



# **SAM INDUSTRIES LIMITED**

**23<sup>rd</sup>**  
**Annual Report**  
**2016 - 2017**



**BOARD OF DIRECTORS**

Mr. Ashutosh A. Maheshwari, Chairman  
Mrs. Gitanjali A. Maheshwari, Whole time Director  
Mr. Kishore Kale, Director  
Mr. Santosh Muchhal, Independent Director (upto 27th June 2017)  
Mr. Ritesh Kumar Neema, Independent Director  
Mr. Yogendra Vyas, Independent Director  
Mr. Devraj Singh Badgara, Additional Independent Director (w.e.f. 2nd June 2017)

**CHIEF FINANCIAL OFFICER**

Mr. Gopal Prasad Shrivastava

**COMPANY SECRETARY**

Mr. Navin S. Patwa

**AUDITORS**

M/s. M. Mehta & Company,  
Chartered Accountants  
11/5, South Tukoganj,  
Nath Mandir Road, Indore-452001

**SECRETARIAL AUDITOR**

M Maheshwari & Associates  
202-C, Kanchan Sagar, 18/1, Old Palasia,  
A. B. Road, Indore -452001

**BANKERS**

Indian Overseas Bank  
IDBI Bank  
Union Bank of India

**REGISTRAR & TRANSFER AGENT**

M/s. Ankit Consultancy Pvt. Ltd.,  
Plot No. 60, Electronic Complex,  
Pardeshipura, Indore – 452010 (M. P.)

**Registered Office**

Village: Dakachiya, A. B. Road, Tehsil: Sanwer,  
District – Indore – 453771 – M. P., India

Website: [www.sam-industries.com](http://www.sam-industries.com)  
Email: [secretarial@sam-industries.com](mailto:secretarial@sam-industries.com)

**NOTICE**

Notice is hereby given that the 23rd Annual General Meeting (AGM) of the Members of Sam Industries Limited will be held on Friday, the 29th September, 2017 at 4:00 P.M. at the Registered Office of the Company at Village: Dakachiya Tehsil: Sanwer, A. B. Road - Indore - 453771 - Madhya Pradesh, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017 including Audited Balance Sheet as at 31st March, 2017 and audited Statement of Profit & Loss Account for the year ended on 31st March, 2017 and the Cash Flow Statement for the year ended on that date and together with the Reports of Directors and Auditors thereon. and in this regard pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2017 including Audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss Account for the year ended on 31st March, 2017 and the Cash Flow Statement for the year ended on that date and together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted.

2. To appoint a director in place of Mr. Kishore Kale who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment and to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. Kishore Kale (DIN: 01743556), Director of the Company, who retires by rotation at this 23rd Annual General Meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and he shall be liable to retire by rotation."

3. To appoint Messrs Manoj Khatri & Co. Chartered Accountants, In place of M/s. M. Mehta & Company, Chartered Accountants as the Statutory Auditors

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), appointment of Messrs Manoj Khatri & Co. Chartered Accountants (Registration No. 011546C), be and is hereby appointed as Statutory Auditors of the Company, in place of M/s. M. Mehta & Co., Chartered Accountants (Registration No. 00957C) retiring Statutory Auditor, to hold the office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting of the Company to be held in the calendar year 2022, subject to ratification by the Members at every Annual General Meeting held thereafter.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to fix such remuneration as may be recommended / determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company and applicable taxes."

**SPECIAL BUSINESS:**

4. To appoint of Mr. Devraj Singh Badgara, (DIN: 07429570), as an Independent Director

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Devraj Singh Badgara, (DIN: 07429570), who was appointed by the Board as an additional director, of the Company with effect from 2nd June 2017, to hold office upto conclusion of this Annual General Meeting, in respect of whom the Company has received a notice in writing from a member under section 160 of the Act, signifying his intention to propose Mr. Devraj Singh Badgara, as a candidate for the office of Independent director of the Company, be and is hereby appointed as an Independent director, to hold office for five consecutive years effective from 2nd June 2017 till 1st June 2022 and he shall be not liable to retire by rotation."

5. To Revise the Remuneration of Mrs. Gitanjali A. Maheshwari (DIN: 00094596), Whole-Time Director of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** Pursuant to the provisions of Section 197 read with Part I and Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or



re-enactment thereof), and recommendation of Nomination and Remuneration Committee and the approval by the Board, the consent of the members at the general meeting, be and is hereby accorded for the revision in the remuneration of Mrs. Gitanjali A. Maheshwari (DIN:00094596), Whole-time Director of the Company, from Rs. 5,00,000/- (Rupees Five Lakhs only) to Rs. 10,00,000/- (Rupees Ten Lakhs only) per month, with effect from 1st February, 2017, for the remaining tenure of whole time directorship (till 13th August 2019) on the terms and conditions as mentioned in the Explanatory statement attached with the Notice.

**FURTHER RESOLVED THAT** where in any financial year, during her term of office, the Company makes no profits or its profits are inadequate, the Company may pay Mrs. Gitanjali A. Maheshwari minimum remuneration by way of salary, perquisites and/or allowances subject to the maximum ceiling calculated in accordance with the scale laid down in Section II of Part II of Schedule V to the said Act, as applicable to the Company at the relevant time depending upon the capital of the Company and as may be agreed to by the Board of Directors of the Company and acceptable to Mrs. Gitanjali A. Maheshwari, the Whole Time Director of the Company subject to necessary approval(s) as may be required.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

**6. To approve Related Party Transactions with the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a Special Resolution:

**"RESOLVED THAT** pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 (including statutory modification (s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors to enter into transaction(s) of giving / taking property of any kind on lease to / from Related Party, rendering / availing of loan from / to Related Party with or without interest / charges thereon including rollover / extension of maturity from time to time, whether material or otherwise, for a period of 5 (Five) years with effect from 1st October 2017, for Related Party Transaction up to an estimated annual value of Rs. 100.00 Crores (Rupees One Hundred Crores only) Per Annum excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and the Related Party.

**FURTHER RESOLVED THAT** the Board of Director of the Company be and is hereby authorized to negotiate and finalize other terms and conditions and to do all the acts, deeds and things as may be necessary, proper or expedient to give effect to this Resolution."

**By order of the Board  
For Sam Industries Limited**

**Navin S. Patwa  
Company Secretary**

**Place: Indore  
Date:18/08/2017**

**Notes:**

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of this meeting. Members/ Proxies should bring their attendance slip duly filled in order to attend the meeting.

A person can act as proxy on behalf of members not-exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Appointing a proxy does not prevent a member from attending the meeting in person or shareholder.

2. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 23rd September 2017 to Friday, 29th September 2017 ( both days inclusive)
3. Shareholders desiring any information regarding the accounts are requested to inform the Company at least 10 days before the Annual General Meeting to enable the Management to keep the information ready.



4. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will not be distributed again at the Meeting, in view of the increasing cost of Annual Report
5. Members / Proxies should bring the Attendance Slip sent herewith duly filled in and handover the same at the entrance after affixing their signature for attending the Meeting.
6. In case of joint holders attending the meeting, the members whose name appears as first holder in the order of name will be entitled to vote.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices etc. from the Company electronically.
8. Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company in Form SH-13.
9. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is sent in the permitted mode.
10. The Ministry of Corporate Affairs (vide circular Nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, has undertaken Green initiative in 'Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by representing / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Transfer Agent.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Transfer Agent of the Company.
12. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for the year 2016-17 will also be available on the Company's website at [www.sam-industries.com](http://www.sam-industries.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours (11.00 A.M. to 1.00 P.M.) on all working days except Saturday and Sunday up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same, by post. For any communication, the shareholders may also send requests to the Company's investor email id: [secretarial@sam-industries.com](mailto:secretarial@sam-industries.com).
13. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the business under item no. 4, 5 & 6 above, is annexed hereto. The relevant details as required by Regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of person seeking appointment / re-appointment as Directors under item nos. 2 & 4 of the notice, are also annexed.
14. Voting through electronic means In compliance with provisions of Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members voting electronically are as under:-

- (i) The voting period begins from Tuesday, 26th September, 2017 at 9:00 A. M. and ends on Thursday, 28th September, 2017 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. record date) i.e. 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.



- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted in any earlier voting of any other company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id /folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

NOTE: Please keep the sequence number in safe custody for future e-voting.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is can also be used by the demat holders for voting of resolutions of any other company on which they are eligible to vote, provided that company opts for Remote e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for Remote e-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Sam Industries Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can down-



load the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions –**

- 1) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date on Friday, 22nd September 2017.
- 2) Mr. Manish Maheshwari, proprietor M/s M. Maheshwari & Associates, Company Secretaries (Membership No. FCS 5174, CP No. 3860) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process in a fair and transparent manner.
- 3) The Chairman shall, at the end of the discussion on the resolutions on which voting is to be held at the AGM, allow the use of ballot paper for all those Members who are present at the AGM and who have not cast their votes by availing the Remote e-voting facility.
- 4) The Scrutinizer shall, immediately after the conclusion of the voting at the general meeting, will first count the votes casted at the meeting, thereafter unblock the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and make, not later than forty eight hours (48) of conclusion of meeting a consolidated Scrutinizer’s Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- 5) The results declared along with the report of the scrutinizer will be placed on the website of the Company. Viz. [www.sam-industries.com](http://www.sam-industries.com) and website of CDSL immediately after the results are declared by the Chairman or a person authorized by him and will simultaneously be communicated to the BSE Limited, the Stock Exchange on which the securities of the Company are listed.
- 6) This Notice has been placed on the website of the company i.e. [www.sam-industries.com](http://www.sam-industries.com) and also on the website of CDSL .
- 7) Members please note that no gifts shall be distributed at the meeting.

**By Order of the Board  
For Sam Industries Limited**

**Place: Indore  
Date:18/08/2017**

**Navin S. Patwa  
Company Secretary**



**As required by section 102(1) of the Companies Act, 2013, the following Explanatory Statements set out all material facts relating to the special business in accompanied notice.**

**Item No.04 of the Notice**

Pursuant to the provisions of section 149 & 160 of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosures Requirements), Regulations, 2015 and as recommended by Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 2nd June 2017 has appointed Mr. Devraj Singh Badgara (DIN: 07429570), as an additional Director. He is classified as an Independent non executive Director with effect from 2nd June 2017, for a term of five years, ended on 1st June 2022, subject to the approval of the Shareholders at the ensuing AGM. The Company has received a notice from a member signifying his intention to propose the candidature of Mr. Devraj Singh Badgara, to the office of Independent director of the company under section 160 of the Companies Act, 2013 along-with requisite deposit of Rs.1,00,000/- (Rupees One Lakh) only.

Further, in the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for such appointment as independent director and he is independent of the management.

It may also be mentioned that none of the other Directors (other than Mr. Devraj Singh Badgara) / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out at item No. 4 of the Notice.

The Board considers that his association with the Company would be beneficial and hence the Board recommends his appointment for the approval of the members of the Company.

A brief profile of Mr. Devraj Singh Badgara is annexed to this notice:

**Item No.05 of the Notice**

The Board of Directors based on the recommendation of Nomination and Remuneration Committee has approved the revision of remuneration of whole time director Mrs. Gitanjali A. Maheshwari, in their meeting held on 31st January 2017 with effect from 1st February 2017 from Rs. 5,00,000/- (Rupees Five Lakhs only) to Rs. 10,00,000/- (Rupees Ten Lakhs only) after considering various parameters which, inter-alia, includes, the scale of operations of the Company and increased involvement of the whole time director, for the overall growth of the Company especially in respect of Real Estate units, and enhancing companies value through various initiatives with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the company and the shareholders.

The remuneration of whole time director Mrs. Gitanjali A. Maheshwari, is also subject to the approval of the members as required by the provisions of Section 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) read with Schedule V of the Act and Rules thereof.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Ashutosh A. Maheshwari and Mrs. Gitanjali A. Maheshwari) is concerned or interested, financially or otherwise, in this resolution as set out at item No. 5 of the Notice.

The Board considers that revision of the remuneration of Mrs. Gitanjali A. Maheshwari, whole time director would be beneficial and hence the Board recommends the Special Resolution set out item at no. 5 of the Notice for the approval of the shareholders.

**Terms and Conditions :**

- a) The term of Mrs. Gitanjali A. Maheshwari, Whole-time Director, is for a period commencing from 14th August 2014 till 13th August, 2019 and terms and conditions of her appointment may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.
- b) No sitting fees will be paid to the Whole-time Director for attending meeting of the Board of Directors or any committee thereof.
- c) The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.
- d) Salary: 10,00,000/- (Rupees Ten Lakh only) per month.
- e) Perquisites: The perquisites shall be valued as per Income Tax Rules, 1962. However the amount of perquisites shall be restricted to annual salary. For this purpose, perquisites will be as follows:-
  - 1) Medical Reimbursement : The reimbursement of actual medical expenses incurred by self and family of the Whole time Director.
  - 2) Health Insurance: Health Insurance premium for covering self and dependant family members of Mrs. Gitanjali A. Maheshwari.





- 3) Leave Travel Concession: For self and family once in a year.
- 4) Club Fees: Fees of clubs subject to the maximum of two clubs.
- 5) Credit Cards: Entry and renewal fees to be reimbursed/ paid by Company. All expenses for official purposes to be reimbursed/paid by the company at actual.
- 6) Leave: As per the Rules of the Company applicable to the Senior Executives.
- 7) Accident Insurance: Premium not to exceed Rs.12,000/- per annum
- f) Other Benefits:  
In addition to the perquisites, Mrs. Gitanjali A. Maheshwari shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration specified above:
  - 1) Provident Fund: Company's Contribution towards Provident Fund at the rate of 12% of the salary or such rate prescribed as per Employees' provident fund and Miscellaneous Provisions Act, 1952.
  - 2) Superannuation Fund: Company's Contribution subject to a maximum of 15% of the salary for every completed year of service.
  - 3) Gratuity: As per the rules of the Company applicable to the Senior Executive.
  - 4) Leave Encashment: Payable annually-in excess of 90 days.
- g) Reimbursement of Expenses:  
Expenses incurred for travelling, boarding and lodging by Mrs. Gitanjali A. Maheshwari and her spouse and attendant(s) during Company's legitimate business trips and provision of car(s) for Company's business and communication expenses shall be reimbursed at actual basis and not considered as perquisites.

**Item No.06 of the Notice**

The Company, in the Ordinary course of its business enters into various transactions, contracts, arrangements which are at arm's length basis with various affiliates including D & H Secheron Electrodes Private Limited ["Related Party" as per the provisions of the Companies Act, 2013 (the Act) and Regulation 2 (1) (zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Regulations)].

The Transaction with D & H Secheron Electrodes Private Limited inter-alia includes leasing of properties, availing or rendering of services, reimbursement of expenses, lease rent payments, lending or borrowing of monies (as may be permissible under the provisions of the Act), etc., which are entered into, in the ordinary course of business, are at arms' length basis and in the best interest of the Company.

Considering the future business projections, the Company envisages the transactions with D & H Secheron Electrodes Private Limited may exceed the materiality threshold of 10% of the annual turnover of the Company. Thus, in terms of explanations (i) of Regulation 23 of the SEBI Regulations, by way of abundant caution, approval of the shareholders is being sought.

The disclosure as required under the Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 are as under:

Name of the related party	Name of the Director or KMP who is related	Nature of relationship	Nature, material terms and particulars of contracts or arrangements	Amount & Other information relevant or important for the members to take decision on the proposed resolution
D & H Secheron Electrodes Pvt. Ltd.	Mr. Ashutosh A. Maheshwari Mrs. Gitanjali A. Maheshwari	Other related party Directors' relative are Directors	Lease Rent to be paid as per agreement	Upto Rupees Twelve Crores per annum

The Annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.



The Audit Committee and the Board, at their meetings held on 18th August 2017, considered and approved the aforesaid transactions. The Board is of the opinion that the above transaction shall be in the best interest of the Company.

Except as mentioned in Notes to Accounts in Balance sheet (Accounting Standard 18) none of the Director, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this Resolution. Except Mr. Ashutosh A. Maheshwari and Mrs. Gitanjali A. Maheshwari .

The Board recommends the Special Resolutions as set out at Item No. 6 of the Notice for approval by the shareholders.

