NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of Samtel India Limited will be held on Monday, **the 30th day of September, 2013 at 4.00 P.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, 2013, 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. Om Wadhwa 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.

SPECIAL RESOLUTION

4. To pass with or without modification the following resolution as a Special Resolution.

   "RESOLVED THAT Mr. Ajit Singh, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th May, 2013 and who holds office upto the date of this Annual General Meeting in terms of the provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice u/s 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, liable to retire by rotation, be and is hereby appointed as a Director of the Company."

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

By Order of the Board
For Samtel India Limited

Sd/-
Satish Kumar Kaura
Chairman & Managing Director

Place : New Delhi
Date : 14th August, 2013

NOTES :

1. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTESD 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. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of

the Company during office hours on all working days, except Sundays and holidays between 11.00 AM and 1.00 PM upto the date of the Annual General Meeting.

4. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of item No. 4 is annexed and forms part of this Notice.

5. Register of Members and Share Transfer Books of the Company will remain closed from **23rd September 2013 to 28th September 2013 (both days inclusive).**

6. Members are requested to notify promptly any change in their addresses, bank particulars, ECS mandate etc. quoting their folio number to the Company' at its 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.

7. Appointment / Re-appointment of Directors:

   At the ensuing Annual General Meeting Mr. Om Wadhwa, retire by rotation and being eligible, offer himself for re-appointment . Mr. Ajit Singh has been appointed as an Additional Director of the Company w.e.f. 30th May, 2013.

   The information/details to be provided for the aforesaid Directors in terms of clause 49 (IV) (G) of the Listing Agreement, are as under:

   Mr. Om Wadhwa
   Mr. Om Wadhwa aged 81 years, has been one of the Directors of the Company since 1987. He is a renowned industrialist having his own business of manufacturing and export of electronic components. He is an MBA from a US University. He is Director of J.V. Electronics (P) Limited, Olympia Electronics (P) Ltd., Metros Corporation (P) Ltd. & Olympia Service Centre (I) Pvt. Limited. He is also the Chairman of the Audit Committee of your Company.

   Mr. Ajit Singh
   Mr. Ajit Singh, aged about 56 years, professional and degree of accounting and financial management expertise and is on the Board of the Company since 30th May, 2013.

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.

7. **The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that services of notice/documents including Annual Report can be sent by e-mail to the Members. To support this green initiative of the Government in full measure, members who have not registered their e-mail address so far are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned depository participant. Members who hold shares in physical form are requested to visit the website of the Company i.e.** www.samtelgroup.com **and register their e-mail address.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT,1956.

The following explanatory statements sets out all the material facts, relevant to the items of special business contained in the Notice.

ITEM NO.4
Mr. Ajit Singh, aged about 56 years, has degree of accounting and financial management expertise. Mr. Ajit Singh is a professional consultant and is on the Board of the Company since 30th May, 2013. He is also Directors in other Group companies i.e. M/s Samtel Color Ltd. (2) M/s Samtel Glass Ltd.

The Company has received a notice u/s 257 of the Companies Act, 1956 from a member of the Company proposing the candidature of Mr. Ajit Singh for the office of Director of the Company, liable to retire by rotation,

The Board recommends the Resolution for the approval of the members.

None of the Director of the Company except Mr. Ajit Singh is interested in the Resolution.

By Order of the Board

Sd/-
Satish Kumar Kaura
Chairman & Managing Director

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

Place : New Delhi
Date : 14th August, 2013.

Directors' Report

To the Members of Samtel India Limited

Your Directors are pleased to present the 31st Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS:

The key financial highlights are as under: **(Rs in Thousands)**

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
Gross Sales & Other Income	7905	11397
Gross Profit before Interest and Depreciation	2378	(404)
Interest and Financial charge	3023	2526
Depreciation	2	24
Profit /(Loss) from operations	(648)	(2954)
Bad Debts/Capital work in progress written off/ Misc. Balance written off/Loss on account of provision made for Diminution in the value of trade investments	21881	53232
Net Profit /(Loss)	(22666)	(56409)
Profit/(Loss) after Tax	(22666)	(56409)
Loss Brought forward from previous year	(118069)	(61660)
Balance Carried to Balance Sheet	(140735)	(118069)

OPERATIONS:

During the financial year under review, the Company registered gross turnover of Rs.79.05 lacs as against a turnover of Rs. 113.97 lacs during the previous financial year. The Company ended the financial year with net loss of Rs. 6.48 lacs as against net loss of Rs. 29.54 lacs during the previous financial year.

As discussed in the last Directors' Report of 2011-12, the Company after obtaining all requisite approvals ventured into the business of outsourcing primarily supply of man power to various business and industrial houses.

However, the business has not been able to deliver the expected turnover and profit due to depressed market condition and uncertainty in the industrial and manufacturing sector all over India. The continuing difficult phase in the industrial and manufacturing sector has impacted quite adversely the outsourcing business and thus the business plan of your Company could not be implemented fully. However, your Directors are hopeful that in the coming years the business of outsourcing including manpower supplies/consultancy will help the Company immensely.

DIVIDEND:

Your directors do not recommend any dividend for the year, due to inadequate profits.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of sub-section 2AA of Section 217 of the Companies Act, 1956, your Directors state and confirm:

1. That in the preparation of Annual Accounts for the financial year ended 31st March 2013; the applicable accounting standards have been followed and that there has been no material deviation.
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and also of the loss of the Company for the year ended 31st March, 2013.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularity have been ensured.
4. That the Directors have prepared the Annual Accounts for the year ended 31st March 2013, on a going concern basis.

