited and Rs.85,000/-is interest free loan from Swaka Consultants Limited repayable on demand.

Defaults in Repayment of Principal and interest thereon

Particulars	2014-15	2013-14
Defaults in payment of interest (included in note no. 7 below)	7,730,010	

6 TRADE PAYABLES

Due to MSME Parties (Refer note no. 23)

Other than MSME Parties

Total Trade Payables

3,758,892	3,785,344
3,758,892	3,785,344

7 OTHER CURRENT LIABILITIES

Interest Accrued & due

Other Payables

Statutory Dues

Security Deposits and Advances

Payable to employees

Others

Total Other Current Liabilities

-	7,730,010
33,137,827	32,469,470
5,367,083	5,367,083
9,276,128	18,440,237
47,781,038	64,006,800
47,781,038	71,736,810

10 LONG TERM LOANS & ADVANCES (UNSECURED CONSIDERED GOOD)

a) Security Deposits

b) Loans & Advances to Related Parties

c) Other Loans & Advances

Advance income tax

Total Long Term Loans & Advances

As at
31st March, 2015

As at
31st March, 2014

180,000	180,000
227,590	313,630
409,870	389,557
817,460	883,187

11 TRADE RECEIVABLES

Exceeding Six Months

Others

Unsecured Considered Good

Total Trade Receivables

-	798,157
-	798,157

12 CASH & BANK BALANCES

a) Cash & Cash Equivalents

Cash on hands

Bank balances in current account

others

b) Other Bank Balances

Fixed Deposit/ Margin money accounts*

Total Cash & cash Equivalents

-	165
502,215	500,260
-	22,838
2,372,673	2,189,887
2,874,888	2,713,150

* Provided as security against bank guarantee

13 SHORT TERM LOANS & ADVANCES (CONSIDERED GOOD)

Loans and Advances to Others

Balances with government department & others

Total Short Term Loans & Advances

6,481,076	21,369,243
18,271,716	18,895,039
24,752,792	40,264,282

14 OTHER CURRENT ASSETS

Excise Duty Claim Recoverable

Considered Doubtful

Less: Provision for bad and doubtful debts

Total Other Current Assets

4,856,967	4,856,967
(4,856,967)	(4,856,967)
-	-



SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS

SAMTEL INDIA LIMITED

		(Figures in Rs.)	
		For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
15	REVENUE FROM OPERATIONS		
	Sale of Services		
	Revenue from Manpower Supply	-	-
	Total Revenue from operations	-	-
16	OTHER INCOME		
	Interest Income	203,099	190,102
	Other Non Operating Income	-	-
	Excess Provision of Liabilities Written Back	1,716,723	16,909
	Unclaimed Balances Written Back	-	-
	Total Other Income	1,919,822	207,011
17	EMPLOYEE BENEFIT EXPENSES		
	Salary and Wages	-	521,920
	Contribution to Provident and Other Funds	-	-
	Workmen & Staff Welfare Expenses	-	-
	Total Employee Benefit Expenses	-	521,920
18	FINANCE COST		
	Interest Expense		
	Interest on Loans		446,849
	Interest on Statutory Dues	593,929	592,260
	Interest on Taxes	46,467	43,297
	Total Finance Cost	640,396	1,082,406
19	OTHER EXPENSES		
	Rent	-	-
	Fees & Taxes	28,090	28,090
	Auditor Remuneration		
	-Audit Fees	164,720	140,000
	-Other Services	60,000	60,000
	Miscellaneous Expenses	101,508	75,225
	Loss on sales of impaired assests	92,190	-
	Debit balance w/off	623,323	-
	Advertisement	102,835	60,345
	Legal & Professional Expenses	201,221	149,807
	Total Other Expenses	1,373,887	513,467



SAMTEL INDIA LIMITED

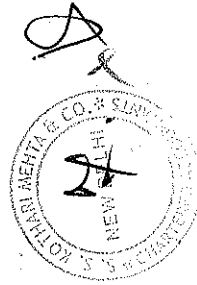
Note No 8

(Figures in `)