**By Order of the Board  
For Sam Industries Limited**

**Place: Indore  
Date:18/08/2017**

**Navin S. Patwa  
Company Secretary**

**Particulars of Directors who are proposed to be Re-appointed / appointed at the Meeting are given below:**

Name of Director	DEVRAJSINGH BADGARA	KISHORE KALE
Director Identification Number (DIN)	07429570	01743556
Fathers Name	Rajendra Singh Badgara	Khanderao Narayan Kale
Date of Birth	26th December, 1971	3rd September, 1953
Nationality	Indian	Indian
Date of Appointment	02/06/2017	13/11/2014
Inter se relationship with others director	None of the other Directors, Key Managerial Personnel of the Company & their relatives is in any way, related with Mr. Devraj Singh Badgara.	None of the other Directors, Key Managerial Personnel of the Company & their relatives is in any way, related with Mr. Kishore Kale.
Qualification	B. Com	Diploma (Mechanical)
Expertise in Specific Functional Area	Basic Designing and Printing	Manufacturing and Welding Consumable
Number of Shares held in the Company either by him or on a beneficial basis for any other persons	NIL	NIL
Board position held	Additional Director will hold the office till the conclusion of the AGM to be held on 29th September 2017.	Director is not independent director is retiring by rotation and retiring at the conclusion of the AGM
Terms & conditions of appointment/re-appointment	Subject to the Shareholder's approval to be appointed as Independent Director on the Board for a fixed terms of 5 years commencing from 2nd June 2017. He is not liable to retire by rotation.	Director who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. He is liable to retire by rotation
List of outside Directorship held	NIL	Dwekam Electrodes P. Ltd.
Chairman / Member of the Committee of the Board of Directors of the Company	Member of Audit Committee and Chairman of Stakeholder Relationship Committee and Remuneration Committee w.e.f. 27th June 2017	NIL



**REPORT OF THE BOARD OF DIRECTORS**

To the Members,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with the Audited Statement of accounts of your Company for the year ended 31st March 2017:

**1. FINANCIAL HIGHLIGHTS:**

**(Rs. in Lacs)**

<b>Particulars</b>	<b>2016-2017</b>	<b>2015-2016</b>
Sales & Other Income	1104.53	822.40
Total Expenditure	830.19	964.00
Earning Before Finance Cost, Tax, Exceptional Items, Depreciation and Amortization Expenses	274.34	(141.6)
<u>Less:</u> Financial Costs	1.22	0.90
Depreciation and Amortization Expenses	67.94	67.55
Exceptional Items	0.09	1.00
Profit Before Extra-Ordinary Items & Tax	205.09	(211.05)
Less: Current Tax	113.60	36.50
Deferred Tax	(14.91)	(10.40)
Profit (Loss) for the year	106.40	(237.15)
Basic & Diluted Earnings Per Equity Share of Face Value of Rs.10 each	0.96	(2.14)

**2. DIVIDEND**

The Board of Directors have not recommended any dividend on equity shares for the year ended 31st March 2017. There are no amounts to be transferred to Investor Education and Protection Fund.

**3. PERFORMANCE**

**Company's Overall Performance**

During the year under review, your Company has received income from operations amounting to Rs.1104.53 Lakhs as compared to Rs. 822.40 Lakhs in the previous year. Your Company has earned profit, after taxes, of Rs.106.40, as compared to loss of Rs. 237.15 Lakhs in the previous year .

• **Segment wise Performance**

• **Soya Division**

The Company has discontinued soya business activity for Refined Oil & Soya Products at its plant located at Village: Dakachiya, A. B. Road, Tehsil: Sanwer, District: Indore - 453771, Madhya Pradesh, as the company had closed down its soya division in the financial year 2012-13 however the impact of certain administrative expenses and depreciation was still there.

The Board of Directors of the Company in their meeting held on 31st January, 2017 had decided that all the Assets and Liabilities and Income and Expenses of Soya Division have been transferred to Welding Division with effect from 1st January 2017.

The revenue of your Company's Soya Division is Rs. 1.64 Lakhs in the previous year, and it has incurred a loss of Rs. 34.06 Lakhs during the previous year.

• **Welding Division**

During the year under review, the revenue of your Company's Welding Division was Rs. 757.91 Lakhs as against Rs. 575.90 Lakhs in the previous year, and it has earned a profit Rs. 111.15 Lakhs during this period as against Loss of Rs. 11.48 Lakhs during the previous year.



- **Real Estate Division**

During the year under review, the revenue of your Company's Real Estate Division was Rs. 271.53 Lakhs as against Rs. 166.04 Lakhs in the previous year, and earned a profit of Rs. 187.94 Lakhs during this period in comparison to a profit of Rs. 113.35 Lakhs during the previous year.

- **Investment Division**

During the year under review, the revenue of your Company's Investment Division was Rs. 75.23 Lakhs as against Rs. 78.80 Lakhs in the previous year, and has incurred a loss of Rs. 0.60 Lakhs in comparison to a loss of Rs. 92.98 Lakhs in the previous year

#### **4. MANAGEMENT DISCUSSIONS AND ANALYSIS**

A detailed report on management discussions and analysis is annexed as **Annexure - I** in this Annual Report.

##### **Outlook**

Your Company has three distinct businesses, viz., Welding Electrodes, Real Estate and Investment division. The modus operandi of these three businesses is different in terms of the nature of the products, customers profile, challenges and growth avenues.

##### **Welding Industry Scenario:**

In view of the growing industrialization and expenditure on infrastructure, we expect a buoyant demand for welding materials in India.

##### **Real Estate:**

The Real Estate scenario is very encouraging in Indore and Dewas.

#### **5. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES**

The Company has no Subsidiaries, Joint Venture and any Associate Company.

The Policy for determining Material subsidiaries as approved may be accessed on the Company's website at the link: <http://www.sam-industries.com>.

#### **6. INTERNAL FINANCIAL CONTROL SYSTEM**

According to Section 134 (5) (e) of the Companies Act, 2013, the term 'Internal Financial Control' (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Company has a well placed, proper and adequate internal control system, which ensures, that the efficiency and profitability of operations, the reliability of information, adhering to rules and regulations, that all assets are safeguarded and protected, and that the transactions are authorized, recorded and reported regularly and correctly.

#### **7. FIXED DEPOSIT**

Your Company has not accepted any public deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2016-17.

#### **8. DIRECTORS**

The Board of the Company at March 31st 2017, consisted of 6 Directors out of whom, one is Chairman who is also the Promoter Director and one woman Whole time director, besides three independent Directors.

Pursuant to section 149 of the Companies Act, 2013, the Board at its meeting held on 2nd June, 2017 recommended appointment of Mr. Devraj Singh Badgara, as independent director of the company not liable to retire by rotation for a period of 5 years from the 2nd June 2017 till the 1st June 2022, subject to the approval of the members of the company.

Resignation of Mr. Santosh Muchhal, from Independent Directorship of the Company was accepted by the Board on their meeting held on 27th June 2017. The Board places on record the valuable services rendered by Mr. Santosh Muchhal during his tenure as an independent director on the board of the company and express their deep sense of appreciation and gratitude and wish him good luck for his future endeavors.



All the Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149 of the Companies Act, 2013 and Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which have been relied by the Company and were placed before the Board.

Retirement by Rotation

In terms of Section 152 of the Companies Act, 2013, Mr. Kishore Kale is liable to retire by Rotation at the forthcoming Annual General Meeting (AGM), and being eligible, has offered him-self for re- appointment.

## **9. KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Ashutosh A. Maheshwari, Chairman (DIN: 00094262)

Mrs. Gitanjali A. Maheshwari, Whole time Director (DIN: 00094596)

Mr. Gopal Prasad Shrivastava, Chief Financial Officer, and

Mr. Navin S. Patwa, Company Secretary

## **10. AUDITORS**

Statutory Auditors

Messrs M. Mehta & Company, Chartered Accountants, (Firm Reg. No. 000957C) who are the statutory auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting, and pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint Messrs M/s Manoj Khatri & Company, Chartered Accountants, as Statutory Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of 28th AGM to be held in the year 2022, you are requested to consider their appointment.

## **11. AUDITORS REPORT**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **12. SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company with the approval of its Board, appointed M/s. M. Maheshwari & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit Report is annexed herewith as **Annexure - II**. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report, save and except disclaimer made by them in discharge of their professional obligation.

## **13. CORPORATE GOVERNANCE**

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. The new Companies Act, 2013 and amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have strengthened the governance regime in the country. The Company is in compliance with the governance requirements provided under the new law and had proactively adopted many provisions of the new law ahead of time. The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI.

Your Company has complied with the requirements of corporate governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. A detailed report on Corporate Governance is annexed as **Annexure - III** in this Annual Report. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance has been obtained and is enclosed with this Report.

A Certificate of the Whole time Director, appointed in terms of Companies Act, 2013 and CFO of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed as **Annexure - IV**.

**14. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
- b) the directors had 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 as at March 31, 2017 and of the profit and loss of the Company for the financial year;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a 'going concern' basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**15. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out and enclosed herewith as **Annexure -V** to this Report.

**16. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments provided by the Company under Section 186(4) of the Act as at the end of the Financial Year 2016-17 are disclosed in the Note to the Financial Statement attached with the Board Report.

**17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**18. NUMBER OF MEETINGS OF THE BOARD**

The details of the number of Board and Audit Committee meetings of the Company are set out in the Corporate Governance Report in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms part of this Report.

**19. DISCLOSURE BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**20. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, the Company has not formulated an internal policy on aforesaid Act during the year, since there was no women employee in the Company.

**21. EXTRACT OF ANNUAL RETURN**

In accordance with the provisions of Section 134 (3) (a) of the Companies Act, 2013, the extract of Annual Return as on March 31, 2017 in the prescribed Form No. MGT- 9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as **Annexure -VI** and forms part of this Report.



## 22. AUDIT COMMITTEE

The Audit Committee as on March 31st, 2017 comprises Mr. Santosh Muchhal, Independent Director (till 27th June 2017), Mr. Ritesh Kumar Neema, Independent Director, Mr. Yogendra Vyas, Independent Director and Mr. Devraj Singh Badgara, Independent Director (w.e.f. 27th June 2017). Further, all recommendations of Audit Committee were accepted by the Board of Directors.

## 23. VIGIL MECHANISM

The Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy on Whistle Blower / Vigil Mechanism has been hosted on the website of the company. The policy, inter alia, provides a direct access to the Chairman of the Audit Committee.

The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

## 24. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has entered into transactions with related parties as defined under Section 2 (76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, there were no transactions with related parties which qualify as material transactions. In line with the requirements of the Companies Act, 2013, the Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.sam-industries.com](http://www.sam-industries.com). The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

## 25. CORPORATE SOCIAL RESPONSIBILITY :

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013, and hence, it is not required to formulate policy on Corporate Social Responsibility.

## 26. INDUSTRIAL RELATIONS

Relation between the Management and its employees has been cordial. Your Directors place on record their appreciation of the efficient and loyal services rendered by the employees of the Company at all levels.

## 27. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement in the said rules is annexed as **Annexure - VII** in this Annual Report.

## 28. RISK MANAGEMENT

Company has properly analyzed and identified the key business risk area and a Risk Mitigation process. Company had extensively exercised at regular intervals to identify, evaluate, manage and monitor all business risk.

## 29. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE BOARD REPORT.

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## 30. TRANSFER TO RESERVES:

The Board does not propose to transfer any amount to reserves.

**31. ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

In accordance with the provisions of schedule IV of the companies Act, 2013, a separate meeting of the independent Directors was held on 31st January, 2017. Without the attendance of Non independent Directors and Members of the Management the committee has reviewed the performance and effectiveness of the Board in the meeting as a whole for the Financial Year 2016-2017.

**32. ACKNOWLEDGEMENT**

The Directors wish to convey their appreciation for the co-operation received from Your Company's bankers and various Government agencies. The Directors also wish to thank the Shareholders, Employees, Customers and Suppliers for their support and co-operation.

**For and on behalf of the Board of Directors**

**Ashutosh A. Maheshwari**

**Chairman**

**DIN: 00094262**

**Place: Indore**

**Date: 18th August, 2017**



**ANNEXTURE TO THE BOARD'S REPORT  
MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Overview**

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's annual financial statements. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past, its financial condition, and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the Company during the year, as well as a fair and unbiased overview of the Company's past, present, and future.

Sam Industries Limited is a manufacturing diversified company and its total income received by the way of lease rent, real estate and dividend earnings.

**Industry and Business Overview and Future Outlook**

The Government of India has taken significant initiatives to strengthen the economic credentials of the country and make it one of the strongest economies in the world. India is fast becoming home to start-ups focused on high growth areas such as mobility, e-commerce and other vertical specific solutions - creating new markets and driving innovation.

Owing to higher infrastructure spending, increased fiscal devolution to states, and continued reforms in fiscal and monetary policy, the Indian economic outlook has strengthened. The Government of India is striving to move steadily to minimize structural and political bottlenecks, attract higher investment and improve economic performance. As per the Economic Survey 2016-17, India's Gross Domestic Product (GDP) should grow between 6.75 and 7.5 per cent in FY 2017-18.

According to The World Bank, the Indian economy will likely grow at 7 per cent in 2016-17 and further accelerate to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. This is on account of India's attempt to implement reforms to unlock the country's investment potential to improve the business environment, liberalized FDI policies, quick solution to the corporate disputes, simplified tax structure, and a boost in both public and private expenditure.

**Opportunities & Threats**

With a stable government at the centre, growth is expect to revive, and with stalled projects coming on line, easing of capital availability, in the process of improving general business confidence.

The Company's investments are predominantly in Companies engaged in Power Generation and Transmission, Auto Tyres & Rubber Products, Electric Utilities, Carbon Black, Pharmaceuticals, Retail etc. Any adverse impact on these industries could possibly have direct bearing on the performance of the Company. Any slowdown in the growth of Indian economy or any volatility in global financial markets, could also affect the business. The Company is also prone to risks pertaining to change in government regulations, tax regimes, other statutes and capital market fluctuations in respect of investments held.

**Risk and Concerns**

Risk Management is an important aspect of the corporate governance which aims to improvise the governance practices across the Company's activities. The Company is mainly exposed to market risks in the form of reduction in value of its investments and fall in returns due to dip in the Investee Company's performance.

The Board has taken appropriate measures for the risk management which will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. It will help in business growth with financial stability.

**Human Resources**

Every Company is dependent on the quality of workforce. The Board places on record its appreciation for the dedicated services rendered by the employees for the smooth functioning of the Company. During the year under review, the company had only 17 (Seventeen) employees and the Company continued with its focus on training and development of its employees. The Company believes in retaining the best talent, clearly defining their roles and responsibilities.

**Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's outlook, projections, estimates expectations or predictions are "Forward Looking Statements" within the meaning of applicable securities laws of regulations. Actual results could differ materially from those expressed or implied. As "forward looking statements" are based on certain assumptions and expectations of future events over which the Company exercise no control the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Important developments that could affect the Company's operations include a downtrend in the Investee Company performance, significant changes in political and economic environment in India and tax laws.

**Form No.MR-3****SECRETARIALAUDITREPORT****FORTHE FINANCIAL YEAR ENDED MARCH 31, 2017****[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

The Members,

**SAM INDUSTRIES LIMITED**

CIN: L70102MP1994PLC041416

Village Dakachiya, A. B. Road. Tehsil

Sanwer, Dakachiya Indore MP 453771

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sam Industries Limited (herein after called the company). Secretarial Audit was conducted in a manner that provided me/us an ascertainable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Sam Industries Limited 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 March 31, 2017 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 Company for the financial year ended on March 31, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under read with notifications, exemptions and clarifications thereto;
- 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. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit period hence, these regulations have not been considered for the purpose of this report).
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time. (Not applicable as the Company during the reporting period under Audit).
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014. (Not applicable as the Company during the reporting period under Audit).
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not applicable as the Company during the reporting period under Audit);
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time. (Not applicable as the Company during the reporting period under Audit)

- h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1999. (Not applicable as the Company during the reporting period under Audit)
- vi. As confirmed by the Management, there is no sectoral law specifically applicable to the Company based on their Sector/Business.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard on Board and General Meeting (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

We rely on Statutory Auditor's Report in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under Financial Statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and as system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously/majority as recorded in the Minutes of the Board of Directors of the Company or committee of the Board, as the case may be.

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.

We further report that during the Audit period the Company has no specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard, etc. except.