FIXED DEPOSITS:

During the year under review, no deposits have been invited or accepted from the Public.

DIRECTORS:

Mr. Ajit Singh was appointed as an Additional Director of the Company with effect from May 30, 2013. Mr. Ajit Singh a professional by qualification of MBA in finance and experience in finance & commercial since last more than 25 years and have valuable knowledge and experience on administration, finance and personal matters. The tenure of Mr. Singh is upto the date of the ensuing Annual General Meeting and the Company has received a Notice from a Member of the Company proposing his candidature for the office of Director of the Company liable to retire by rotation.

Pursuant to Section 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Om Wadhwa, Director of the Company, is liable to retire by rotation and being eligible, offers himself for re-appointment.

Your Directors recommend the appointments/re-appointments of the Directors for your approval.

AUDITORS:

The Auditors of the Company, M/s S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi retire at the forth coming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Board of Directors recommends their re-appointment, as Statutory Auditors for the financial year 2013-14 for your approval.

AUDITORS' REPORT:

The Auditors' Report are self-explanatory and thus, do not require any explanation.

PARTICULARS OF EMPLOYEES:

The Company did not have any employee on its rolls during the year, drawing salary in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE:

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance, as prescribed under the Listing Agreement with the Stock Exchange. A separate Report on the Corporate Governance along with necessary certificates and reports on Management Discussion & Analysis are enclosed as part of this Annual report.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

The Company had closed its manufacturing operations in 2005. Therefore, the particulars as prescribed under subsection (1) (e) of Section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are not disclosed.

For and on behalf of the Board of Directors

For Samtel India Limited

Sd/-

Satish K. Kaura

Chairman & Managing Director

Place: New Delhi

Date : 30^{th} May, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

PERFORMANCE REVIEW AND OUTLOOK:

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

The Company ended the financial year on 31st March, 2013 with a gross turnover of Rs.79.06 lacs as against Rs.113.97 lacs of the previous financial year. The Company incurred a net loss of Rs. 226.66 lacs during the year under review as against net loss of Rs. 564.09 lacs during the previous financial year.

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

To come out of the situation and increase the revenue of the Company, the Management is seriously exploring various options including manufacturing activities. In this regard it has entered into an agreement with a real estate developer to identify and facilitate acquiring of suitable industrial/commercial space. If so required all statutory approval including approval of members will be sought for initiation of new business plan of the Company.

BALANCE SHEET ANALYSIS:

a) **Loans: Unsecured**
Inter Corporate Deposit of Rs. 100 lacs was outstanding as on 31st March 2013 (Previous Year Rs. 170 lacs).

b) **Fixed Assets:**
The net fixed assets at the end of the financial year were Rs. 5.50 lacs as against Rs. 5.53 lacs as on 31st March, 2012.

c) **Current Assets:**
The total current assets increased to Rs. 483.95 lacs as on 31st March, 2013 from Rs. 285.62 lacs as on 31st March, 2012. Cash and Bank Balances increased to Rs.25.46 lacs from Rs.21.04 lacs. Loans and advances decreased to Rs. 8.64 lacs this year from Rs.262.34 lacs at the end of the previous year.

d) **Current Liabilities:**
Current Liabilities have increased to Rs. 566.96 lacs as on 31st March, 2013 from Rs. 551.88 lacs as on 31st March, 2012.

INTERNAL CONTROL SYSTEMS & ITS ADEQUACY:

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

OPPORTUNITIES & THREATS:

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

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

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

CAUTIONARY STATEMENT:

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

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

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

I. BOARD OF DIRECTORS

Composition of the Board
The Board of Directors of the Company comprises of 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.

Mr. Purshottam Dass has been confirmed as Director in the last Annual General meeting held on 29th Sept., 2012. The other Independent Director is Mr. Om Wadhwa.

Mr. Ajit Singh has been inducted as additional Director on the Board of the company and Mr. Purshottam Dass has resigned from the Board of the company effective from 30.05.2013.

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

Number of Board Meetings

During the Financial Year 2012-13, the Board of Directors of the Company met four times on May 15, 2012, August 14, 2012, August 30, 2012, November 15, 2012 and February 15, 2013. The maximum time gap between any two meetings was less than four months.

Directors' attendance record & directorship held (As on 31st March, 2013):

Name of Directors	Category / Status of Directorship	No. of Board meetings held during 2012-13	No. of Board meetings attended during 2012-13	Attendance in last AGM held on 28th September, 2012	No. of Directorship in other Public Limited Companies	No. of Committee positions held	
						Chairman	Member
Mr. Satish K. Kaura	Executive/ Promoter Director	5	5	No	4	-	1
Mr. Om Wadhwa	Independent Director	5	5	Yes	-	1	-
Mr. Purshottam Dass	Independent Director	5	5	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 Internal Audit Firm that is associated with the Company
  - Legal Firm(s) and Consulting Firm(s) that have a material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.
- Have furnished annual disclosure that they satisfy the conditions of their being independent as laid down under Clause 49 of the Listing Agreement.

Information supplied to the Board

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

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

Remuneration of Directors

The Company is not paying any remuneration 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 2012-13 (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. Om Wadhwa	Independent Director	4000	0	0	4000
Mr. Purshottam Dass	Independent Director	0	0	0	0

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