FIXED ASSETS

Particulars	Gross Carrying Value			Depreciation				Net Carrying Value	
	Balance as at 1st April 2014	Additions	Disposals/Adj	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation for the period	Disposal Adjustments	Balance as at 31st March 2015	Balance as at 31st March 2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Plant and Machinery	154,689	-	-	154,689	146,955	(0)	-	7,734	7,734
Furniture and Fixtures	42,895	-	-	42,895	21,783	10,558	-	10,554	21,112
Vehicles	2,371,349	-	2,371,349	-	2,252,781		2,252,781	-	118,568
Total	2,568,933	-	2,371,349	197,584	2,421,519	10,558	2,252,781	18,287	147,414
Previous year	2,568,933	-	-	2,568,933	2,416,090	2,714	-	2,418,804	150,129
Capital work in progress									400,000

No depreciation is provided where net carrying value of an asset is equal to or less than 5% of the gross carrying value.



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	As at 31st March, 2015	As at 31st March, 2014
INVESTMENTS - LONG TERM, NON-TRADE		
(A) QUOTED EQUITY SHARES		
i) Samtel Color Limited** 59,22,000 (previous year 59,22,000) Equity Shares of Rs. 10/- each fully paid up	47,370,000	47,370,000
Less Provision for Diminution	(42,928,500)	(40,737,360)
Sub Total (A)	4,441,500	6,632,640
INVESTMENTS - LONG TERM, NON-TRADE		
(B) UNQUOTED EQUITY SHARES		
i) Samtel Glass Limited (formerly Samcor Glass Limited)** 32,00,000 (Previous Year 32,00,000) Equity Shares of Rs. 10/- each fully paid up	55,500,000	55,500,000
Less : Provision for Diminution	(51,212,000)	(51,212,000)
Sub Total (B)	4,288,000	4,288,000
(C) UNQUOTED INVESTMENT IN SHARES OF ASSOCIATE COMPANIES		
i) Akla Investments Private Limited, (Mauritius)** 2,50,000 (Previous Year 2,50,000) Equity Shares of Euro 1 each fully paid up	13,307,500	13,307,500
Less : Provision for diminution	(13,307,500)	(13,307,500)
Sub Total (C)	-	-
Total Investments - Long Term and Current - (A+B+C)	8,729,500	10,920,640
Aggregate book value of quoted investments	47,370,000	47,370,000
Market value of quoted investments	4,441,500	6,632,640
Aggregate book value of unquoted investments	68,807,500	68,807,500
Aggregate Provision for diminution in value of quoted and unquoted investment	107,448,000	105,256,860

* The Company has given undertaking to certain financial institutions not to dispose off these investments without their prior consent till the loans sanctioned by them to the investee companies remain outstanding.

Companies under the same management.

** During the previous year, the Company has given undertaking to a bank not to dispose, transfer, pledge charge or create a lien on the existing or future shares of Akla Investments private Limited (Mauritius), till the financial assistance granted by the bank in the form of bank guarantee in favour of an associate company remains due and outstanding.



SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

1. OVERVIEW

Samtel India Limited which commenced operations in the year 1983, manufacture picture tubes for black & white televisions, trades color television tubes and supplies skilled and unskilled manpower. It is listed on the National Stock Exchange of India and Bombay Stock Exchange of India. The corporate office is situated in New Delhi.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation of Financial Statements

The financial statement has been prepared in accordance with the historical cost convention, accounting standards issued vide Companies (Accounting Standard), Rules 2006, as prescribed under section 133 of the Companies Act 2013 read with rule 7 of Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 and earlier years financial statement were prepared as per relevant provisions of the Companies Act, 1956 (refer General circular 08/2014 dated 04/04/2014 of the Ministry of Corporate Affairs for applicability of relevant provisions/ schedules/ rules of the Companies Act, 1956 for the financial statements prepared for the financial year commenced earlier than 01.04.2014) and the provisions of the Companies Act, 2013 (to the extent applicable).

ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities and commitments at the end of the financial statements and results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

iii) Fixed Assets and Depreciation

a) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Costs include costs of acquisitions or constructions, including incidental expenses thereto and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.

b) Expenditure during construction period

Expenditure related to and incurred during implementation of new/expansion-cum-modernization projects is included under capital work-in-progress and the same is allocated to the respective fixed assets on completion of its construction/erection

c) Intangible Assets

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SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

Assets are recognized and disclosed as per Accounting Standard 26 "Intangible Assets".

d) Depreciation and Amortization

Depreciation on fixed assets is provided on straight-line method (SLM) at the rates and in the manner specified in Schedule II of the Companies Act 2013, with effect from 1st April 2014 and before that depreciation is provided on SLM basis at rates specified in schedule XIV to the Companies Act, 1956.

iv) Impairment of Assets

The carrying amount of assets is reviewed for impairment at each balance sheet date wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which the asset's carrying amount exceeds its recoverable amount.

v) Valuation of Inventories

Stores & spares are valued at cost or under net realizable value. Stock-in- trade is valued at the lower of cost and net realizable value. Cost is arrived at on the weighted average basis. Appropriate share of labour and other overheads are included in the case of work in progress and finished goods.

vi) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. Monetary items denominated in foreign currency are reported using the closing exchange rates on the date of the balance sheet.

In case of forward foreign exchange contracts, the premium or discount, arising at the inception of such contracts, is as income or expense over the life of the contract and the exchange differences on such contracts, i.e., difference between the exchange rate at the reporting/ settlement date and the exchange rate on the date of inception of contract/ the last reporting, is recognized as income /expense for the period.

vii) Investments

Long term investments are stated at cost unless there is a permanent diminution in the value thereof.

viii) Revenue Recognition

a) Sales are inclusive of excise duty but net of returns, rebates, VAT and sales tax. Products returned/rejected are accounted for in the year of return/rejection.

b) Export sales are accounted for on the basis of the date of bill of lading/airways bill.



SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

- c) Export benefits available under the Export Import policy of the Government of India are accounted for in the year of export, to the extent measurable.
- a) Income from services is accounted for at the time of completion of service and billing thereof.

ix) Employee Benefits

Expenses & liabilities in respect of employee benefits are recorded in accordance with Accounting Standard (AS)-15 –Employee Benefits’.

- i) The contributions to the provident fund for all employees and the contributions to the superannuation and gratuity funds for managerial staff are charged to revenue. Provision for gratuity (other than for managerial staff), determined on an arithmetical (or actuarial) basis at the end of the year is charged to the revenue.
- ii) Provision for leave entitlement, determined on an arithmetical (or actuarial) basis at the end of the year, is charged to revenue.

Warranty

Provision for warranty is made on the basis of average cost as per past experience.

x) Taxes on Income

Provision for current tax is made considering various allowances and benefits available to the Company under the provisions of the Income Tax Act, 1961.

In accordance with Accounting Standard (AS-22) ‘Accounting for Taxes on Income’, deferred taxes resulting from timing differences between book and tax profits are accounted for at the tax rate substantively enacted by the Balance Sheet date to the extent the timing differences are expected to be crystallized. Deferred tax assets are recognized and reviewed at each Balance Sheet date to the extent there is reasonable/virtual certainty of realizing such assets against future taxable income.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

xi) Provisions, contingent liabilities, commitments and contingent assets

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability and commitments, unless the probability of outflow of resources embodying economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent



SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

liabilities and commitments unless the probability of outflow of resources embodying economic benefits is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

xii) Cash Flow Statements

Cash flow statements are reported using the indirect method; where by a profit before tax is adjusted for the effects of the transactions of non-cash nature & any deferrals or accruals of past or future cash receipts or payments. The cash flows from the operating, investing & financing activities of the Company are segregated.

xiii) Earnings per share

The earnings considered in ascertaining the Company's earnings per share (EPS) comprise of the net profit after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period adjusted for events of bonus issue post period end, bonus elements in right issue to existing shareholders, share split, and reverse share split (consolidation of shares). The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effect of potential dilutive equity shares unless impact is anti-dilutive.

20. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities not provided for in respect of:

(FIGURES IN Rs.)

	Description	Current Year	Previous Year
a)	Disputed Excise Duty and Other demands	15,70,000	15,70,000
b)	Income Tax demands where the cases are pending at various stages of appeal with the authorities	2,76,71,668	2,76,71,668
c)	Sales Tax Demand where the case are pending before assessing officer after remand from Joint commissioner Sales Tax.	36,20,500	36,20,500

21. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities has been made and considered adequate.