During the year, the Company has shifted its registered office from the State of Maharashtra to Madhya Pradesh.

Note : This Report is to be read with our letter dated 11th August, 2017 which is annexed as Annexure A and forms an integral part of this report.

**For M. Maheshwari & Associates**  
**Company Secretaries**  
**Firms U.C.N. I2001MP213000**

**Date : 11th August, 2017**  
**Place : Indore**

**Manish Maheshwari**  
**Proprietor**  
**FCS-5174**  
**CP-3860**



To,

Date:11.08.2017

The Members,

**SAM INDUSTRIES LIMITED**

CIN: L70102MP1994PLC041416

Village Dakachiya, A. B. Road. Tehsil

Sanwer, Dakachiya Indore M. P. - 453771

Our Secretarial Audit 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.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process 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. Where ever required, we have obtained the Management representation about the compliances of laws, rules, regulations and happening of events etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy and effectiveness with which the management has conducted the affairs of the company.

**For M. Maheshwari & Associates**  
**Company Secretaries**  
**Firms U.C.N. I2001MP213000**

**Manish Maheshwari**  
**Proprietor**  
**FCS-5174**  
**CP-3860**



## ANNEXURE TO THE BOARD'S REPORT REPORT ON CORPORATE GOVERNANCE

### I. Company's Philosophy on code of Corporate Governance

Your Company's Philosophy on code of Corporate Governance is based on the attainment of the highest level of transparency, accountability, and adequate disclosures and economic value addition. All employees are guided by the Company's policies on important issues, including our relationship with consumers, stakeholders and Government.

### II Board of Directors

The Board of Directors of company has a combination of Executive and Non Executive Directors. The Chairman of your Company is a non-executive promoter director. The Board of Directors of the Company consists of 6 Directors, out of which 5 are non-executive as on 31st March 2017.

During the year, 4 Meetings of the Board of Directors of the Company were held on 30.05.2016, 13.08.2016, 14.11.2016 and 31.01.2017 and not more than 120 days have elapsed between two meetings.

The inter-se relationship between Mr. Ashutosh A. Maheshwari and Mrs. Gitanjali A. Maheshwari is of Husband and wife.

The particulars of the Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of directorships and committee memberships as on that date are as follows:

Name of Director	Category	No. of Board Meetings attended	Attend-ance in last AGM	No. of Director-ship	Committee Membership	
					Chairman	Member
Mr. Ashutosh A. Maheshwari	Promoter Non-Executive	4	Yes	9	-	-
Mrs. Gitanjali A. Maheshwari	Executive	4	No	12	-	-
Mr. Ritesh Kumar Neema	Independent	4	Yes	2	3	-
Mr. Kishore Kale	Non-Executive	4	Yes	2	-	-
Mr. Santosh Muchhal*	Independent	4	No	3	-	3
Mr. Yogendra Vyas	Independent	4	No	7	-	3

\* Mr. Santosh Muchhal resigned from the directorship of the company w. e .f. 27th June 2017

The terms of reference of the Board Committees, their composition and attendance of the respective Members at the various Committee Meetings held during fiscal year 2016-17 are set out below:

### III Audit Committee

#### Terms of Reference

The objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting processes with a view to ensure accurate and proper disclosure, transparency and quality of financial reporting. The committee also reviews the financial and risk management policies, and the adequacy of internal control systems of the Company, and meets Statutory Auditors periodically.

Your Company has an Audit Committee consisting of following Directors and the Audit Committee Meetings were held on 30.05.2016, 13.08.2016, 14.11.2016 and 31.01.2017. The details of the meetings held and attended are as given below:

Name of Directors	Meetings Held	Meetings Attended
Mr. Yogendra Vyas	4	4
Mr. Ritesh Kumar Neema (Chairman)	4	4
Mr. Santosh Muchhal	4	4



**IV. Nomination and Remuneration Committee**

**Terms of Reference**

The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate criteria for evaluation of the performance of Directors and the Board and to extend or continue the term of appointment of independent Director on the basis of the report of performance evaluation, recommending to the Board a policy relating to the remuneration subject to applicable regulations, approving the policy for and quantum of bonus payable to the members of the staff including senior management and key managerial personnel, formulating the criteria for determining qualifications, positive attributes and independence of Director.

The composition of the remuneration committee is as follows:

Mr. Ritesh Kumar Neema (Chairman), Mr. Yogendra Vyas and Mr. Santosh Muchhal

During the year under Review, the Remuneration paid to the whole time Director of the Company Mrs. Gitanjali A. Maheshwari was Rs. 69, 93,280/- (Rupees Sixty Nine Lakhs Ninety Three Thousand and Two Hundred Eighty only).

The Committee met 3 times during the financial year. The dates of the Committee's meetings were 13.08.2016, 14.11.2016 and 31.01.2017.

Note: Salary includes Basic Salary, Allowances, contribution to Provident and Other Funds and perquisites (including monetary value of taxable Perquisites), etc.

Details of equity shares of the company held by the Directors as on 31st March, 2017, are given below:

S. No.	Name of Directors	Number of Equity Shares
1	Mr. Ashutosh A. Maheshwari	1,08,482
2	Mrs. Gitanjali A. Maheshwari	4,22,714
3	Mr. Santosh Muchhal	800
4	Mr. Kishore Kale	Nil
5	Mr. Ritesh Kumar Neema	Nil
6	Mr. Yogendra Vyas	Nil

\* Mr. Santosh Muchhal resigned from the directorship of the company w. e .f. 27th June 2017

**V. Remuneration of Directors**

**(a) Transactions of the non-executive directors**

The non-executive directors of the Company are paid sitting fees for attending meetings. The total amount of sitting fees paid to non- executive directors during the financial year 2016-17 was Rs.1,00,625/-. The non-executive directors of the Company do not have any material pecuniary relationship or transactions of vis-à-vis the company.

**(b) Remuneration to executive directors.**

The appointment and remuneration of executive director is governed by recommendation of Nomination and Remuneration committee, the resolutions passed by the Board of Directors and share holders of the company. The total amount of remuneration paid to executive directors during the financial year 2016-17 was Rs. 69.93 Lakhs.

Presently the company does not have any stock options scheme for its directors

**VI. Stakeholders Relationship Committee**

**Terms of Reference**

The Board has constituted the Stakeholders Relationship Committee to look into the redress of investors' complaints. There were no complaints pending for reply as on 31st March 2017 and no share transfers pending for registration as on the said date.

The Committee had met 3 times on 13.08.2016, 14.11.2016 and 31.01.2017. during the financial year 2016-17.

The composition of the Stakeholders Relationship committee is as follows:

Mr. Ritesh Kumar Neema (Chairman), Mr. Yogendra Vyas, Mr. Santosh Muchhal and Mr. Gopal Prasad Shrivastava, Mr. Navin Patwa is the Company Secretary of the Company and acts as the Compliance Officer of the Company



**VII. General Body Meetings**

The details of Annual General Meetings held in last 4 years are as under:

Financial Year	Date	Time	Venue
2012-2013	27.09.2013	10.00 A.M.	Basement of Dalamal Chambers,29, New Marine Lines,Mumbai – 400020
2013-2014	29.09.2014	11.00 A.M.	
2014-2015	28.10.2015	12.30 P.M.	CII, Naoroji Godrej Centre of Excellence, Godrej Station-side Colony, Opp Railway Station, Vikhroli (East), Mumbai – 400079
2015-2016	28.09.2016	4.00 P.M.	Village : Dakachiya, Teshil: Sanwer: A.B. Road, Indore - 453771 M. P.

The details of the Special Resolutions passed in the General Meetings held in the previous three years are given below:

General Body Meeting	Day, Date	Resolution
2012-2013	Friday 27.09.2013	-
2013-2014	Monday 29.09.2014 29.09.2014	1. Appointment of Mrs. Gitanjali Maheshwari (DIN: 00094596) as whole time director 2. Appointment of Mr. Santosh Muchhal (DIN: 00645172) as an Independent director
2014-2015	Wednesday 28.10.15	-
2015-2016	Wednesday 28.09.2016	1. Appointment of Mr. Santosh Muchhal (DIN: 00645172) as an Independent director 2. Appointment of Mr. Ritesh Kumar Neema, (DIN: 03086671) as an Independent Director 3. Appointment of Mr. Yogendra Vyas, (DIN: 06603344) as an Independent Director 4. Approval to deliver documents through a particular mode

**Details of Postal Ballot**

Special Resolution was passed through postal ballot during the Financial Year 2015-16 vide Postal Ballot Notice dated July 25th 2015 under Section 110 of the Companies Act, 2013. The Company followed the procedure as prescribed under the Companies (Management and Administration), Rules, 2014, as amended and Secretarial Standard 2 issued by the Institute of Company Secretaries of India. The Members were provided the facility to cast their votes through electronic voting (e-voting) or through postal ballot. The Board of Directors of the Company, appointed M. Maheshwari & Associates Company Secretaries, as the Scrutinizer for conducting the postal ballot voting process. The scrutinizer submitted his report to the Chairman after the completion of the scrutiny of the postal ballots (including e-voting). Considering the combined results of the Postal Ballot via postal ballot forms and e-voting facility, the resolution was approved on 16th September, 2015. The results were declared on 16th September, 2015 and communicated to the stock exchanges and displayed on the Company's

The details of the voting pattern are given below:

Particulars	Type of Resolution	Votes cast in favor (in Numbers)	% of Votes in favour	Votes cast against (In numbers)	% of votes against
Shifting of the Registered office of the Company from state of Maharashtra to the state of Madhya Pradesh	Special	8909864	100	30	0.00
Authorization to the Board of Directors of the company for investment exceeds the limits specified under section 186 of the Companies Act, 2013	Special	8909889	100	5	0.00



**VIII. Means of Communication**

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges Immediately after the Board has approved them. These are widely published in national and regional newspapers.

Sam Industries website (www.sam-industries.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on Company's strategy, financial performance, operational performance and the latest Information.

**IX. General Shareholders Information**

Annual General Meeting	Day, Date & Time	Venue
23rd Annual General Meeting	Friday, 29th September 2017 At 4:00 P.M.	Village: Dakachiya - A. B. Road, Tehsil: Sanwer, District: Indore - 453 771 Madhya Pradesh, India

**a. Date of Book Closure**

The Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, the 23<sup>rd</sup> day of September 2017 to Friday, the 29<sup>th</sup> day of September 2017** (both days inclusive).

**b. Financial Year: April 1<sup>st</sup> 2016 To March 31<sup>st</sup> 2017**

**c. Financial Calendar 2017-2018 (Tentative)**

1 First Quarter Results	On or before 14 <sup>th</sup> September 2017
2 Second Quarter & Half Yearly Results	On or before 14 <sup>th</sup> December, 2017
3 Third Quarter Results	On or before 14 <sup>th</sup> February 2018
4 Fourth Quarter / Annual Results	On or before 30 <sup>th</sup> May 2018

**d. Listing of Securities**

Name of the Stock Exchange: **BSE Limited**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

**e. Listing Fee**

Your Company confirms that it has paid annual listing fees to the BSE Limited, for the year 2017-18; and as such there are no arrears.

**f. BSE Script Code: 532005**

**g. Market Price Data**

High, low of market price of the Company's equity shares traded on BSE Limited during each month in the last financial year are as under:

**Quotation at Mumbai Stock Exchange & High & Low**

Month	High Price	Low Price	No. of Shares	No. of Trades	Total Turnover (Rs.)
Apr-16	10	10	26	2	260
May-16	9.5	9.05	60	2	547
Jun-16	8.6	8.25	250	7	2,115
Jul-16	8.17	8.17	18	3	147
Aug-16	7.84	6.8	325	7	2,331
Sep-16	6.85	4.97	1,840	24	10,504
Oct-16	-	-	-	-	-
Nov-16	5.6	5.13	918	8	5,137
Dec-16	-	-	-	-	-
Jan-17	6.35	5.5	618	5	3,598
Feb-17	8.76	6.66	638	12	4,910
Mar-17	8.76	8.76	16,07,732	25	1,40,83,731

**h. Registrar & Transfer Agent**

Name & Address: M/s. Ankit Consultancy Private Limited,  
Plot No. 60, Electronic Complex, Pardeshipura, Indore – 452010, (M. P.)  
Telephone: 0731-4281333, 4065799, 4065797  
Fax: 0731-4065798  
Email: ankit\_4321@yahoo.com





All the Share transfer and the relating queries may please be forwarded to the Share Transfer Agent directly at their address.

**i. Share Transfer Systems**

Shares received for transfer in physical form are registered and dispatched within fifteen days of receipt of the documents. If shares are under objection then the same are returned within fifteen days. Request for dematerialization of shares is processed within fifteen days.

**j. Shareholding as on 31st March 2017:**

**a. Distribution of Shareholding of Equity Shares of Rs. 10/- each as on 31st March 2017:**

Shareholding of nominal value of Rs.	No. of Share holders	% of Share holders	No of Ordinary Shares	% of Share holding
Up to 1000	222	23.49%	7829	0.07%
1001 – 2000	54	5.71%	9582	0.09%
2001 – 3000	27	2.86%	7365	0.07%
3001 – 4000	195	20.63%	77802	0.70%
4001 – 5000	109	11.53%	54110	0.49%
5001 – 10000	179	18.94%	163491	1.47%
10001 – 20000	61	6.46%	92807	0.84%
20001 – 30000	29	3.07%	67428	0.61%
30001 – 40000	8	0.85%	28484	0.26%
40001 – 50000	12	1.27%	52700	0.48%
50001 – 100000	15	1.59%	110478	1.00%
100001 & above	34	3.60%	10416394	93.94%
<b>Grand Total</b>	<b>945</b>	<b>100.00</b>	<b>11088470</b>	<b>100.00</b>

**b. Category of equity shareholders as on 31st March 2017:**

S. No.	Category	No. of equity Shares held	Percentage of Shareholding (in %)
1	Promoters	79,07,906	<b>71.32</b>
2	Govt. Co. / Fin. Institutions	59,000	0.53
3	Corporate Bodies	22,43,109	20.23
4	Individual Shareholders	8,77,255	7.91
5	NIR's & OCBs (Foreign holding)	1,200	0.01
	<b>Grand Total</b>	<b>1,10,88,470</b>	<b>100.00</b>

**k. Dematerialization of Shares and Liquidity**

The company's shares are traded in dematerialized form and are available for trading on both the depositories in India, viz. NSDL and CDSL. Equity shares of the company representing **97.01%** of the Company's total equity shares capital representing **1,07,56,735** equity shares are dematerialized on March 31, 2017 and the balance **2.99%** representing **3,31,735** were in physical form.

l. There are no foreign exchange risk and hedging activities during financial year 2016-17.

**Plant and Registered Office**

The Company has received confirmation from Regional Director, Mumbai to shift the registered office of the company from the State of Maharashtra to Madhya Pradesh and the Board of Directors decided in the meeting held on 13th August 2016 to shift registered office of the company at Works situated at Village: Dakachiya, A. B. Road, Tehsil: Sanwer, District: Indore - 453771, Madhya Pradesh, India (w.e.f. 16<sup>th</sup> August 2016.)

The Company has a manufacturing facility at Village: Dakachiya, A. B. Road, Tehsil: Sanwer, District: Indore -453771, Madhya Pradesh, India

**Address for Correspondence**

The Shareholders may address their communications to.  
Mr. Navin S. Patwa,

**Company Secretary & Compliance Officer,  
Sam Industries Limited,**

Village: Dakachiya, A. B. Road,

Tehsil: Sanwer, Indore – 453771, Madhya Pradesh, Phone No. : 0731-4229717

Designated Email address for Investor Services:

□ Email: [secretarial@sam-industries.com](mailto:secretarial@sam-industries.com)

□ Company's Website: [www.sam-industries.com](http://www.sam-industries.com)

**X. Disclosures**

- (i) During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related parties' transaction viz., Promoters, Directors or the Management, their subsidiaries or relatives that had a potential conflict with the interest of the Company at large.
- ii) No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- iii) In terms of the Whistle Blower Policy, Vigil Mechanism of the Company, no employee of the Company has been denied access to the Audit Committee.
- iv) The Company has complied with the mandatory requirements and adoption of the non mandatory requirements.
- v) The website of the company Sam Industries website ([www.sam-industries.com](http://www.sam-industries.com)) discloses policy for determining material subsidiaries.
- vi) The website of the company is [www.sam-industries.com](http://www.sam-industries.com) that discloses policy on dealing with related party transactions.

