

**BOARD OF DIRECTORS** : Mr. Satish K. Kaura (Chairman & Managing Director)  
Mr. C.K. Hazari  
Mr. Om Wadhwa

**COMPANY SECRETARY** : Mr. Vinit Kumar

**AUDITORS** : S.S. Kothari Mehta & Co.  
Chartered Accountants,  
146-149, Tribhuwan Complex, Ishwar Nagar,  
New Delhi

**BANKERS** : Punjab National Bank  
ICICI Bank Limited

**REGISTERED OFFICE** : Village Naya Nohra  
Kota Baran Road  
Tehsil Ladpura  
Distt. Kota (Rajasthan) - 324 001

**CORPORATE OFFICE** : 6th Floor, 7, TDI Centre  
District Centre, Jasola  
New Delhi - 110 025  
Phone No. 011-42424000  
Fax No. 011-4242 4099

**WORKS** : Village Naya Nohra  
Kota Baran Road  
Tehsil Ladpura  
Distt. Kota (Rajasthan) - 324 001

**SALES OFFICE** : B-17, Sector 7  
NOIDA-301 201  
(U.P.)

**REGISTRARS AND  
TRANSFER AGENTS** : MCS Limited  
F-65, First Floor, Okhla Industrial Area, Phase-I,  
New Delhi - 110 020.  
Tele. : 011-41406149

## **NOTICE**

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Samtel India Limited will be held on Thursday, the 30th day of September, 2010 at 11.00 A.M. at the Registered Office of the Company at Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan-324001, to transact the following business :-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date together with Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. C K Hazari, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration. M/s S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

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

By Order of the Board  
For **Samtel India Limited**  
Sd/-

**Vinit Kumar**  
Company Secretary

Place : New Delhi  
Date : 30th July, 2010

### **NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting. Shareholders are requested to kindly bring their copies of Annual Report to the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from 22nd September 2010 to 30th September 2010 (both days inclusive).
4. Members are requested to notify promptly any change in their addresses to the Company's Registered Office or Corporate Office or to the Share Transfer Agent M/s MCS Ltd., F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020. Members who hold share in demat form are requested to update their particulars with their respective depository participant.
5. Appointment / Re-appointment of Directors:  
At the ensuing Annual General Meeting Mr. C K Hazari, Director retire by rotation and being eligible, offer himself for re-appointment. The information/details to be provided for the aforesaid Director in terms of clause 49 (IV) (G) of the Listing Agreement, are as under:  
Mr. C.K. Hazari, aged 87 years, is a Chartered Accountant by profession and a Financial Consultant. He is a Director in M/s Uniproducts India Limited, M/s PNR Capital Services Limited and M/s Core lease Finance Private Limited and M/s Ascend Exports Private Limited. He is a member of the Audit Committee and Chairman of the Share Transfer and Investors' Grievance Committee of the Company. He is also a member of Audit Committee and Shareholders Grievance Committee of M/s Uniproducts India Limited. He does not holds equity shares in the Company.
6. Any queries relating to Accounts must be sent to the Company at its Registered Office at least 10 days before the date of the meeting.

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

By Order of the Board  
For **Samtel India Limited**  
Sd/-

**Vinit Kumar**  
Company Secretary

Place : New Delhi  
Date : 30th July, 2010

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **PERFORMANCE REVIEW AND OUTLOOK:**

During the financial year ended 31st March, 2010, the Company registered a gross turnover of Rs.915 thousands as against Rs. 1,972 thousands in the previous year. Despite low turnover, the Company was successful in ending the financial year under review with a net profit after tax of Rs. 499 thousands during the year under review as against a net loss after tax of Rs. 36,387 thousands during the previous financial year.

Profits during the year under review includes other income of Rs. 8483 thousand {Previous year Rs. 2635 thousand} and write of Rs. 1122 thousand {Previous year Rs. (33182) thousand}

During the current financial year the company sold as a part of its trading operations 628 color picture tubes valuing Rs.915 thousands as against 1,712 picture tubes valuing Rs. 1,972 thousands sold during the previous financial year.

Keeping in view the non viability of the tube manufacturing/trading business and considering the emerging trend towards outsourcing of various services, the Company has decided to venture into new business activities. It is contemplating to start new business in the field of manpower supply/consultancy.

In this regard the shareholders of the Company have accorded its approval through postal ballot to modify the object clause of the Memorandum of Association by way of addition of new clauses 4 & 5 related to manpower consultancies/supplies activities and carry on the said activities. Subsequently, the Registrar of Companies, Rajasthan, has also issued a certificate for confirming the registration of the said resolution. Currently, the Company is in the process to get all necessary licences/permission/registrations from the concerned authorities to start the said activities.

