

## **PROFILE**

### **SAMTEL INDIA LIMITED**

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

**CIN of the company :** L31909DL1981PLC012073

**Email ID :** [info@samtelgroup.com](mailto:info@samtelgroup.com)

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

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

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

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

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

### I. BOARD OF DIRECTORS

#### Composition of the Board

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

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

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

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

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

#### Number of Board Meetings

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

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

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

@ Mr. Ajit Singh has resigned effective from 14<sup>th</sup> August, 2014.

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

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

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

#### **Information supplied to the Board**

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

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

#### **Remuneration of Directors**

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

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

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

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

#### **Board Level Committees**

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

#### **Audit Committee**

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

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

The attendance of members at the meetings is as follows:

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

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

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

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

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

#### **Stakeholders Relationship Committee**

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

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

#### **Nomination & Remuneration Committee**

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

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

#### **Risk Management**

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

## **II MANAGEMENT**

#### **Management Discussion & Analysis Report:**

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

#### **Disclosures:**

##### **a) Related Party Transactions:**

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

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

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

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

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

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

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

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

**e) Code of Conduct:**

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

**f) Disclosure of Accounting Treatment:**

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

**CEO/CFO Certification**

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

### III SHAREHOLDERS

**Means of Communication**

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

**General Body Meetings**

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

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

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

### Shareholdings

#### a. Shareholding pattern of the Company as on 31<sup>st</sup> March, 2015

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

Including 7409 partly paid up equity shares.

#### b. Distribution of shareholding as on 31<sup>st</sup> March, 2015

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

Including 7409 partly paid up equity shares.

### Dematerialisation of Shares:

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

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

### Share Transfer Systems:

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

### Dividend:

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

**Financial Reporting Calendar**

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

**Annual General Meeting**

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

**Book Closure**

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

**Listing and Stock Code/ISIN**

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

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

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

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

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

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

**Investors' Correspondence:**

**Registrar & Share Transfer Agent:**

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



**Registered Office**

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

**Correspondence Address:**

501, 5<sup>th</sup> Floor,  
Copia Corporate Suites,  
District Centre, Jasola,  
New Delhi - 110 025  
Phone : 011 - 4242 4000  
Fax : 011 - 4242 4099  
website: [www.samtelgroup.com](http://www.samtelgroup.com)

## **Samtel India Limited**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

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

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

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

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

#### **BALANCE SHEET ANALYSIS:**

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

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

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

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