**CEO/CFO Certification**

The Whole Time Director (WTD) and Chief Financial Officer (CFO) Certified to the Board with regard to the financial statements and other matters as required in Regulation 17(8) of SEBI (LODR), Regulations, 2015 and the said certificate is contained in this annual report.

---

**Declaration Regarding Code of Conduct**

I hereby declare that all the directors and Senior Management Personnel have affirmed compliance during the financial year 2016-17 with the provisions of Code of Conduct as adopted by the Company.

Date: 18<sup>th</sup> August, 2017

Place: Indore

Gitanjali A. Maheshwari

Whole Time Director

---

**AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF  
CORPORATE GOVERNANCE**

To,  
The Members,

**Sam Industries Ltd.**  
**Village Dakachiya,**  
**A.B. Road,**  
**Indore-453771**

We have examined the compliance of conditions of Corporate Governance by M/s Sam Industries Limited ("the Company"), for the year ended on 31st March, 2017 as stipulated in in regulations 17, 18, 19, 20, 22, 23, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'SEBI Listing Regulations, 2015') for the period 1st April 2016 to 31st March 2017.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date : 2nd June, 2017**  
**Place : Indore**

**FOR, M. MEHTA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. 000957C**

**CA NITIN BANDI**  
**PARTNER**  
**M.NO. 400394**

**ANNEXURE-IV**

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification  
[Compliance Certificate pursuant to Regulation 17(8) of SEBI (LODR), Regulations, 2015]**

To,  
The Board of Directors,  
Sam Industries Limited  
Village Dakachiya,  
A.B. Road,  
Indore-453771

We the undersigned, in our respective capacities as Whole Time Director and chief financial officer of **Sam Industries Limited** (the Company) to the best of our knowledge and belief certify that:

- A.** We have reviewed financial statements and the cash flow statement for the year end 31st March 2017 and that to the best of our knowledge and belief, we state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** We further state that to the best of their knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct.
- C.** We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D.** We have indicated to the Auditors and the Audit Committee:
- (1) significant changes, if any, in internal control over financial reporting during the year;
  - (2) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Sam Industries Limited**

**Date: 18th August, 2017  
Place: Indore**

**Gitanjali A. Maheshwari  
Whole Time Director**

**Gopal P. Shrivastava  
Chief Finance Officer**



**ANNEXURE-V**

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo  
[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts Rules, 2014]**

**(A) Conservation of energy**

S.No.	Particulars	
i)	the steps taken or impact on conservation of energy;	All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.
ii)	the steps taken by the company for utilising alternate sources of energy;	NA
iii)	the capital investment on energy	NIL

(i)	the efforts made towards technology absorption	Updation of in house Technology is a Continuous process of absorption implemented in our Industry & Technology developed in house, This is fully absorbed for development in the existing product and new models.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	The Company has been able to successfully indigenize the toolings to a large extent. Increased efficiency, better performance and wider product range.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	NIL
(a)	the details of technology imported	NA
(b)	the year of import	NA
(c)	whether the technology been fully absorbed	NA
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv)	the expenditure incurred on Research and Development	NIL

**(C) Foreign exchange earnings and Outgo**

	2016-17	2015-16
The Foreign Exchange earned in terms of actual inflows during the year; and	Nil	Nil
The Foreign Exchange outgo during the year in terms of actual outflows.	Nil	Nil



**FORM NO. MGT 9**

**ANNEXURE-VI**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	L70102MP1994PLC041416
2	Registration Date	17.02.1994
3	Name of the Company	SAM INDUSTRIES LIMITED
4	Category/Sub-category of the Company	Company Limited By Share Indian Non Government Company
5	Address of the Registered office & contact details	Village: Dakachiya, A. B. Rd, Tehsil: Sanwer, Dist.-Indore-453771, Ph. : 0731-4229717
6	Whether listed company	BSE Limited
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore - 452010 (M. P.) Ph. : 0731-4281333

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services the Product/service	NIC Code of the company	% to total turnover
1	Sale of Services (Lease Rent)	68100	68.45%
2	Sale of (Traded Goods) Real Estate (Plot)	68100	24.56%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of sharesheld	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2016]				No. of Shares held at the end of the year[As on 31 March-2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	38,299	-	38,299	0.35%	554,406	-	554,406	5.00%	4.65%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	7,353,500	-	7,353,500	66.32%	7,353,500	-	7,353,500	66.32%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	<b>7,391,799</b>	<b>-</b>	<b>7,391,799</b>	<b>66.66%</b>	<b>7,907,906</b>	<b>-</b>	<b>7,907,906</b>	<b>71.32%</b>	<b>4.65%</b>



Category of Shareholders	No. of Shares held at the beginning of the year[As on 1- 04-2016]				No. of Shares held at the end of the year[As on 31-03-2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-	-	-	-	-	
b) Other Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	
d) Any other	-	-	-	-	-	-	-	-	
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	
<b>TOTAL (A)</b>	<b>7,391,799</b>	-	<b>7,391,799</b>	<b>66.66%</b>	<b>7,907,906</b>	-	<b>7,907,906</b>	<b>71.32%</b>	<b>4.65%</b>
<b>B. Public</b>									
<b>Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	59,000	-	59,000	0.53%	59,000	-	59,000	0.53%	0.00%
c) Central Govt	-	-	-	-	-	0.00%	0.00%	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>59,000</b>	-	<b>59,000</b>	<b>0.53%</b>	<b>59,000</b>	-	<b>59,000</b>	<b>0.53%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.				0.00%				0.00%	0.00%
i) Indian	2,782,432	3,000	2,785,432	25.12%	2,239,709	3,000	2,242,709	20.23%	-4.89%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	287,675	296,135	583,810	5.27%	316,691	293,335	610,026	5.50%	0.24%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	231,829	35,400	267,229	2.41%	231,829	35,400	267,229	2.41%	0.00%
c) Others (specify)									
Non Resident Indians	1,200		1,200	0.01%	1,200		1,200	0.01%	0.00%
Overseas Corporate Bodies			-	-			-	-	-
Foreign Nationals			-	-			-	-	0.00%
Clearing Members			-	-	400		400	-	0.00%
Trusts			-	-			-	-	0.00%
Foreign Bodies - D R			-	-			-	-	0.00%
<b>Sub-total (B)(2):-</b>	<b>3,303,136</b>	<b>334,535</b>	<b>3,637,671</b>	<b>32.81%</b>	<b>2,789,829</b>	<b>331,735</b>	<b>3,121,564</b>	<b>28.15%</b>	<b>-4.65%</b>
<b>Total Public (B)</b>	<b>3,362,136</b>	<b>334,535</b>	<b>3,696,671</b>	<b>33.34%</b>	<b>2,848,829</b>	<b>331,735</b>	<b>3,180,564</b>	<b>28.68%</b>	<b>-4.65%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>10,753,935</b>	<b>334,535</b>	<b>11,088,470</b>	<b>100.00%</b>	<b>10,756,735</b>	<b>331,735</b>	<b>11,088,470</b>	<b>100.00%</b>	<b>0.00%</b>



**(ii) Shareholding of Promoter**

S. No.	Shareholder's Name	Shareholding at the beginning of the year on 1st April 2016			Share holding at the end of the year 31st March 2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	A H MAHESHWARI (HUF)	20,000	0.18%	-	20,000	0.18%	-	0.00%
2	ASHUTOSH ASHOKKUMAR MAHESHWARI	8,877	0.08%	-	108,482	0.98%	-	0.90%
3	GITANJALI A MAHESHWARI	6,212	0.06%	-	422,714	3.81%	-	3.76%
4	ARVIND ASHOKKUMAR MAHESHWARI	3,190	0.03%	-	3,190	0.03%	-	0.00%
5	ASHOKKUMAR H MAHESHWARRI	10	0.00%	-	10	0.00%	-	0.00%
6	SUMAN ASHOKKUMAR MAHESHWARI	10	0.00%	-	10	0.00%	-	0.00%
7	SAM EXIM LIMITED	6,388,000	57.61%	-	5,322,398	48.00%	-	-9.61%
8	STEWART TRADING AND INVESTMENT PRIVATE LIMITED	307,000	2.77%	-	307,000	2.77%	-	0.00%
9	SAM FARMS AND FOODS PRIVATE LIMITED	261,000	2.35%	-	786,000	7.09%	-	4.73%
10	CELESTIAL COMMERCIAL PRIVATE LIMITED	196,500	1.77%	-	196,500	1.77%	-	0.00%
11	SAM HOTELIERS AND RESORTS PRIVATE LIMITED	101,000	0.91%	-	101,000	0.91%	-	0.00%
12	DWEKAM WELD TECH PRIVATE LIMITED	100,000	0.90%	-	640,602	5.78%	-	4.88%
	<b>TOTAL</b>	<b>7,391,799</b>	<b>66.66%</b>	<b>-</b>	<b>7,907,906</b>	<b>71.32%</b>	<b>-</b>	<b>0</b>

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

SN	Particulars	Reason for Change (Decrease/increase in Shares )	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of	No. of shares	% of total shares
1	ASHUTOSH A. MAHESHWARI At the beginning of the year	Purchase	8,877	0.08%	8,877	0.08%
	Changes during the year		99,605	0.90%	108,482	0.98%
	At the end of the year		108,482	0.98%	108,482	0.98%
2	GITANJALI A. MAHESHWARI At the beginning of the year	Purchase	6,212	0.06%	6,212	0.06%
	Changes during the year		416,502	3.76%	422,714	3.81%
	At the end of the year		422,714	3.81%	422,714	3.81%
3	SAM EXIM LIMITED At the beginning of the year	Sale	6,388,000	57.61%	6,388,000	57.61%
	Changes during the year		(1,065,602)	-9.61%	5,322,398	48.00%
	At the end of the year		5,322,398	48.00%	5,322,398	48.00%
4	SAM FARMS AND FOODS P. LTD. At the beginning of the year	Purchase	261,000	2.35%	261,000	2.35%
	Changes during the year		525,000	4.73%	786,000	7.09%
	At the end of the year		786,000	7.09%	786,000	7.09%
5	DWEKAM WELD TECH P. LTD. At the beginning of the year	Purchase	100,000	0.90%	100,000	0.90%
	Changes during the year		540,602	4.88%	640,602	5.78%
	At the end of the year		640,602	5.78%	640,602	5.78%





**(iv) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Reason for Change (Decrease/increase in Shares )	Shareholding at the beginning of the year i.e. 1st April 2016		Cumulative Shareholding during the year i.e. 31st March 2017	
			No. of shares	% of total shares of	No. of shares	% of total shares
1	ACTIVE SHARE AND STOCKS PVT LTD					
	At the beginning of the year		533,700	4.81%	533,700	4.81%
	Changes during the year					
	At the end of the year		533,700	4.81%	533,700	4.81%
2	CEREBRAL SECURITIES P. LTD.					
	At the beginning of the year		531,393	4.79%	531,393	4.79%
	Changes during the year					
	At the end of the year		531,393	4.79%	531,393	4.79%
3	QUICKAGE SECURITIES P. LTD					
	At the beginning of the year		500,000	4.51%	500,000	4.51%
	Changes during the year					
	At the end of the year		500,000	4.51%	500,000	4.51%
4	AMBITIOUS SHARE & STOCKS P. LTD.					
	At the beginning of the year		391,110	3.53%	391,110	3.53%
	Changes during the year	Sale	(391,110)	-3.53%	-	0.00%
	At the end of the year		-	0.00%	-	0.00%
5	KRISHNAKRIPA HOLDINGS P. LTD.					
	At the beginning of the year		376,161	3.39%	376,161	3.39%
	Changes during the year					
	At the end of the year		376,161	3.39%	376,161	3.39%
6	SHEETAL KRAFTS PVT LTD					
	At the beginning of the year		156,600	1.41%	156,600	1.41%
	Changes during the year	Purchase	400	0.00%	157,000	1.42%
	At the end of the year		157,000	1.42%	157,000	1.42%
7	GAURANG METALS P. LTD.					
	At the beginning of the year		126,000	1.14%	126,000	1.14%
	Changes during the year	Sale	(126,000)	0.00%	-	0.00%
	At the end of the year		-	0.00%	-	0.00%
8	M P STATE INDUSTRIAL DEVELOPMENT CORP. LTD.					
	At the beginning of the year		59,000	0.53%	59,000	0.53%
	Changes during the year					
	At the end of the year		59,000	0.53%	59,000	0.53%
9	ACME FERRO ALLOYS P. LTD.					
	At the beginning of the year		41,204	0.37%	41,204	0.37%
	Changes during the year					
	At the end of the year		41,204	0.37%	41,204	0.37%
10	MUKESH P. PUROHIT & PARASRAM G. PUROHIT					
	At the beginning of the year		35,400	0.32%	35,400	0.32%
	Changes during the year					
	At the end of the year		35,400	0.32%	35,400	0.32%
11	ARHAM CREDIT CAPITAL P. LTD					
	At the beginning of the year		34,500	0.31%	34,500	0.31%
	Changes during the year					
	At the end of the year		34,500	0.31%	34,500	0.31%
12	AMIT JAIN					
	At the beginning of the year		28,628	0.26%	28,628	0.26%
	Changes during the year					
	At the end of the year		28,628	0.26%	28,628	0.26%



**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SANTOSH MUCHHAL						
	At the beginning of the year			800	-	800	0.01%
	Changes during the year			-	-	-	0.00%
	At the end of the year			800	0	800	0.00%

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>	NIL	NIL	NIL	NIL
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs/Lac)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		
	Name	GITANJALI A. MAHESHWARI	-	
	Designation	WHOLE TIME DIRECTOR	-	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	69.93	-	69.93
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>69.93</b>	-	<b>69.93</b>
	Ceiling as per the Act	With in Provisions of Sec. 197 & 198 read with Sechedule V of the Companies Act, 2013		

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		SANTOSH MUCHHAL	-	-	(Rs/Lac)
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	1.01	-	-	1.01
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)				
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)				
	Total (B)=(1+2)	1.01	-	-	1.01
	Total Managerial Remuneration	-	-	-	70.94
	Overall Ceiling as per the Act	With in Provisions of Sec. 197 & 198 read with Sechedule V of the Companies Act, 2013			



**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Rs/Lac)

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name	GOPAL P SHRIVASTAVA	NAVIN S. PATWA	
	Designation	CEO	CFO	CS	
1	<b>Gross salary</b>	-			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	6.04	4.66	10.70
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	6.04	4.66	10.70

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
<b>B. DIRECTORS</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-

FOR AND ON BEHALF OF BOARD OF DIRECTOR

ASHUTOSH A. MAHESHWARI  
CHAIRMAN  
DIN: 00094262

Date : 18/08/2017  
Place : Indore



**Annexure-VII**

**Disclosure of Remuneration under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014.**

- The details of Remuneration paid during the Financial Year as per pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 are as follows:

Name	Designation	Amount (in Rs.)
Mrs. Gitanjali A. Maheshwari	Whole Time Director	69.93
Mr. Santosh Muchhal	Director	1.00
Navin Patwa	Company Secretary	4.66
Gopal P. Shrivastava	Chief Financial Officer	6.04

- Number of permanent Employees on the Rolls of the Company as on 31<sup>st</sup> March 2017 is 17 including Whole Time Director.
- Ratio of remuneration of each director, CFO, Company Secretary to the median remuneration of the employees of the Company for the Financial Year:

Name	Designation	Ratio*
Mrs. Gitanjali A. Maheshwari	Whole Time Director	66.80
Mr. Santosh Muchhal	Director	0.96
Mr. Navin Patwa	Company Secretary	4.46
Mr. Gopal Shrivastava	CFO	5.77

Note: Remuneration includes Sitting Fees

\*Number of times the median remuneration

- The Key parameters for any variable component of remuneration availed by the directors: N. A.