The Company is expecting good revenue and returns from the new business activities.

### **BALANCE SHEET ANALYSIS:**

#### **A Loans: Unsecured**

Inter Corporate Deposits of Rs. 17,000 thousands was outstanding as on 31st March 2010 (Previous Year Rs. 17,000 Thousand).

#### **B Fixed Assets:**

The net fixed assets at the end of the financial year were Rs. 604 thousands as against Rs. 775 thousand as on 31st March, 2009.

#### **C. Current Assets:**

The total current assets increased to Rs. 54,299 thousands as on 31st March, 2010 from Rs. 52,140 thousands as on 31st March, 2009. This includes decrease in Sundry debtors by Rs. 53 thousands. Cash and Bank Balances increased to Rs. 10,966 thousands from Rs.1,702 thousands. Loans and advances got reduced to Rs. 43,333 thousands this year from Rs.50,385 thousands at the end of the previous year.

#### **D. Current Liabilities:**

Current Liabilities have increased to Rs. 50,720 thousands as on 31st March, 2010 from Rs. 47,519 thousands as on 31st March, 2009.

### **INTERNAL CONTROL SYSTEMS & ITS ADEQUACY:**

The Company has in place adequate internal audit and control systems. The Company has an independent audit committee which plays oversight role. For more information on the functions and role of the audit for ensuring better and adequate internal control, please refer to the chapter on Corporate Governance in Annual Report.

**OPPORTUNITIES & THREATS:**

In accordance with clause 49 of the Listing Agreement your Company has established a Risk Management Program for its business risk. The program is built upon the foundation of the existing risk management process and practices of the Company and has evolved a structured approach for risk management to manage significant risks faced by your Company.

The new business venture of the Company of manpower supply and consultancy is expected to take off during the current financial year. The business, which requires quite low investments and has reasonably good margins, is expected to bring in adequate revenue and financial viability to the Company. The Company is in the process of entering into necessary arrangement with some organizations for managing their man power requirements both skilled and unskilled.

Though the business of supply of man power is quite lucrative but its success depends mainly on the availability of both skilled and unskilled workers and requirements of the companies. Higher gap between demand and supply may negatively impact the business and margins.

Further, the Company is newly entering into this business activities and may encounter stiff resistance and competitions from the existing players in this industry.

As part of long terms strategy and business plan, the Company has invested in the shares of Samtel Color Limited and Samtel Glass Limited.

Samtel Color Limited (SCL) primarily engaged in the business of manufacturing of color picture tubes (CPT) and Samtel Glass Limited (SGL) provides glass components to SCL required for CPT. Thus, the performance of SGL to a large extent depends on the performance of SCL.

During the financial year ended 31st March, 2010, SCL has been able to wipe out all its accumulated losses and ended the year with balances in the Profit & Loss Account. SCL has been successful in meeting the increased demand in the market by enhancing the productivity of all its manufacturing lines and achieved production of 9.21 million CPTs as compared to 5.64 million CPTs in the previous year. The sales of CPTs also increased to 9.14 million nos. in the financial year ended 31.03.2010, as compared to 5.64 million in nine months period ended 31.03.2009 resulting in a domestic market share of 48% as against 43% in the previous financial year.

The market for CPTs is expected to show growth of 3-5% during the coming years. The increased dependence on imported CPTs by the color television manufacturers, despite levy of anti-dumping duties continues to pose a grave challenge to the domestic players.

**CAUTIONARY STATEMENT:**

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

## **REPORT ON CORPORATE GOVERNANCE**

(Clause 49 of the Listing Agreement)

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

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

### **BOARD OF DIRECTORS:**

#### **Composition of the Board:**

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

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

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

#### **Number of Board Meetings:**

The Board of Directors of the Company met four times during the financial year 2009-10. The Board meetings were held on June 30, 2009, July 30, 2009, October 30, 2009, and January 29, 2010.

### **DIRECTORS' ATTENDANCE RECORD & DIRECTORSHIP HELD (AS ON 31ST MARCH, 2010):**

Name of Directors	Category / Status of Directorship	No. of Board meetings held during 2009-10	No. of Board meeting attended during 2009-10	Attendance in last AGM held on 30th September, 2009	No. of Directorship in other public Limited Companies	No. of Committee positions held	
						Chairman	Member
Mr. Satish K. Kaura	Executive/ Promoter Director	4		No	5	-	2
Mr. C. K. Hazari	Independent Director	4		No	2	1	2
Mr. Om Wadhwa	Independent Director	4		Yes	-	-	-

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

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior management or and associates which may affect independence of the Director
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board
- Have not been an executive of the Company in the immediately preceding three financial years
- Are not partners or executives or were not partners or executives during the preceding three years of the :
  - Statutory audit firm or the internal audit firm that is associated with the Company.