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SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

22. Taxation

The Company has carried forward losses/unabsorbed depreciation under the Income tax Act, 1961. However, in view of uncertainty of future taxable income of the Company, in accordance with Accounting Standard AS-22 "Accounting for Taxes on Income" notified in the Companies Accounting Standard Rule 2006, the net deferred tax assets have not been recognized in the accounts.

23. The Company has already started the process of identifying the Micro, Small and Medium Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006". However, based on the information available with the Company as of now, no enterprises have been identified, who are registered under the said Act.

24. The management has recognized a permanent diminution in the value of the investments in Samtel Colors Limited (SCL) thereby the investment value has been reduced by Rs. 21,91,140 (previous year Rs. 36,12,420) and Samtel Glass Limited (SGL) by Rs. Nil (previous year Rs. 1,28,64,000). In current year diminution in value of long term investment of SGL has not been done as in the view of the company, the SGL is in the process of selling its Land and Building and the discussions for disposal are in advance stage. The management is also of the view that the realization value of Land will be much higher after setting off all its liabilities, Hence, the value of long term investment of SGL does not require any diminution. In case of Samtel Color Limited, the above figures has been arrived as a difference between book value and market value of the shares of Company and in case SGL diminution has been derived as a difference between book value and average of the three years net worth of the Company (in the previous year).

25. 'Earnings per share', in accordance with Accounting Standard (AS-20):

(FIGURES IN Rs.)

	Current Year	Previous Year
Profit attributable to ordinary shareholders	(22,96,159)	(1,83,89,917)
Number of Equity Shares (in nos.)		
a) Issued and subscribed	70,87,943	70,87,943
b) Number of potential equity shares (under Employees' stock option scheme)	NIL	NIL
Total number of shares including potential equity shares	70,87,943	70,87,943
Basic earnings per Share (Rs.)	(0.32)	(2.59)
Diluted earnings per Share (Rs.)	(0.32)	(2.59)

26. Disclosure as required by Accounting Standard (AS-17) 'Segment Reporting':

Based on the guiding principles given in Accounting Standard AS17 "Segment Reporting" Notified in the Companies (Accounting Standard) Rule 2006, the Company's only business segment during the year relates to "Supply of manpower" in India. As a result the additional disclosure requirements of AS-17 are not required.



SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

27. Disclosures as required by Accounting Standard (AS-18) 'Related Party Disclosures':

A. List of Related Parties and Relationships

Sl. No.	Nature of Relationship	Name of Related party
a	Related parties where control exists	None
b	Key Management Personnel	Satish K Kaura
C	Other related parties in respect of which the Company had transaction	
	(i) Associates	a) Samtel Machines & Projects Limited b) Akla Investment Private Limited
	(ii) Enterprises over which key management personnel and/ or his relatives exercise significant influence	a. Samtel Color Limited b. Samtel Avionics Limited c. Samtel Glass Limited

B. Transaction with Related Parties

(FIGURES IN Rs.)

Particulars	Associates		Enterprises over which key management personnel or his relatives exercise significant influence		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Supply of Manpower						
Samtel Color Limited	Nil	Nil	Nil	Nil	Nil	Nil
Samtel Avionics Ltd	Nil	Nil	Nil	Nil	Nil	Nil
Samtel Machines & Projects	Nil	Nil	Nil	Nil	Nil	Nil
Balances as at year end						
(i) Receivables						
- Samtel Machines & Projects Ltd	Nil	Nil	Nil	Nil	Nil	Nil
- Samtel Color Limited	Nil	Nil	Nil	Nil	Nil	7,98,157
- Samtel Avionics Ltd	Nil	Nil	2,27,590	3,13,630	2,27,590	3,13,630
(ii) Payable						
- Samtel Color Limited	Nil	Nil	9,30,356	1,66,54,644	9,30,256	1,66,54,644
- Samtel Glass Limited	Nil	Nil	37,58,892	37,85,344	37,58,892	37,85,344



SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

- Samtel Avionics Ltd						
(iii) Inter corporate deposit (payable)						
Samtel Color Limited	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Investments						
- Akla Investment Private Limited @ #	1,33,07,500	1,33,07,500			1,33,07,500	1,33,07,500
- Samtel Color Limited #			4,73,70,000	4,73,70,000	4,73,70,000	4,73,70,000
- Samtel Glass Limited #			5,55,00,000	5,55,00,000	5,55,00,000	5,55,00,000
(v) Security in the form of pledge given related to Samtel Color Limited*	*	*	*	*	*	*

*The Company has given undertakings to certain financial institutions not to dispose off its investments without their prior consent till the loans sanctioned by them to the investee companies remain outstanding fully provided. (Refer Note No. 9).