**PARTICULARS OF EMPLOYEES**

During the year under review the details of employee of the company who is drawing more than Rs. 1,02,00,000/- P.A. or Rs. 8,50,000/- per month for the part of the year, during the year as per requirement of Particulars of the employees under Section 197 of Companies Act, 2013 read with rule 5 (2) & rule 5 (3) of Companies (appointment and remuneration) Rules 2014 are as follows:-

Details of Particular of Employee

S. No. Particular

- Name of the Employee- Mrs. Gitanjali Maheshwari
- Designation of Employee- Whole Time Director
- Nature of Employee- Permanent
- Qualification and Experience of Employee- Graduation (Commerce & Economics) and having 15 years and above Experience.
- Date of Commencement of Employment- 14th August, 2014
- Age of Employee- 39 Years
- Last employment held- Nil
- Shares held by the Employee along with his spouse and children

S. No.	Name	No. Share Held	Percentage
1.	Mr. Ashutosh A. Maheshwari	1,08,482	0.98%
2.	Mrs. Gitanjali A. Maheshwari	4,22,714	3.81%

- Relation with Directors Mr. Ashutosh A. Maheshwari- Husband
- Salary Drawn- Rs. 69,93,280/- per annum

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF****SAM INDUSTRIES LIMITED****REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of SAM INDUSTRIES LIMITED (The Company), which comprises the Balance sheet as at 31st March, 2017 and the statement of Profit and Loss and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for 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 value of the financial positions, financial performance and cash flows of the company in accordance with the accounting standards referred to in section 133 of the Act, read with rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of act for safeguarding 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 misstatement, 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial 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 financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the 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 the standalone financial statements.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31, 2017, and its **Profit** and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the annexure a statement on the matters specified in paragraphs 3 and 4 and 5 of the order to the extent applicable.
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 of the Company.
- c. The Balance Sheet and statement of Profit and Loss Account and Cash Flow statement dealt with by these reports are in agreement with the books of account of the Company.
- d. In our opinion, the Balance Sheet and Profit & Loss Account and Cash Flow statement dealt with by this report comply with the account standards specified under section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014.
- e. On the basis of written information received from the directors of the Company and taken on record by the Board of Directors as on 31st March 2017, and the information and explanations given to us, we report that none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of subsection (2) of section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g. 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 litigations on its financial position in its financial statements as referred to in note no.34 to the financial statements.
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the investor education and protection fund by the company.
  - (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December,2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 39 to the financial statements.

**For M.MEHTA & COMPANY**  
Chartered Accountants  
Firm Regn. No. 000957C

Place: Indore  
Dated: 02.06.2017

CA Nitin Bandi  
(Partner)  
M.No. 400394



**Annexure referred to in our Independent Auditor’s Report to the Members of the Company on the Financial Statements for the year ended 31<sup>st</sup> March, 2017 we report that:**

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management at reasonable intervals. As informed to us, no discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, the inventory of the Company has been physically verified during the year by the management. In our opinion the frequency of the verification is reasonable and no material discrepancies were noticed on verification between the physical stocks and book records.
- iii. According to the information’s and explanations given to us the Company has granted loans unsecured, to the companies covered in the register maintained under section 189 of the Companies Act, 2013 for which :
  - (a) The terms and conditions of the grant of such loans are not prejudicial to the interest of the company.
  - (b) Receipt of interest and principal is regular,based on the terms of loans.
  - (c) Reasonable steps have been taken by the company for the recovery of principal amount and the interest due, if any.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted deposit from public with the meaning of Section 73 to 76 or any other relevant provision of the Act.
- vi. According to information and explanations given to us as the company has discontinued its Soya Manufacturing Activities in Previous year, hence cost records as prescribed under sub-section (1) of section 148 of the Companies Act are not required to be maintained by the Company.
- 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 regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities
- (b) According to the information and explanations given to us there were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable except following:-

Sr. No.	Name of the Statue	Nature of Due	Amount Rs.	Period
1.	Land Diversion Tax	Regular	316167/-	2015-16

- (c) According to the information and explanation given to us there are no dues of Income Tax, Sales Tax, Service Tax, duty of custom, duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanation given by the management, the company did not have any outstanding dues in respect of Bank, Financial Institution, Government or Debenture holders during the year.
- ix. According to the information and explanations given by the management, the company has neither raised any monies by way of initial public offer or further public offer (including debt instruments) and terms loans during the year nor did it have any such utilized monies outstanding at the start of the year. Hence, reporting under clauses (ix) is not applicable to the company and hence not commented upon.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act except remuneration paid to Whole Time Director for 01.02.2017 to 31.03.2017 of Rs. 8,92,000/- is subject to approval of shareholders of the company.



- xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him as per provisions of section 192 of the Companies Act 2013, hence Paragraph 3(xv) of the order is not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For M.MEHTA & COMPANY**  
Chartered Accountants  
Firm Regn. No. 000957C

Place: Indore  
Dated: 02.06.2017

**CA Nitin Bandi**  
(Partner)  
M. No. 400394



**ANNEXURE - B TO THE AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of SAM INDUSTRIES LIMITED ("the Company") as of 31<sup>st</sup> March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M.MEHTA & COMPANY**

Chartered Accountants

Firm Regn. No. 000957C

Place: Indore

Date: 02.06.2017

CA Nitin Bandi

(Partner)

M.No.400394



## Balance Sheet as at 31st March 2017

(Amount in Rs.)

Particulars	Note No	31st March 2017	31st March 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	11,19,98,200	11,19,98,200
(b) Reserves and Surplus	3	28,00,71,668	26,94,31,587
<b>(2) Non-Current Liabilities</b>			
(a) Deferred tax liabilities (Net)	4	1,25,77,223	1,40,68,321
(b) Other long-term liabilities	5	1,80,15,000	1,80,15,000
(c) Long term provisions	6	2,26,589	1,98,138
<b>(3) Current Liabilities</b>			
(a) Trade payables	7	48,42,600	61,22,829
(b) Other current liabilities	8	2,10,05,020	2,50,14,656
(c) Short-term provisions	9	30,428	50,135
<b>Total</b>		<b>44,87,66,728</b>	<b>44,48,98,866</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	10		
(i) Tangible assets-property, plant & equipment		15,33,02,141	15,99,44,781
(ii) Intangible assets		-	-
(b) Non-current investments	11	8,57,39,520	7,18,04,395
(c) Long term loans and advances	12	9,82,84,915	8,49,05,927
(d) Other non-current assets	13	1,30,000	1,30,000
<b>(2) Current assets</b>			
(a) Inventories	14	3,48,98,413	3,81,50,047
(b) Trade receivables	15	74,65,148	28,31,610
(c) Cash and Bank Balances	16	3,25,837	29,71,508
(d) Short-term loans and advances	17	6,01,29,503	7,76,14,616
(e) Other current assets	18	84,91,251	65,45,982
<b>Total</b>		<b>44,87,66,728</b>	<b>44,48,98,866</b>

Significant Accounting Policies

1

The Accompanying Notes are integral part of the Financial Statement 2 to 41

**As per our report of Even Date attached**

**For M. Mehta & Company**  
**Chartered Accountants**  
**Firm Regn No. 000957C**

CA Nitin Bandi  
Partner  
M.No. 400394

Place: Indore  
Date: 02/06/2017

**For and on Behalf of the Board of Directors**

Ashutosh A Maheshwari (Chairman)  
(DIN : 00094262)  
Gitanjali A Maheshwari (Whole-time Director)  
(DIN : 00094596)  
Kishore Kale (Director)  
(DIN : 01743556)  
Yogendra Vyas (Director)  
(DIN : 06603344)  
Navin S. Patwa (Company Secretary)  
Gopal Shrivastava (Chief Financial Officer)



## Profit and Loss statement for the year ended 31st March, 2017

(Amount in Rs.)

Particulars	Note No	31st March 2017	31st March 2016
<b>Income :</b>			
Revenue from operations	19	10,27,26,300	7,38,47,300
Other Income	20	77,26,419	83,93,161
<b>Total Revenue</b>		<b>11,04,52,719</b>	<b>8,22,40,461</b>
<b>Expenditure:</b>			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	27,95,675	18,15,171
Employee benefit expense	22	1,04,58,018	95,24,258
Other expenses	23	6,97,65,053	8,50,61,010
Financial costs	24	1,22,435	89,723
Depreciation and amortization expense	10	67,93,813	67,54,997
<b>Total Expenses</b>		<b>8,99,34,994</b>	<b>10,32,45,159</b>
<b>Profit Before Tax and exceptional Items</b>		<b>2,05,17,725</b>	<b>(2,10,04,698)</b>
Exceptional Items		9,185	1,00,415
<b>Profit before tax</b>	25	<b>2,05,08,540</b>	<b>(2,11,05,113)</b>
Tax expense:	26		
(1) Current tax		1,13,59,557	36,50,006
(2) Deferred tax		(14,91,098)	(10,40,287)
<b>Profit for the year</b>		<b>1,06,40,081</b>	<b>(2,37,14,832)</b>
Earning per equity share of face value of Rs. 10 each	27		
(1) Basic		0.96	(2.14)
(2) Diluted		0.96	(2.14)

Significant Accounting Policies

1

The Accompanying Notes are integral part of the Financial Statement 2 to 41

## As per our report of Even Date attached

**For M. Mehta & Company**  
Chartered Accountants  
Firm Regn No. 000957C

CA Nitin Bandi  
Partner  
M.No. 400394

Place: Indore  
Date: 02/06/2017

## For and on Behalf of the Board of Directors

Ashutosh A Maheshwari (Chairman)  
(DIN : 00094262)  
Gitanjali A Maheshwari (Whole-time Director)  
(DIN : 00094596)  
Kishore Kale (Director )  
(DIN : 01743556)  
Yogendra Vyas (Director )  
(DIN : 06603344)  
Navin S. Patwa (Company Secretary)  
Gopal Shrivastava (Chief Financial Officer)



## CASH FLOW STATEMENT FOR THE YEAR 2016-17

(Amount in Rs.)

CASH FLOW FROM OPERATING ACTIVITIES	31st March 2017	31st March 2016
Net Profit before taxation and extraordinary item	2,05,17,725	(2,10,04,698)
<u>Adjustment for:</u>		
Depreciation	67,93,813	67,54,997
Interest Paid	1,16,851	1,296
Interest received	(72,43,774)	(79,75,175)
Dividend Received	(60,552)	(51,260)
Profit/Loss on Sale of investments	(3,74,271)	(37,784)
Provision for leave encashment and gratuity	25,265	(97,214)
Provision for Diminution in value of Shares	71,83,404	2,66,35,657
Miscellaneous Balance written off	(2,447)	(3,04,692)
Inventory written off	4,55,958	4,55,958
<b>Operating Profit before Working Capital Changes</b>	<b>2,74,11,972</b>	<b>43,77,084</b>
Increase/Decrease in Inventory	27,95,676	18,15,171
Increase/Decrease in Trade and Other Receivables	(16,32,637)	1,10,33,828
Increase/Decrease in Trade Payables	(53,06,386)	(26,07,576)
Cash generated from Operations	2,32,68,625	1,46,18,507
Income Tax	(1,22,06,340)	(65,23,865)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1,10,62,285</b>	<b>80,94,642</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of investment	55,78,363	19,24,399
Interest received	72,43,774	79,75,175
Dividend received	60,552	51,260
Purchase of Fixed Assets	(1,51,173)	-
Purchase of Investment	(2,63,22,621)	(1,72,32,491)
Sale of Asset	-	6,40,000
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(1,35,91,105)</b>	<b>(66,41,657)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(1,16,851)	(1,296)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(1,16,851)</b>	<b>(1,296)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(26,45,671)</b>	<b>14,51,689</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>29,71,508</b>	<b>15,19,820</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>3,25,837</b>	<b>29,71,508</b>

1. Figures in minus represents Cash outflows

2. Cash &amp; Cash equivalents represents Cash &amp; Bank Balances only

**As per our report of Even Date attached**

**For M. Mehta & Company**  
**Chartered Accountants**  
**Firm Regn No. 000957C**

CA Nitin Bandi  
 Partner  
 M.No. 400394

Place: Indore  
 Date: 02/06/2017

**For and on Behalf of the Board of Directors**

Ashutosh A Maheshwari (Chairman)  
 (DIN : 00094262)  
 Gitanjali A Maheshwari (Whole-time Director)  
 (DIN : 00094596)  
 Kishore Kale (Director )  
 (DIN : 01743556)  
 Yogendra Vyas (Director )  
 (DIN : 06603344)  
 Navin S. Patwa (Company Secretary)  
 Gopal Shrivastava (Chief Financial Officer)



*Notes forming part of Balance Sheet and Profit and Loss Account for the year ended March 31<sup>st</sup>, 2017*

**NOTE - "1" NOTES & SIGNIFICANT ACCOUNTING POLICIES****1. CORPORATE INFORMATION :**

SAM INDUSTRIES LIMITED was incorporated on 17TH February 1994 and commenced its business operation on 5TH October 1994. The Company is presently doing the business of operating lease of Welding Electrodes, Real estate & Investment business. However the company has discontinued the Soya business.

**2.(a) BASIS OF PREPARATION**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year.

**2.(b) USE OF ESTIMATES**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

**3. Summary of significant Accounting policies****A. Revenue Recognition**

- a. Sales are inclusive of excise duty and VAT Collected and are net of trade discounts, if any.
- b. Dividend income is recognized in the year when the right to received the payment is established.
- c. Interest income is recognized on time proportionate basis.
- d. Non commitment charges are accounted on fulfillment of time of contract only.
- e. Lease Rent Income is accounted on accrual basis.
- f. Sales of Real Estate business is recognized on actual sale on legal transfer or giving possession of plots on receiving full payments.
- g. Agriculture income is recognized on crop sale basis.

**B. Tangible Fixed Assets - Property, Plant and Equipment**

Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. Fixed Assets are recorded at Cost which includes inward freight, duties, taxes and incidental expenses related to acquisition and installation of the asset. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the assets for the period up to the completion of their acquisition or constructions are capitalized.

**C. Depreciation on Tangible Fixed Assets - Property, Plant and Equipment**

- a. Depreciation on fixed assets has been provided for under straight-line method in the manner prescribed in Schedule II of the Companies Act, 2013, over the useful life of the asset.
- b. Intangible assets are amortized over their estimated useful lives on a straight line basis, commencing from the date the assets is available to the company for its use.

**D. Inventories**

- a. Raw material, stores and spares, fuel and packing materials are valued at cost, including freight.
- b. Finished goods are valued at market value or cost whichever is less. The by - Products are valued at net realizable value.
- c. Stock of land of Real Estate division is valued on cost after capitalizing the expenses incurred on development of land.
- d. The excise duty in respect of closing stock of finished goods is included as part of inventory. The amount of CENVAT Credit in respect of material consumed for sale is deducted from the cost of material.

**E. Investments**

Trade Investments are investments made to enhance the Company's business interests. Investments are either classified as current or long term based on the management's intention. Current Investments are carried at the lower of cost and fair value. Long term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

Investment properties are carried individually at cost less impairment, if any. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.

**F. Employees benefits**

The company's Contribution to provident funds is made to the recognized provident funds and is charged to the profit and loss account. The company has taken a gratuity policy from LIC of India and premium paid for the year has been debited to profit and loss account. The liability towards leave encashment has been ascertained by actuarial valuation using projected unit credit method done at the end of the financial year.

**G. Lease Rent / Operating Lease**

(i) The payment of lease rent for office premises taken on lease and license basis are recognized as expenditure in the profit and loss account on a Straight Line basis.

(ii) Lease Rental Income is accounted on accrual basis.

**H. Impairment of Assets**

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired.

**I. Foreign currency transaction & Translations**

Foreign exchange transactions are recorded at the rates of exchange on the date of respective transaction. The assets and liabilities designated in foreign currency are converted into the rupee at the rates of exchange prevailing as on the balance sheet date or at the contracted rate and corresponding adjustment is being made to the relevant income/expense and assets/liability.

**J. Segment Reporting**

The company has disclosed business segment as the primary segment. The segments have been identified after taking in to account the type of product, the differing risk and returns and internal reporting systems. The Segments identified by the company are as under:

- 1) Soya Division (Discontinued)
- 2) Welding Division
- 3) Investment Division
- 4) Real Estate Division

The company for the segment reporting has followed the following accounting policies.

- a) Segment revenue includes sales and other income directly identifiable with or allocable to a particular segment.
- b) Segment expenses that are directly identifiable with \allocable to a segment are considered for determining the segment results. The expenses, which relates to the company as a whole and not allocable to a particular segment are included under un-allocable expenses.
- c) Income, which relates to the company, as a whole and not allocable to a segment is included under un-allocable income.
- d)
  - i) Segment assets include those assets which are directly identifiable with respective segments and employed by a segment in its operating activities but does not include income tax assets.
  - ii) Segment liabilities include those liabilities directly identifiable to a segment and operating liability that result from operating activities of a segment, but does not include income tax liabilities and financial tax liabilities.