- Legal firm(s) and consulting firm(s) that have a material association with the Company
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.
- Have furnished annual disclosure that they satisfy the conditions of their being independent as laid down under Clause 49 of the Listing Agreement.

**Information supplied to the Board :**

The Board is presented with the agenda for each Board Meeting along with explanatory notes well in advance of the Board meeting. All Board members are free to suggest any item they consider important to the agenda. The Board has unfettered and complete access to all information within the Company. Whenever necessary, senior executives of the Company are invited to the Board meeting to provide additional insights on the matter being discussed. The information as required under Clause 49 of the Listing Agreement are regularly provided to the Board as a part of the Agenda.

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

**Remuneration of Directors :**

The Company is not paying any remuneration to any of the Directors, except sitting fees for attending Board/Committee meetings to the non-executive Directors. The Company does not pay remuneration to its Chairman and Managing Director since he has been appointed as Managing Director without payment of any remuneration.

**REMUNERATION PAID OR PAYABLE TO DIRECTORS FOR 2009-10 (in Rs.):**

Name of the Director	Category / Status of Directorship	Sitting fees	Salaries, allowances and perquisites	Commission	Total
Mr. Satish K Kaura	Executive/ Promoter Director	0	0	0	0
Mr. C. K. Hazari	Independent Director	8000	0	0	8000
Mr. Om Wadhwa	Independent Director	8000	0	0	8000

**Pecuniary relationship or transaction between non-executive Directors and Company:**

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

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

**BOARD LEVEL COMMITTEES :**

The Company has constituted two Committees of Directors, namely, Audit Committee and Share Transfer & Investors' Grievance Committee to deal with matters which need urgent decisions and to monitor activities falling within their terms of reference. Each of these Committees have their respective charters approved by the Board. The minutes of the Meetings are recorded and placed before the Board for its information.

**a. AUDIT COMMITTEE:**

The Audit Committee of the Company comprises of three Directors, out of which two are independent Directors. Mr. Om Wadhwa, independent Director is the Chairman of the Committee. Other two members are Mr. C.K.Hazari and Mr. Satish K. Kaura. The Chairman was present in the last Annual General Meeting held on September 30, 2009.

During the Financial Year under review the Audit Committee met 4 times i.e on 30.6.2009, 30.7.2009, 30.10.2009 & 29.1.2010

**The attendance of members at the meetings are as follows:**

<b>Name of Directors</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mr. Om Wadhwa	4	4
Mr. C. K. Hazari	4	4
Mr. Satish K. Kaura	4	3

The Company Secretary , Mr. Vinit Kumar acts as the Secretary to the Committee.

**The terms of reference of the Audit Committee:**

The terms of reference of the Audit Committee as stipulated by the Board and detailed below are in accordance with the requirements of Section 292A of the Companies Act, 1956, and Clause 49 of the Listing Agreement, which includes amongst others, the following:

**Role of Audit Committee**

- Oversight the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of statutory and internal auditors (wherever required), fixation of audit fee and also approval for payment for any other services.
- Reviewing with the Management the quarterly/half yearly and the annual financial statements before submission to the Board, focusing primarily on:
  - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of Section 217(2AA) of the Companies Act, 1956.
  - (b) Any changes in accounting policies and practices
  - (c) Major accounting entries based on exercise of judgement by Management.
  - (d ) The going concern assumption.
  - (e) Compliance with applicable Accounting Standard
  - (f) Compliance with Listing Agreement and other Legal requirements concerning financial statements.
  - (g) Disclosure of any related party transactions.
  - (h) Qualification, if any, in the draft Auditors' Report.
- Reviewing with the Management, Statutory and internal auditors, the adequacy and compliance of internal control systems.
- Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
- Discussions with Internal Auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters, where there is suspected fraud or irregularities or a failure of internal control systems of a material nature and reporting the matter to the Board.

- Discussions with Statutory Auditors before the Audit commences, about the nature and scope of the audit as well as post audit discussions to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the lenders, shareholders (in case of non payment of declared dividend) and other creditors.
- To review the effectiveness of the system in monitoring compliance with laws and regulations.
- To review the findings on compliance of any examination by regulatory agencies and / or audit observation.
- Carrying out any other functions as mentioned in the terms of reference of the Audit Committee or as may be assigned by the Board from time to time.

**Power of Audit Committee**

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

**b. SHARE TRANSFER & INVESTORS' GRIEVANCE COMMITTEE:**

The Share Transfer & Investors' Grievance Committee approves and monitors transfers, transmission, splitting and consolidation of shares issued by the Company. This Committee also monitors complaints of shareholders relating to transfer of shares, non receipt of Annual Report, etc. The Share transfer Committee comprises of Mr. C.K.Hazari, a non executive director as Chairman and Mr. Satish K. Kaura, Chairman & Managing Director of the Company as member.