28. After the cessation of plant (Black and White pictures for Black and white TV Sets), Samtel India Limited had aimed to commence its operation in trading of color picture tubes, however such proposal could not be established/executed, due to low market demand. The management of Samtel India Limited has a strong believe in entering into new segment therefore it entered into the business for supplying manpower to manufacturing unit, (especially to picture tube manufacturing units). Since the demand of Cathode Ray Tube has sharply declined, the business of manpower supply has been adversely affected. In the earlier the Company is continuing with & simultaneously exploring various new opportunities, like supply of manpower to manufacturing unit (especially to picture tube manufacturing units) and in exploration evaluated the manufacturing possibilities & for that intended to acquire suitable property also, but could not succeed due to continuous recession and liquidity problem, Now the Company planning to do trading activity and for that taking requisite steps for obtaining necessary statutory / legal approvals. In view this, the management has prepared and maintained its books of accounts on the concept of "going concern".
29. Due to the accumulated losses the entire net worth of the Company has been eroded at the end of financial year 2013-14. The management is in the process of seeking legal opinion regarding the applicability of provision of Sick Industrial Companies(Special Provision) Act,1985 and necessary step will be initiated accordingly
30. During the previous year ended on 31st March 2011, the Company has made reconciliation of Provident Fund Trust with the Company's books. On reconciliation, it was found that the value of the assets was less than the obligation of provident fund by Rs. 44,87,356/-. This is basically the interest liability of the balance outstanding of provident fund as at 31st March 2011. The balance outstanding as at 31.3.2015 is Rs. 17,82,871.
31. In earlier years, the Company has given security in the form of pledge upto Rs. 59 lacs fully paid up equity shares of Rs.10 each of Samtel Color Limited (SCL) held by the Company in favor of the bank

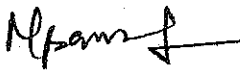
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SAMTEL INDIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2015

acting as trustee for itself and as agent for other lenders of SCL as per the Corporate Debt Restructuring (CDR) Scheme of SCL as approved by CDR Cell of RBI, as it has major investment in SCL and in view of the management it would add long term value to the Company.

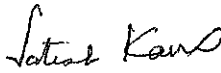
32. Unpaid portion in share premium, calls in arrears on equity share issued in earlier years was ascertained on reconciliation during the previous year, ended as at 31st March 2012.
33. The estimated useful lives of the fixed assets have been revised in accordance with Schedule II to the Companies Act 2013, with effect from 1st April, 2014. Pursuant to these changes in useful lives, the depreciation expense for the Year ended 31st March 2015 is increased by Rs. 0.08Lacs
34. Current year financial statements are prepared as per Accounting Standard prescribed under section 133 read with rule 7 of Companies (Accounts) Rules, 2014 and relevant provisions of Companies act 2013 and previous year financial statement were prepared as per relevant provisions of the Companies Act, 1956 (refer General circular 08/2014 dated 04/04/2014 of the Ministry of Corporate Affairs for applicability of relevant provisions/ schedules/ rules of the Companies Act, 1956 for the financial statements prepared for the financial year commenced earlier than 01.04.2014) and the provisions of the Companies Act, 2013 (to the extent applicable).
35. There is no other information apart from the information already disclosed pursuant to the relevant clauses of new schedule VI as inserted in the Companies Act, 1956 by the Notification- S.O. 447(E), dated 28th February 2011 (As amended by Notification No F.NO. 2/6/2008-CL-V, Dated 30th March'2011).
36. Previous year figures have been regrouped / rearranged wherever necessary to conform to this year's classification.


For S. S. Kothari Mehta & Co
Chartered Accountants
Firm Registration No. : 000756N


Neeraj Bansal
Partner
Membership NO.: 095960



For & on behalf on the Board


SATISH K KAURA
Chairman and Managing Director
DIN 00011202


UDAY SETHI
Director
6944469