**K. Income Taxes**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between the profits offered for income tax and the profit as per the financial statements.

**L. Borrowing Cost**

Borrowing Cost that is attributable to the acquisition of qualifying assets is capitalized as part of such cost till the said assets put to use. All other borrowing cost is charged to revenue account.

**M. Provisions, Contingent Liability & Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liability are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**N. Earnings per Share**

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.

**O. Cash Flows**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>2 SHARE CAPITAL</b>		
<b>a Particulars</b>		
<b>Authorized</b>		
1,15,00,000 Equity Shares (Prev. Year 1,15,00,000) of Rs. 10 Each	115,000,000	115,000,000
10,50,000 Preference Shares (Prev. Year 10,50,000) of Rs. 100 Each	105,000,000	105,000,000
	<b>220,000,000</b>	<b>220,000,000</b>
<b>Issued and Subscribed</b>		
1,13,04,270 Equity Shares (Prev. Year 1,13,04,270) of Rs. 10 Each	113,042,700	113,042,700
<b>Paid Up</b>		
1,10,88,470 Equity Shares (Prev. Year 1,10,88,470) of Rs. 10 Each	110,884,700	110,884,700
<b>Forfeited</b> 2,15,800 Shares originally paid up	1,113,500	1,113,500
<b>Total</b>	<b>111,998,200</b>	<b>111,998,200</b>
<b>b Reconciliation of Shares outstanding at the beginning and at the end of the year</b>		
Equity Shares		
	Nos.	Nos.
At the Beginning of the Year	11,088,470	11,088,470
Issued during the year	-	-
Outstanding at the end of the year	<b>11,088,470</b>	<b>11,088,470</b>
<b>c Terms / Rights Attached to Shares</b>		
Equity Shares		
The Company has only one class of Equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share.		
The Company declares and pays dividends in Indian rupees if any.		
During the Year Ended 31st March 2017 the amount per share dividend recognized as distributions to equity shareholders was Rs. NIL (For 31st March 2016 was Rs NIL).		
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>d Shares held by holding / ultimate holding and or their subsidiaries / associates</b>		
	31.03.2016	
Equity Shares	Nos.	Amount
Holding Company (Sam Exim Ltd.)	6,388,000	63,880,000
	<b>6,388,000</b>	<b>63,880,000</b>
Sam Exim Ltd. ceased to be a holding company from March 2017.		
<b>e Details of Shareholders holding more than 5% shares in the Company</b>		
Name of the Share holders	31.03.2017	
	(In Nos.)	31.03.2016
	Nos.	%
Equity		
Sam Exim Ltd	53,22,398	48.00
Sam Farms & Foods Pvt. Ltd.	7,86,000	7.09
Dwekam Weldtech Pvt. Ltd.	6,40,602	5.78
<b>f Shares Forfeited</b>		
Amount Originally Paid up	1,113,500	1,113,500
<b>3 RESERVE &amp; SURPLUS</b>		
<b>a Particulars</b>		
<b>Capital Reserve</b>		
Opening Balance	105,000,000	105,000,000
Addition during the year	-	-
Closing Balance	<b>105,000,000</b>	<b>105,000,000</b>





## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>b Securities Premium Reserve</b>		
Opening Balance	5,54,42,000	5,54,42,000
Closing Balance	5,54,42,000	5,54,42,000
<b>c Profit &amp; Loss Account</b>		
Balance as per last Balance Sheet	10,89,89,587	13,27,04,419
Add(Less) : Profit/Loss For the Year	1,06,40,081	(2,37,14,832)
	11,96,29,668	10,89,89,587
<b>Total</b>	<b>28,00,71,668</b>	<b>26,94,31,587</b>
<b>4 DEFERRED TAX LIABILITYY</b>		
<b>Particulars</b>		
<b>a Deferred Tax Assets</b>		
Disallowances under 43B	2,88,221	3,55,638
Employee Related	-	-
	2,88,221	3,55,638
<b>b Deferred Tax Liabilities</b>		
Depreciation	1,28,65,444	1,44,23,959
	1,28,65,444	1,44,23,959
<b>Net Deferred Tax Liabilities</b>	<b>1,25,77,223</b>	<b>1,40,68,321</b>
<b>5 OTHER LONG TERM LIABILITIES</b>		
<b>Particulars</b>		
<b>a Loans &amp; Deposits (Unsecured)</b>	<b>1,80,15,000</b>	<b>1,80,15,000</b>
<b>Total</b>	<b>1,80,15,000</b>	<b>1,80,15,000</b>
<b>b Out of the Above</b>		
Total Secured	-	-
Total Unsecured	1,80,15,000	1,80,15,000
<b>Total</b>	<b>1,80,15,000</b>	<b>1,80,15,000</b>
<b>6 LONG TERM PROVISIONS</b>		
<b>Particulars</b>		
Gratuity	17,537	17,537
Leave Encashment	2,09,052	1,80,601
<b>Total</b>	<b>2,26,589</b>	<b>1,98,138</b>
<b>7 TRADE PAYABLES</b>		
<b>Particulars</b>		
Trade Payables	48,42,600	61,22,829
<b>Total</b>	<b>48,42,600</b>	<b>61,22,829</b>
<b>8 OTHER CURRENT LIABILITIES</b>		
<b>Particulars</b>		
<b>a Advance against Sales of Goods</b>	<b>1,14,37,000</b>	<b>1,37,50,000</b>
<b>b Other Payables</b>	<b>95,67,520</b>	<b>1,12,64,656</b>
<b>Total</b>	<b>2,10,05,020</b>	<b>2,50,14,656</b>
<b>9 SHORT TERM PROVISIONS</b>		
<b>Particulars</b>		
(a) Leave Encashment	9,048	12,234
(b) Bonus	21,380	37,901
<b>Total</b>	<b>30,428</b>	<b>50,135</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>10 FIXED ASSETS</b>	<b>153,302,141</b>	159,944,781
<b>11 NON CURRENT INVESTMENTS</b>		
Particulars		
<b>a Investment in Property (At Cost)</b>		
<b>Opening Balance</b>	<b>3357926</b>	110,264,661
Add : Lands Purchased for Investment	-	3,625,200
Less : Transferred to Fixed Assets	-	80,313,935
Less : Compulsory acquisition of land (cost)	<b>1,17,282</b>	-
<b>Total</b>	<b>33,458,644</b>	<b>33,575,926</b>
<b>b Trade Investments</b>		
<b>(i) Long Term Investment</b>		
<b>(a) In Quoted Equity Instruments (At Cost) (Fully Paid Up)</b>		
0 (579) Shares of Andhra Sugars Limited of Rs. 10 each	-	82,863
1250 (1250) Shares of Arvind Remedies Limited of Rs. 10 each	<b>25,530</b>	25,530
28 (14) Shares of Axis Bank Limited of Rs. 2 each	<b>14,235</b>	7,841
16 (0) Shares of Abbott India Ltd. of Rs. 10 each	<b>75,030</b>	-
5 (0) Shares of Ajanta Pharma Ltd. of Rs. 2 each	<b>8,853</b>	-
50 (0) Shares of Bajaj Finance Ltd. of Rs. 2 each	<b>45,200</b>	-
800 (25) Shares of Balmer Lawrie & Co. Limited of Rs. 10 each	<b>117,614</b>	13,957
570 (57) Shares of Bharat Electronics Limited of Rs. 1 (10) each	72,289	72,289
0 (402) Shares of Biocon Limited of Rs. 5 each	-	190,986
50 (50) Shares of B.F. Investment Limited of Rs. 5 each	-	-
50 (0) Shares of Bharat Petroleum Corp Limited of Rs. 10 each	<b>25,353</b>	-
185 (0) Shares of Bombay Burmah Trading Limited of Rs. 2 each	<b>74,103</b>	-
600 (300) Shares of Chembond Chem Limited of Rs.5 (10) each	<b>119,453</b>	119,453
21 (21) Shares of Cipla Limited of Rs. 2 each	<b>31,546</b>	31,546
0 (40) Shares of Claris Lifesciences Limited of Rs. 10 each	-	9,823
0 (8) Shares of Colgate Pamolive India Limited of Rs. 1 each	-	7,677
10 (10) Shares of Dr. Reddy's Labs Limited of Rs. 5 each	<b>29,937</b>	29,937
170 (170) Shares of EIH Ass. Hotels Limited of Rs. 10 each	<b>15,813</b>	15,813
5 (5) Shares of Future Lifestyle Fashions Limited of Rs. 2 each	-	-
7 (7) Shares of Future Market Networks Limited of Rs. 10 each	-	-
15 (15) Shares of Future Retail Limited of Rs. 2 each	-	-
15 (0) Shares of Future Enterprises Limited of Rs. 2 each	-	-
500 (500) Shares of Genus Power Infra Limited of Rs. 1 each	<b>15,764</b>	15,764
500 (500) Shares of Govind Rubber Limited of Rs. 10 each	<b>14,726</b>	14,726
336 (336) Shares of Gujarat Nre Coke Limited of Rs. 10 each	-	-
2400 (2400) Shares of Gujarat Tele Cable Limited of Rs.10 each	<b>35,935</b>	35,935
0 (25) Shares of HIL Limited of Rs. 10 each	-	13,295
5000 (5000) Shares of IB Power Limited of Rs. 10 each	<b>84,078</b>	84,078
7500 (7500) Shares of Icfi Bank Limited of Rs. 2 each	<b>155,217</b>	155,217
2500 (2500) Shares of Icf Technologies Limited of Rs. 1 each	<b>14,068</b>	14,068
40 (22) Shares of Inter Globe Aviation Limited of Rs. 10 each	<b>45,907</b>	30,103
500 (500) Shares of IRB Infra Developers Limited of Rs. 10 each	<b>110,151</b>	110,151
20000 (20000) Shares of IL&FS Invest Limited of Rs. 2 each	<b>392,090</b>	392,090
0 (59) Shares of India Motor Parts & Acc. Limited of Rs. 2 each	-	41,141
324 (110) Shares of Ineos Styrolution Limited of Rs. 10 each	<b>218,735</b>	82,925
37 (0) Shares of ITC Limited of Rs. 1 each	<b>9,000</b>	-
5000 (5000) Shares of JVL Agro Ind. Limited of Rs. 1 each	<b>35,801</b>	35,801



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
0 (1000) Shares of Jay Bharat Maruti Limited of Rs. 5 each	-	139,429
1450 (559) Shares of JB Chem & Pharma Limited of Rs. 2 each	376,358	151,481
2180 (17) Shares of Karur Vysya Bank Limited of Rs. 10 each	207,549	7,735
5000 (12100) Shares of KCP Sugar Indust Limited of Rs. 1 each	70,311	254,024
25(25) Sahres of Kpit Technologies Limited of Rs. 2 each	5,280	5,280
3145 (3145) Shares of Mavi Industries Limited of Rs. 10 each	22,985	22,985
500 (0) Shares of Menon Pistons Limited of Rs. 1 each	7,075	-
582 (0) Shares of Moil Limited of Rs. 10 each	162,255	-
150 (150) Shares of Moser Baer Limited of Rs. 10 each	25,335	25,335
0 (87) Shares of Mphasis Limited of Rs. 10 each	-	39,011
5 (0) Shares of MRF Limited of Rs. 10 each	169,386	-
15 (0) Shares of Natco Pharma Limited of Rs. 2 each	9,553	-
1500 (0) Shares of Nbcc Ltd. of Rs. 2 each	283,204	-
25( 25) Shares of Oberoi Realty Limited of Rs. 10 each	6,850	6,850
5000 (5000) Shares of Orient Abrasives Limited of Rs. 1 each	39,813	39,813
2500 (2500) Shares of Orient Refractories Limited of Rs. 1 each	-	-
5 (0) Shares of Page Industries Limited of Rs. 10 each	70,952	-
300 (135) Shares of Polaris Consult Ser Limited of Rs. 5 each	61,133	28,766
400 (200) Shares of Power Finance Corpooration of Rs. 10 each	43,574	43,574
337 (337) Shares of Rajratan Global Wire Limited of Rs.10 each	45,292	45,292
500 (0) Shares of Rural Electrification Limited of Rs. 10 each	70,501	-
8500(8500) Shares of Sh.Rama New Print Limited of Rs.10 each	133,507	133,507
1798(1798) Shares of Shipping Corp Limited of Rs.10 each	296,597	296,597
138 (0) Shares of State Bank of Travancore of Rs. 10 each	74,815	-
2500 (2500) Shares of Steel tube of India Limited of Rs. 10 each	11,096	11,096
500 (0) Shares of Sudarshan Chemicals Limited of Rs. 2 each	170,734	-
125 (0) Shares of Sun Pharm Industries Limited of Rs. 1 each	89,174	-
200 (200) Shares of Sutlaj textiles & Ind. Limited of Rs. 10 each	7,175	7,175
16 (0) Share of Shilpa Medicare Limited of Rs. 1 each	9,368	-
100 (100) Shares of Syndicate bank Limited of Rs. 10 each	1,541	1,541
1243 (500) Shares of South Indian Bank Limited of Rs. 1 each	26,112	11,152
200 (200) Shares of Transgene biotek Limited of Rs. 10 each	30,444	30,444
18 (0) Shares of Ujjivan Financial Services Limited of Rs. 10 each	9,557	-
3000 (3000) Shares of Unitech Limited of Rs. 2 each	244,562	244,562
176 (176) Shares of Union bank of India of Rs. 10 each	4,789	4,789
250 (250) Shares of Viceroy Hotel Limited of Rs. 10 each	22,832	22,832
500 (500) Shares of Vorin Laboratories Limited of Rs. 10 each	60,612	60,612
300 (300) Shares of Vinati Organics Limited of Rs. 2 each	112,284	112,284
378 (0) Shares of Vindhya Telelinks Limited of Rs. 10 each	235,501	-
15000 (15000) Shares of Willard India Ltd.of Rs. 5 each	233,170	233,170
10 (0) Shares of Wipro Ltd. of Rs. 2 each	20,952	20,952
10 (0) Shares of Yes Bank Limited of Rs. 10 each	10,384	-
500 (500) Shares of Zee Enter Enterprises Limited of Rs. 1 each	42,328	42,328
	<b>5,311,364</b>	<b>3,675,623</b>
<b>(b) In Unquoted Equity Instruments of companies in which directors are interested (At Cost) (Fully Paid Up)</b>		
900000 (900000) Shares of D&H Secheron Industries Pvt. Ltd. of Rs. 10 each	90,00,000	90,00,000
1677400 (977400) Shares of D&H Secheron Infra. Pvt. Ltd. of Rs. 10 each	7,26,39,700	5,30,39,700
	<b>8,16,39,700</b>	<b>6,20,391,700</b>