The Board has designated Mr. Vinit Kumar, Company Secretary as Compliance Officer of the Company.

Details of complaints received and resolved during the financial year 2009-10 are as under:

Nature of Complaints	2009-10			
	Opening	Received	Settled	Pending
Relating to Transfers, Transmission, Demat / Remat etc.	Nil	8	8	Nil

No. of pending transfers/complaints etc. as on March 31, 2010 : Nil

**RISK MANAGEMENT:**

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive controls risk through a properly defined framework.

**MANAGEMENT****MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

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



**DISCLOSURES:****a) Related Party Transactions:**

Related Party transactions in terms of Accounting Standard 18 are set out in Schedule 11 " Notes to the Accounts". These transactions are not likely to have a conflict with the interest of the Company. Due adherence to the requirements of law is ensured in respect of related party transactions, as applicable.

**b) Penalties or strictures imposed on the Company:**

During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities on any matters relating to the capital markets.

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

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

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

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

**e) Code of Conduct:**

The Board has laid down the Code of Conduct for all Board members and senior management of the Company. All personnel to whom the Code is applicable have confirmed compliance with the Code of Conduct for the financial year 31st March, 2010. A declaration to the effect, duly signed by the Chairman & Managing Director, is annexed hereto.

**f) Disclosure of Accounting Treatment:**

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

**CEO/CFO CERTIFICATION:**

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

**SHAREHOLDERS****APPOINTMENT OR RE-APPOINTMENTS OF DIRECTORS:**

In terms of the the Articles of Association of the Company, Mr. C.K.Hazari, Independent Director is liable to retire by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

The particulars of Mr. C. K. Hazari as required under clause 49 of the Listing Agreement is given in the notice convening the Annual general Meeting, which forms part of this Annual report.

**MEANS OF COMMUNICATION:**

The Quarterly and Annual Results are published in the newspapers, the Pioneer (English) New Delhi and the Dainik Navjyoti, Kota (Hindi). The same are also promptly informed to the Bombay Stock Exchange Limited. The Company does not send any half yearly reports to the household of the shareholders.

**GENERAL BODY MEETINGS:****a. Annual General Meeting:**

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

Year	Date	Time	Venue	No. of special resolutions passed
2008-2009	30.09.2009	11.00 A.M.	Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan- 324001.	-
2007-2008	25.09.2008	11.00 A.M.	Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan- 324001.	-
2006-2007	28.09.2007	11.00 A.M.	Village Naya Nohra, Kota Baran Road, Tehsil- Ladpura, Distt- Kota, Rajasthan- 324001.	-

**b. Extra-Ordinary General Meetings:**

No Extra-Ordinary General Meeting was held during the year ended 31st March, 2010.

**c. Postal Ballot:**

During the year under review, a Postal Ballot was conducted seeking approval of the members under Section 17 and other applicable provisions of the Companies Act, 1956, to the amendment of the main object clause of the Memorandum of Association by addition of new clauses 4 & 5 i.e. to carry on manpower supplies/consultancies business and related activities.

The Company had appointed Mr. T. R. Ramamurthy, Practicing Company Secretary, as scrutiniser for conducting the postal ballot process in a fair and transparent manner. The result of the postal ballot was announced on 20.03.2010.

**The result of postal Ballot is as under:**

PARTICULARS	NO. OF SHARES	% TO TOTAL VOTES POLLED
Ballot Papers assenting to Special resolution under Section 17 of the Companies Act, 1956, for addition in the main objects of the Object Clause of the Memorandum of Association of the Company.	3596688	99.976
Ballot Papers dissenting to Special resolution under Section 17 of the Companies Act, 1956, for addition in the main objects of the Object Clause of the Memorandum of Association of the Company.	150	0.024

**SHAREHOLDINGS:**

**a. Shareholding pattern of the Company as on March 31, 2010:**

S. No.	Category	No. of Shares	%age of shares
1.	Promoters & Associates	36,32,229	51.25
2.	Non Resident Indians/ Overseas Corporate Bodies	10,94,972	15.45
3.	Foreign Companies	4,14,349	5.85
4.	Mutual Fund & UTI	5430	0.08
5.	FIIS	585	0.01
6.	Banks/Financial Institutions/Insurance Companies	3,44,703	4.86
7.	Private Bodies Corporate	1,41,275	1.99
8.	Indian Public	14,54,400	20.52
	<b>Total</b>	<b>70,87,943</b>	<b>100.00</b>