**FIXED ASSETS (NOTE No. - 10)**

Particulars	Gross Block				Depreciation and amortization				Net book value	
	01.04.2016	Additions	Deductions	31.03.2017	01.04.2016	Additions	Deductions	31.03.2017	31.03.2017	31.03.2016
<b>A. Tangible assets :</b>										
ALand Free-hold	7,296,978	-	-	7,296,978	-	-	-	-	7,296,978	7,296,978
Agricultural Land	7,296,978	-	-	7,296,978	-	-	-	-	7,296,978	7,296,978
Factory Buildings	80,313,935	80,313,935	-	80,313,935	-	-	-	-	80,313,935	80,313,935
Other Buildings	40,412,890	-	-	40,412,890	20,362,364	1,349,791	-	21,712,155	18,700,736	20,050,526
Plant and equipment	40,412,890	-	-	40,412,890	19,012,574	1,349,791	-	20,362,365	20,050,525	21,400,317
Electrical Installation	61,685,258	-	-	61,685,258	18,057,018	1,065,965	-	19,122,983	42,562,275	43,628,240
Office equipment	61,685,258	-	-	61,685,258	17,028,725	1,028,293	-	18,057,018	43,628,240	44,656,533
Computer equipment	36,022,440	-	-	36,022,440	30,152,154	3,410,567	-	33,562,721	2,459,719	5,870,286
Furniture and fixtures	36,022,440	-	-	36,022,440	26,749,846	3,402,308	-	30,152,154	5,870,286	9,272,594
Vehicles	4,086,235	-	-	4,086,235	3,498,135	335,078	-	3,833,213	253,022	588,100
Lab Equipment	4,086,235	-	-	4,086,235	3,162,139	335,996	-	3,498,135	588,100	924,096
Tools	1,045,585	-	-	1,045,585	1,039,123	2,234	-	1,041,356	4,229	6,462
Agricultural Equipment	1,045,585	-	-	1,045,585	1,029,827	9,296	-	1,039,123	6,462	15,758
Previous Year	2,795,447	-	-	2,795,447	2,795,448	-	-	2,795,448	-	-
Current Year	2,795,447	-	-	2,795,447	2,787,045	8,402	-	2,795,447	-	8,402
Total	3,901,810	25,673	-	3,927,483	2,294,793	452,433	-	2,747,226	1,180,258	1,607,018
Previous Year	3,901,810	-	-	3,901,810	1,856,825	437,967	-	2,294,792	1,607,018	2,044,985
Current Year	1,271,270	-	-	1,271,270	688,034	177,746	-	865,780	405,490	583,236
Total	1,271,270	-	-	1,271,270	509,819	178,215	-	688,034	583,236	761,451
Previous Year	2,539,883	-	-	2,539,883	2,539,883	-	-	2,539,883	-	-
Current Year	2,539,883	-	-	2,539,883	2,539,883	-	-	2,539,883	-	-
Total	180,338	-	-	180,338	180,338	-	-	180,338	-	-
Previous Year	180,338	-	-	180,338	175,609	4,729	-	180,338	-	4,729
Current Year	125,500	-	-	125,500	-	-	-	-	125,500	-
Total	161,238,134	80,313,935	-	241,552,069	74,852,292	6,754,997	-	81,607,289	159,944,781	86,385,842
Previous Year	241,552,069	151,173	-	241,703,242	81,607,289	6,793,813	-	88,401,102	153,302,141	159,944,781
Current Year	-	-	-	-	-	-	-	-	-	-
Total	161,238,134	80,313,935	-	241,552,069	74,852,292	6,754,997	-	81,607,289	159,944,781	86,385,842
Previous Year	241,552,069	151,173	-	241,703,242	81,607,289	6,793,813	-	88,401,102	153,302,141	159,944,781
Current Year	-	-	-	-	-	-	-	-	-	-
Total	241,552,069	151,173	-	241,703,242	81,607,289	6,793,813	-	88,401,102	153,302,141	159,944,781

(a) Pursuant to the Companies Act 2013 ("the Act") becoming effective from April 01,2014, the company has recomputed the depreciation based on the useful life of the assets as prescribed in Schedule II of the Act.

(b) Depreciation has not been provided on agricultural equipment as the same has not been put to use during the year.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
(c) In Other Unquoted Equity Instruments (At Cost) (Fully Paid Up) 15500 (15500) Shares of Sam Hoteliers & Holdings Pvt.Ltd. of Rs. 10 each	620,000	620,000
(d) In Bonds (At Cost) (Fully Paid Up) (Non- Convertible)(Unquoted) 250(250) bonds of HUDCO Ltd. of Rs. 1000 each	250,000	250,000
(e) In Mutual Fund (At cost)	70	-
	<b>87,821,134</b>	<b>66,585,323</b>
<b>Gross Total of Investments (a + b + c+d+e)</b>	<b>121,279,778</b>	<b>100,161,249</b>
Less: Provision for Diminution in value of Investments	35,540,258	28,356,854
<b>Total</b>	<b>85,739,520</b>	<b>71,804,395</b>
Aggregate amount of Quoted Investment	5,311,434	3,675,623
Aggregate amount of Market Value of Quoted Investment	5,947,932	3,147,109
Aggregate amount of Un-Quoted Investment	82,509,700	62,909,700
<b>12 LONG TERM LOANS &amp; ADVANCES</b>		
<b>Particulars</b>		
(Unsecured Considered Good)		
a Balances with Statutory / Govt. Authorities	22,96,040	2,246,140
b Advance against purchase of Land	9,59,88,875	82,659,787
<b>Total</b>	<b>9,82,84,915</b>	<b>84,905,927</b>
Loans & Advances given in the nature of Loans to Related Parties * Possession of the Land has not been so far taken by the company.	NIL	NIL
<b>13 OTHER NON CURRENT ASSETS</b>		
<b>Particulars</b>		
Non Current Bank Balances (Refer Note 16)	130,000	130,000
<b>Total</b>	<b>130,000</b>	<b>130,000</b>
<b>14 INVENTORIES</b>		
<b>Particulars</b>		
a Stock in Trade (Trading Activity)	32,770,607	35,566,282
Stores & Spares	2,127,806	2,583,765
<b>Total</b>	<b>34,898,413</b>	<b>38,150,047</b>
b Stores & spares, fuel and packing materials are valued at cost(FIFO) including freight, subject to provision for slow moving /Non- movings tores of Rs. 4,55,958 (Prev. Year: 4,55,958). Stock of land of real estate division is valued on cost after capitalizing the expenses incurred on development of land.		
<b>15 TRADE RECEIVABLES</b>		
<b>Particulars</b>		
a Outstanding for a period exceeding 6 months from the due date Unsecured Considered Good	-	-
b Others		
Unsecured Considered Good	7,465,148	2,831,610
<b>Total</b>	<b>7,465,148</b>	<b>2,831,610</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>16 CASH &amp; BANK BALANCES</b>		
<b>Particulars</b>		
a Cash In Hand	39,505	172,035
b Balances with Bank	286,332	2,799,473
c Deposits with Bank		
(i) Maturity up to 12 months	-	-
(ii) Maturity above 12 months	130,000	130,000
<b>Total</b>	<b>455,837</b>	<b>3,101,508</b>
Less: Amount Disclosed under Non Current Assets	130,000	130,000
<b>Total</b>	<b>325,837</b>	<b>2,971,508</b>
<b>17 SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Particulars</b>		
(Unsecured Considered Good)		
a Loans at Interest	58,732,583	72,663,081
b Advances for purchase of capital assets	5,000	-
c Advances Recoverable in cash	180,000	180,000
d Other Loans & Advances		
Share application money paid	4,200	-
Refund Receivable (A.Y. 15-16)	-	1,831,519
Income Taxes Paid (Net of Provision A.Y. 16-17)	-	2,703,865
Income Taxes Paid (Net of Provision A.Y. 17-18)	956,340	-
Prepaid Expenses	251,380	236,151
<b>Total</b>	<b>60,129,503</b>	<b>77,614,616</b>
Loans & Advances given in the nature of Loans to Related Parties	4,07,08,000	5,17,33,519
<b>18 OTHER CURRENT ASSETS</b>		
<b>Particulars</b>		
(Unsecured Considered Good)		
a Assets Held for Sale*	1,137,075	1,137,075
b Interest Accrued on Deposits	29,997	19,014
c Interest Accrued on Loans	7,284,108	4,979,515
d Others	40,071	410,378
<b>Total</b>	<b>8,491,251</b>	<b>6,545,982</b>
*Note No movement during the year		
<b>19 REVENUE FROM OPERATIONS</b>		
a Sale of Products	-	-
b Traded Goods	27,126,300	16,547,300
c Sale of Services	75,600,000	57,300,000
<b>Total</b>	<b>102,726,300</b>	<b>73,847,300</b>
Details of Product Sold		
Traded Goods		
Plot	27,126,300	16,547,300
Others	27,126,300	16,547,300
Details of Services		
Lease Rent	75,600,000	57,300,000
<b>Total</b>	<b>75,600,000</b>	<b>57,300,000</b>
<b>20 OTHER INCOME</b>		
<b>Particulars</b>		
a <b>Interest:</b>		
From Long Term Investment	21,275	21,275
From Others	7,222,499	7,953,900



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>b Dividend:</b>		
From Current Investment	-	-
From Long Term Investment	60,552	51,260
<b>c Net Profit on Sale of Investments:</b>		
From Current Investment	41,719	-
From Long Term Investment	237,674	41,032
<b>d Agriculture Income (Net of expenses)</b>	27,305	-
<b>e Capital gain on land</b>	94,878	-
<b>f Miscallenous Balance written off</b>	2,447	304,692
<b>g Other Non Operating Income</b>	18,070	21,002
<b>Total</b>	<b>7,726,419</b>	<b>8,393,161</b>
<b>21 CHANGES IN INVENTORY OF FINISHED GOODS &amp; STOCK IN TRADE</b>		
<b>Particulars</b>		
<b>a (Increase) / Decrease in Inventories</b>		
Opening Stock of Inventories		
Finished Goods		-
Stock in Trade (Trading Activity)	35,566,282	37,381,453
	<b>35,566,282</b>	<b>37,381,453</b>
Less: Closing Stock of Inventory		
Finished Goods	-	-
Stock in Trade (Trading Activity)	32,770,607	35,566,282
	<b>32,770,607</b>	<b>35,566,282</b>
Net (Increase) / Decrease	<b>2,795,675</b>	<b>1,815,171</b>
<b>b Details of Inventories</b>		
Traded Goods		
Plot	32,770,607	35,566,282
<b>Total</b>	<b>32,770,607</b>	<b>35,566,282</b>
<b>22 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	9,580,584	8,719,897
Bonus	21,380	37,901
Contribution to Provident & Other	210,455	204,353
Staff Welfare Expenses	552,896	487,542
Gratuity & Leave Encashment	92,053	67,416
Medical reimbursements	650	7,149
<b>Total</b>	<b>10,458,018</b>	<b>9,524,258</b>
<b>23 OTHER EXPENSES</b>		
<b>Particulars</b>		
<b>a Manufacturing Expenses</b>		
Power & Fuel	18,753,820	17,811,811
Factory Expenses	30,637,624	28,919,907
Repairs to Machinery	20,130	19,389
Insurance	255,105	234,096
	<b>49,666,679</b>	<b>46,985,203</b>
<b>b Selling Expenses</b>		
Brokerage	410,013	137,730
Advertisement Expenses	20,000	19,800
	<b>430,013</b>	<b>157,530</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>c Establishment Expenses</b>		
Rent	433,411	466,756
Repairs-Others	37,862	56,500
Rates & Taxes	1,309,993	1,351,446
Director Remuneration (including P.F. contribution)	6,993,280	5,995,200
Auditor Remuneration	95,100	107,093
Legal & Professional Charges	1,179,713	1,220,745
Office & General Expenses	1,528,399	949,250
Telephone & Fax	106,454	146,529
Printing & Stationery	62,047	88,288
Postage & Telegram	10,236	15,444
Travelling Expenses	90,461	119,312
Director Sitting Fees	100,625	160,200
	<b>11,947,581</b>	<b>10,676,763</b>
<b>d Others</b>		
Loss on Sale of Shares	-	3,247
Donation	40,000	-
Penalty	11,988	3,000
CST Paid	29,430	-
Agricultural Expenses (Net of Income)	-	128,401
Loss by Theft	-	15,251
Provision for Diminution in valuation of Stores	455,958	455,958
Provision for Diminution in value of Shares	7,183,404	26,635,657
	<b>7,720,780</b>	<b>27,241,514</b>
<b>Total</b>	<b>69,765,053</b>	<b>85,061,010</b>
<b>Details of Payment to Directors (W.T.D.)</b>		
Salary	6,244,000	5,460,000
Perquisites	-	-
Contribution to P.F.	749,280	535,200
<b>Total</b>	<b>6,993,280</b>	<b>5,995,200</b>
<b>Details of Payment to Auditors</b>		
As Auditor		
Audit Fee	50,000	50,000
Tax Audit Fee	25,000	25,000
Limited Review	20,000	20,000
Certification	-	10,000
Service Tax	-	2,018
Swacch Bharat Cess	100	75
<b>Total</b>	<b>95,100</b>	<b>107,018</b>
<b>24 FINANCIAL COST</b>		
<b>Particulars</b>		
Interest on Late Payment of TDS	3,358	1,296
Interest on Late Payment of Service Tax & PF	113,493	84,367
Bank Charges	5,584	4,060
<b>Total</b>	<b>122,435</b>	<b>89,723</b>
<b>25 EXCEPTIONAL ITEMS</b>		
<b>Particulars</b>		
Loss on sale of Assets held for sale	-	206,525
Prior Year Income	9,185	(106,110)
<b>Total</b>	<b>9,185</b>	<b>100,415</b>

Note(1) : Exceptional Item for the previous year Rs. 2,06,525 represents loss on sale of Assets held for sale.





## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>26 TAX EXPENSES</b>		
<b>Particulars</b>		
<b>a</b> Income Tax		
Current Year	11,250,000	3,820,000
Excess / Short Provision of Previous Year	109,557	(169,994)
	<b>11,359,557</b>	<b>3,650,006</b>
<b>b</b> Deferred Tax	<b>(1,491,098)</b>	<b>(1,040,287)</b>
<b>Total</b>	<b>9,868,459</b>	<b>2,609,719</b>
<b>27 EARNING PER SHARE</b>		
Earnings per share is computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.		
<b>Particulars</b>		
Profit/ Loss After Tax	10,640,081	(23,714,832)
Net Profit attributable to equity shareholders	10,640,081	(23,714,832)
No of Shares Basic & diluted	11,088,470	11,088,470
Earning Per Share Basic & diluted	0.96	(2.14)
<b>28 EMPLOYEE BENEFIT</b>		
As required by Revised AS 15, Provident fund and gratuity are defined contribution scheme and the contributions made are charged to profit & loss account. Leave encashment liability is a defined benefit obligation and is provided for on the basis of actuarial valuation done using projected unit credit method at the end of the financial year.		
Defined Benefit Plans/ Long Term Compensated Absence as per Actuarial Valuation on 31st March 2017:-		
<b>Leave Encashment</b>		
<b>A Expense recognized in the statement on profit &amp; Loss Account for the year ended March 31' 2017</b>		
<b>Particulars</b>		
Current Service Cost	30,579	28,634
Interest Cost (On PBO as of 31.03.2016)	14,058	14,214
Employee Contributions	-	-
Expected return on Plan Assets	-	-
Actuarial (Gains)/ Losses	(19,372)	8,914
Plant Service Cost	-	-
Settlement Cost	-	-
Total Expense	25,265	51,762
<b>B Net Asset/(Liability ) recognized in the Balance Sheet as at March 31st 2017</b>		
<b>Particulars</b>		
Present Value of Defined benefit obligation as at March 31 ' 2017	218,100	192,835
Fair Value of Plan Assets as at March 31'2017	NIL	NIL
Funded status Surplus (Deficit)	(-)2,18,100	(-)1,92,835
Net Asset/( Liability) as at March 31' 2017	(-)2,18,100	(-)1,92,835
<b>C Change in obligation during the year ended March 31' 2017</b>		
<b>Particulars</b>		
Present Value of Defined benefit obligation at the beginning of the year 01.04.2016	192,835	1,81,073
Current Service Cost	30,579	28,634
Interest Cost(On PBO as of 31.03.2016)	14,058	14,214
Settlement Cost	-	-
Past Service Cost	-	-
Employee Contributions	-	-
Actuarial (Gains) / Losses	(19,372)	8,914
Benefits Payments	-	40,000
Present Value of Defined benefit obligation at the end of the year	218,100	192,835



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
<b>D Change in Assets during the year ended March 31' 2017</b>		
<b>Particulars</b>		
Plan Assets at the beginning of the year 01.04.2016	-	-
Assets acquired in amalgamation in previous year	-	-
Settlements	-	-
Expected return on plan assets	-	-
Contributions by employees	-	-
Actual benefits paid	-	-
Actuarial gains/ ( Losses)	-	-
Plan Assets at the end of the year	-	-
Actual return on plan assets	-	-
<b>E The major categories of plan assets as a percentage of total plan</b>		
<b>Particulars</b>		
Qualifying insurance policy	-	-
<b>F Actuarial Assumption</b>		
<b>Particulars</b>		
Discount Rate	<b>7.29%</b>	7.85%
Future Salary Increase	<b>6.50%</b>	6.50%
The Liability relating to current year has been debited to profit & loss account.		

**29 LEASES**

(i) The company has not taken so far any asset on finance lease during the year. In respect of operating lease of office premises the leasing arrangements which are not non cancelable range between 11 months and 39 months generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate of lease rental payable are charged as rent under the head "office and administrative expenses Rs.4,33,411/- (Previous Year Rs.4,66,756/-) has been charged to revenue accordance with the terms and conditions of respective lease agreement.

**(ii) Future Minimum lease rental in respect of Assets given on operating lease in the form of Building and Plant & Machinery**

The minimum future lease payment as on 31/03/2017 are as under:

	31/03/2017	31/03/2016
(a) Receivable within one year	79,200,000	64,800,000
(b) Receivable within one to five years	396,000,000	259,200,000
(c) Receivable after five years	Nil	Nil



**30. Segment Reporting :**  
**30.1 Business Segments :-**

In the opinion of the management and as per the explanation given to us, there are four reportable segment of the company  
 (1) Soya Division (Discontinued & Transferred to Welding Division)  
 (2) Welding Division  
 (3) Real Estate Division  
 (4) Investment Division

- a. Segmental revenue includes sales and other income directly identifiable with/allocable to the Particular segment.  
 b. Segmental expenses that are directly identifiable with allocable to particulars segment are considered for determining the segment result.  
 (Amount in Rs.)

S. No.	Particular	Soya Division		Welding Division		Investment Division		Real Estate Division		Total	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
1	Segmental Revenue	---	164,776	75,791,652	57,590,797	7,523,847	7,880,323	27,153,816	16,604,565	110,452,719	82,240,461
2	Segmental Expenses	-	3,571,125	64,676,992	58,739,148	7,567,106	27,178,706	8,360,280	52,69,922	80,604,379	94,758,901
3	Segmental Profit/(Loss) (before tax)	-	-3,406,349	11,114,660	-1,148,351	-59,855	-9,298,383	18,793,536	11,334,643	29,848,340	-12,518,441
4	Unallocable Expenses									9,339,800	8,586,672
5	Profit before tax									20,508,540	-21,105,113
6	Segmental Assets[A]	-	56,271,703	197,606,514	138,503,943	217,946,529	213,788,047	33,213,685	36,335,174	448,766,728	444,898,867
7	Segmental Liability [B]	-	529,562	31,449,557	33,602,796	31,900	86,960	12,638,180	15,181,440	44,119,637	49,400,758
8	Capital Employed [A-B]	-	55,742,141	166,156,957	104,901,147	217,914,629	213,701,087	20,575,506	21,153,734	404,647,091	395,498,109

**30.2 Geographical Segments :-**

The Company caters mainly to the need of Indian market. The Export Turnover : Nil.

**Note: The manufacturing operation of Soya Division has been discontinued in August 2013, however the impact of certain administrative expenses and depreciation was still there and as per Board of Directors resolution dated 31 January 2017 all the assets/liabilities and income/expenses have been transferred to Welding Division w.e.f. 01.01.2017.**



**31. Related Parties Disclosure**

As per Accounting Standard -18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

- (a) Associate Company - Sam Exim Limited.
- (b) Companies in which Key managerial person or their relatives have significant influence – Dwekam Electrodes Private Ltd., Dwekam Weld-Tech Private Ltd., AAM Venture Pvt. Ltd. Anisha Realty Pvt. Ltd., D&H Secheron Projects Pvt. Ltd., D&H Secheron Resources Pvt. Ltd., Dwekam Realty Pvt. Ltd., D&H Secheron Realty Pvt. Ltd., D&H Secheron Impex Pvt. Ltd., Sam Real Infrastructure Pvt. Ltd., Sam Holding (Bombay) Pvt. Ltd., Celestial Commercial Pvt. Ltd., D&H Secheron Industries Pvt. Ltd., D&H Secheron Infrastructure Pvt. Ltd., D&H Secheron Electrodes Pvt. Ltd. Lilac Goods Pvt. Ltd. Shining Vanijya Pvt. Ltd. Solartech Multitrade Pvt. Ltd., Venus Multitrade Pvt. Ltd.,
- (c) Key Managerial Person –Mr. Ashutosh A Maheshwari, Chairman, Mrs. Gitanjali A. Maheshwari, Whole Time Director & Gopal P. Shrivastava, Chief Financial officer.
- (d) Relative - Mrs. Suman A Maheshwari.

(Amount in Rs.)

S.No.	Nature of Transaction	2017	2016
<b>1</b>	<b>Remuneration</b>		
A	Gitanjali A Maheshwari (Key Managerial Person)	69,93,280	59,95,200
B	Gopal Shrivastava (Key Managerial person)	6,03,960	5,49,000
<b>2</b>	<b>Payable</b>		
A	Suman A. Maheshwari (Relative)	4,47,672	18,350
B	Gitanjali A Maheshwari (Key Managerial Person)	4,50,828	2,38,236
<b>3</b>	<b>Lease Rent Paid</b>		
A	Suman A. Maheshwari (Relative)	4,33,411	4,10,166
<b>4</b>	<b>Lease Rent Received</b>		
A	D&H Secheron Electrodes Pvt. Ltd. (Company in which director are interested)	7,56,00,000	5,73,00,000
<b>5</b>	<b>Loan Accepted</b>		
A	Gitanjali A. Maheshwari	-	1,85,400
<b>6</b>	<b>Loan Given</b>		
A	D&H Secheron Electrodes Pvt. Ltd. (Company in which director are interested)	4,60,53,000	53,03,100
B	D&H Secheron Infrastructure Pvt. Ltd. (Company in which director are interested)	1,28,45,000	1,04,39,400
C	D&H Secheron Industries Pvt. Ltd. (Company in which director are interested)	5,75,000	2,70,000
<b>7</b>	<b>Loan Repaid</b>		
A	Gitanjali A. Maheshwari	-	1,85,400
<b>8</b>	<b>Loan Recovered</b>		
A	D&H Secheron Electrodes Pvt. Ltd. (Company in which director are interested)	1,80,50,000	57,75,100
B	D&H Secheron Infrastructure Pvt. Ltd. (Company in which director are interested)	4,79,22,950	1,25,14,020



S.No.	Nature of Transaction	2017	2016
C	D&H Secheron Industries Pvt. Ltd. (Company in which director are interested)	45,25,569	-
9	Interest Received		
A	D&H Secheron Electrodes Pvt. Ltd. (Company in which director are interested)	16,84,063	99,555
B	D&H Secheron Infrastructure Pvt. Ltd. (Company in which director are interested)	30,64,938	45,45,463
C	D&H Secheron Industries Pvt. Ltd. (Company in which director are interested)	2,13,206	3,49,937
10	Loan Outstanding		
A	D&H Secheron Electrodes Pvt. Ltd. (Company in which director are interested)	2,80,03,000	-
B	D&H Secheron Infrastructure Pvt. Ltd. (Company in which director are interested)	1,27,05,000	4,77,82,950
C	D&H Secheron Industries Pvt. Ltd. (Company in which director are interested)	-	39,50,569
11	Share application Money paid & Shares acquired		
A	D&H Secheron Infrastructure Pvt. Ltd. (Company in which director are interested)	1,96,00,000	1,19,09,700

32. Director's Remuneration includes increased remuneration of Rs. 8,92,000 paid to whole time director from 01.02.2017 to 31.03.2017 as per Board resolution dated 31.01.2017 which is subject to approval of shareholders by special resolution in their ensuing general meeting.

**33. Capital & Other Commitments**

(Amount in Rs.)

		2016-17	2015-16
1.	Estimated amount of Contracts remaining to be executed on Capital (Net of Advance)	5,60,63,266	7,38,95,824
2.	Estimated amount of Contracts remaining to be executed on Revenue (Net of Advance)	-	-

**34. Contingent Liabilities**

(Amount in Rs.)

Contingent Liabilities not provided for	2016-17	2015-16
Service tax demands (show cause notice)	1,69,103	1,69,103

**35. Derivative Instruments**

The Company has not entered into any forward derivative instruments to hedge the foreign currency during the year.

**35. Discloser required under section 22 for Micro, Small & Medium Enterprises:**

- Trade payable does not include any amount due to Micro & Small Enterprises registered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED, Act 2006) in the current and previous financial year.
- No interest is paid / payable during the year to any enterprise registered under the MSME.



- c. The above information has been determined to the extent such parties could be identified on the basis of the information available to the company, regarding the status of the supplier under the MSME.

37. Transactions in Foreign Currency	31.03.2017	31.03.2016
a. Remittances in Foreign Currency	NIL	NIL
b. CIF value of Import	NIL	NIL
c. Expenditure in Foreign Currency	NIL	NIL
d. Earnings in Foreign Exchange	NIL	NIL

**38. Value of Consumption of Raw Material & Stores Consumed:**

**RAW MATERIAL CONSUMPTION**

Particulars	31.03.2017	%	31.03.2016	%
<b>Raw Material</b>				
Imported	0	0%	0	0%
Indigenous	0	0%	0	0%
Total	0	0%	0	0%
<b>Spare Parts</b>				
Imported	0	0%	0	0%
Indigenous	0	0%	0	0%
Total	0	0%	0	0%

39. Details of Specified bank notes held & transacted during the period from November 8,2016 to December 30,2016 is provided in the table below

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	3,00,000	2,79,469	5,79,469
(+) Permitted Receipts	-	2,30,400	2,30,400
(-) Permitted Payments	-	1,98,560	1,98,560
(-) Amount Deposited in Banks	3,00,000	-	3,00,000
Closing Cash in hand as on 30.12.2016	-	3,11,309	3,11,309

40. In the opinion of the Board, the current assets, loans and advances have a value on realization on the ordinary course of business, at least equal to the amount at which the same is stated in the Balance Sheet. There are no contingent liabilities other than those stated above.
41. The Company has reclassified and regrouped the Previous Year Figures to confirm the current classification.

**As per our report of Even Date attached**

**For M. Mehta & Company**  
**Chartered Accountants**  
**Firm Regn No. 000957C**

CA Nitin Bandi  
 Partner  
 M.No. 400394

Place: Indore  
 Date: 2nd June 2017

**For and on Behalf of the Board**

Ashutosh A Maheshwari (Chairman)  
 (DIN : 00094262)  
 Gitanjali A Maheshwari (Whole-time Director)  
 (DIN : 00094596)  
 Kishore Kale (Director )  
 (DIN : 01743556)  
 Yogendra Vyas (Director )  
 (DIN : 06603344)  
 Navin S. Patwa (Company Secretary)  
 Gopal Shrivastava (Chief Financial Officer)

**SAM INDUSTRIES LIMITED**

CIN: L70102MP1994PLC041416

Village Dakachiya, A. B. Road, Tehsil: Sanwer,  
District – Indore – 453771 - Madhya Pradesh, India  
Phone: 0091-731- 4229717 Fax: 0731-4229724Website: [www.sam-industries.com](http://www.sam-industries.com), email: [secretarial@sam-industries.com](mailto:secretarial@sam-industries.com)**PROXY FORM (MGT-11)****[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

<b>Name of the member(s)</b>	
<b>Registered address</b>	
<b>E-mail ID</b>	
<b>Folio No/Client ID</b>	
<b>DP ID</b>	

I/We, being the member(s) of .....Shares of the **Sam Industries Limited**, hereby appoint:

- Name: ..... Address: .....  
E-mail ID: .....  
Signature ..... Or failing him.
- Name: ..... Address: .....  
E-mail ID: .....  
Signature ..... Or failing him.
- Name: ..... Address: .....  
E-mail ID: .....  
Signature ..... Or failing him.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on the Friday, 29th September, 2017 at 4:00 P.M. at the Village Dakachiya, A. B. Road, Tehsil: Sanwer, District – Indore – 453771 - Madhya Pradesh and at any adjournment thereof in respect of such resolutions as are indicated in the box below.

<b>Resolution No.</b>	<b>RESOLUTIONS</b>	<b>For</b>	<b>Against</b>
	<b>Ordinary Business : ORDINARY RESOLUTION</b>		
1	Adoption of Financial Statements of the Company for the Financial Year ended 31st March, 2017 together with the Director's Report & Auditor's Report thereon.		
2	Appointment of a Director in place of Mr. Kishore Kale who retires by rotation and being eligible, offer himself for re-appointment.		
3	Appointment of M/s. Manoj Khatri & Co. Chartered Accountants, Statutory Auditors of the company for five years from FY 2017-18 and to authorize Board to fix their remuneration.		
	<b>Special Business: SPECIAL RESOLUTION</b>		
4	Appointment of Mr. Devraj Singh Badgara, (DIN: 07429570), as an Independent Director of the Company.		
5	Revision in the Remuneration of Mrs. Gitanjali A. Maheshwari (DIN: 00094596), Whole-Time Director of the Company		
6	Approval of Related Party Transactions with the Company		

Signed this .....day of.....2017.

Signature of Shareholder

Signature of Shareholder(s)

Affix  
Revenue  
Stamp

Note : The Proxy must be returned so as to reach the Registered Office of the company at Village Dakachiya, A. B. Road, Tehsil: Sanwer, District – Indore – 453771 – M. P., India not less than (48) Forty Eight Hours before the time for holding the aforesaid meeting.

**SAM INDUSTRIES LIMITED****CIN: L70102MP1994PLC041416****Village Dakachiya, A. B. Road, Tehsil: Sanwer,  
District – Indore – 453771 - Madhya Pradesh, India****Phone: 0091-731- 4229717, Fax: 0731-4229724****Website: [www.sam-industries.com](http://www.sam-industries.com), email: [secretarial@sam-industries.com](mailto:secretarial@sam-industries.com)****ATTENDANCE SLIP**

Shareholders attending the Meeting in person or Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional attendance slip at the venue.

I /We hereby record my presence at the 23rd Annual General Meeting of the Company held on Friday, 29th September, 2017 at 4:00 P.M. at the Village Dakachiya, A. B. Road, Tehsil: Sanwer, District – Indore – 453771 - Madhya Pradesh

Regd. Folio No. *	Name and Address of the registered Shareholder
Client ID No. & DP ID No. ' .	
No. of shares held	

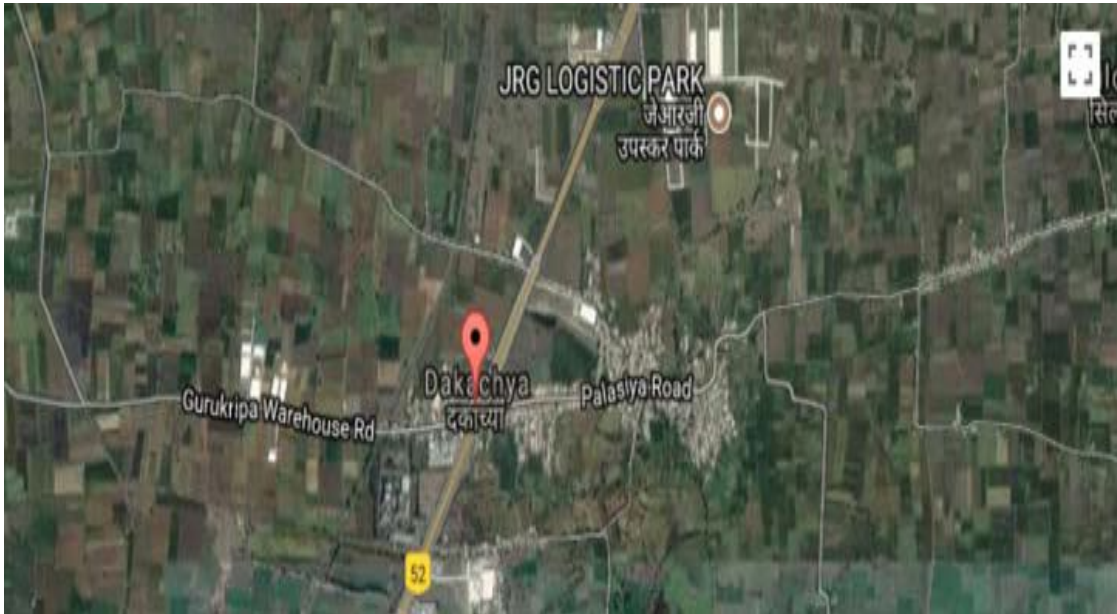
\*Applicable in case of Shares held in Physical Form

Full Name of the Proxy (in block letters)

**Signature of Shareholder or Proxy**



MAP



To,

*If undelivered, Please return to :*

**SAM INDUSTRIES LIMITED**

**Regd. Office :** Village Dakachiya, A. B. Road, Tehsil: Sanwer,  
District – Indore – 453771 - Madhya Pradesh, India  
Phone: 0091-731-4229717, Fax: 0731- 4229724