

SAMTEX FASHIONS LIMITED



BOARD OF DIRECTORS

Atul Mittal

S. K. Gupta

Raman Ohri

Nishant Chandra

Managing Director

Director

Director

Director

COMPANY SECRETARY & GM FINANCE

Kamini Gupta

AUDITORS

M/s Aggarwal & Rampal

Chartered Accountants

New Delhi

INTERNAL AUDITORS

M/s Ashok Aggarwal & Co.

Chartered Accountants

Delhi

BANKERS

STATE BANK OF INDIA

Overseas Branch,

9th Floor, Jawahar Vayapar Bhawan,

Tolstoy Marg, New Delhi - 110 001

CORPORATE IDENTIFICATION NUMBER

L17112UP1993PLC022479

REGISTERED OFFICE & WORKS

Plot No. 134-135

Noida Special Economic Zone,

Phase - II, Noida - 201 305

Distt. Gautam Budh Nagar

Uttar Pradesh

CORPORATE OFFICE

Unit No. 307, Square One Mall,

C-2 District Center, Saket,

New Delhi - 110017

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NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of M/s Samtex Fashions Limited will be held on Friday, the 30th September, 2016 at 9.30 A.M. at the Registered Office & Works of the Company at Plot No. 134-135, Noida Special Economic Zone, Phase – II, Noida – 201 305, Distt. Gautam Budha Nagar, (U.P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit & Loss for the financial year ended on that date, together with the Directors' Report and Auditors' Report thereon and also the consolidated Audited Balance Sheet as at 31st March, 2016 and consolidated Statement of Profit and Loss for the year ended 31st March, 2016.
2. To appoint a Director in place of Mr. Atul Mittal (DIN 00223366), who retires by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 139 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for time being in force) read with Companies (Audit & Auditors) Rules, 2014 and pursuant to recommendation of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the Members at 21st Annual General Meeting (AGM) held on September 30, 2014 in respect of appointment of auditors, M/s. Aggarwal & Rampal, Chartered Accountants (Registration No. 003072N) till the conclusion of the 24th AGM of the Company for the Financial Year ending 2017, the Company hereby ratifies and confirms the appointment of M/s. Aggarwal & Rampal, Chartered Accountants as Statutory auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 24th Annual General Meeting for the Financial year ending 2017 on such remuneration as may be approved by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. ALTERATION IN THE OBJECT CLAUSE 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 the Section 179 & 13 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory notification or reenactment thereof, for the time being in force), and the rules framed there under, consent of the Shareholders in the General Meeting of the Company be and are hereby accorded , subject to the approval of the Registrar of Companies, Kanpur, to append the following sub clause 5 and 6 after sub clause 4 of clause III (A) of the Memorandum of Association of the Company:

5. To carry on the business of manufacturing, processing, fining, recycling, buying, selling, exporting, importing, dealing, extract bye products , edible oils, non-edible oils, brans, hydrates and such derivatives. Extracting oils either by crushing or by chemical or any other process from seeds and brans and other oil bearing substance.
6. To carry on the business of manufactures, producers, buyers, sellers, millers, importers, Exporters, processors, vendors, merchants traders, commission agents, buying agents, selling agents, brokers, collectors, dealers or in any other capacity and import, export, manufacture, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise, to trade and deal in goods, produce, articles, merchandise of any kind whatsoever and without prejudice to generality of the foregoing agriculture commodities, food grains, cash crops, milk , milk products, meat products, spices, vegetable, flowers, seeds, raw material required by industries , semi finished products of industries and deal in all type of commodities particularly rice, wheat, maize, fruits, vegetables, milk, products, meat products, poultry product, cereals, baby food, herbs, medicines, flower, drinks, fluids and all other type of agriculture



products and fresh and preservable product and to extract bye products , edibles, Oils, hydrates and such derivatives of all kinds and descriptions and to setup and run machinery for processing and preserving the same.

FURTHER RESOLVED THAT consent of the Shareholders of the Company be and are hereby accorded to ratify all the acts, deeds and things executed by the Board of Directors earlier in respect of the above mention objects. For the purpose of giving effect to this resolution, Mr. Atul Mittal, Joint Managing Director and /or Ms. Kamini Gupta Company secretary of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E- forms as return of appointment with Registrar of Companies, Kanpur.”

5. **APPOINTMENT OF MANAGING DIRECTOR**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196,197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for time being in force) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, as approved by Board of Directors and Nomination and Remuneration Committee , consent of the Shareholders be and is hereby accorded to appoint Mr. Atul Mittal (DIN No. 00223366), as Managing Director of the Company for the period of 3 years, with effect from 1st September, 2016 on the terms and remuneration as set out below:

1. Basic Salary: Basic Salary at the Rate of Rs. 1,50,000/- per month in the scale of Rs. 1,50,000 -30,000- 2,10,000.
2. Provision of furnished Residential Accommodation at an expenditure not exceeding Rs. 2,20,000/- pm, inclusive of all maintenance, water , electricity and other charges with 10% of annual increase. In the event the appointee is not provided Residential Accommodation by the Company, he shall be paid HRA equivalent to 60% of the Basic Salary.
3. Medical reimbursement per annum not exceeding one month Basic Salary.
4. Leave Travel Allowance per annum not exceeding one month Basic Salary.
5. Provident Fund Contribution @ 12% of Basic Salary or at such rates as may be applicable as per law from time to time.
6. Gratuity at the rate of ½ month basic salary for each completed year of service.

In addition to the above, he shall also be entitled to the Telephone and he shall be provided with a Car with Driver for use of Company's Business. These will not be considered as perquisites.

By order of the Board
For **SAMTEX FASHIONS LIMITED**

KAMINI GUPTA
Company Secretary & GM Finance

Date : 27.08.2016
Place : New Delhi

REGISTERED OFFICE & WORK

Plot No. 134-135, Noida Special Economic Zone,
Phase –II, Noida-201 305
Distt. Gautam Budha Nagar, Uttar Pradesh
Phone No. : 0120-4055600
E-Mail : samtex.compliance@gmail.com
Website : www.samtexfashions.com



CIN : L17112UP1993PLC022479

NOTES :

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF. A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be received by the company not less than 48 hours before the scheduled time of meeting. A blank proxy form is enclosed. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable
- b) The Register of Member and Share Transfer Books of the Company will remain closed from 24-09-2016 to 30-09-2016 (both days inclusive).
- c) Members/Proxies should bring the Attendance Slip send herewith duly filled up for attending the meeting.
- d) Members are requested to communicate change in their address/ residential status, if any to the Company, quoting respective folios in case their holdings in physical form, and their Depository Participant (DPs) in respect of their holdings in dematerialized form.
- d) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least Ten days before the date of meeting, so that any information required by the members may be made available at the meeting.
- e) The Notice of the 23rd Annual General Meeting and instructions for e-voting, along with the attendance Slip, Proxy Form and the Annual Report 2015-16, is being sent by electronic mode to all members whose email addresses are registered with the Registrar and Share Transfer Agent of the Company / Depository Participant(s) unless a member has requested for a hard copy of the same.
- f) Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for the year 2015-16 will also be available on the Company's website [www.samtexfashions.com] for their download. The physical copies of the aforesaid documents and documents referred to in the notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection at the Company's Registered Office and Corporate Office during 11:00 A.M. to 1:00 P.M. on all working days up to the date of the Annual General Meeting. 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 free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [samtex.compliance@gmail.com].

Remote E-voting

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 23, 2016, i.e. Cut off Date are entitled to vote on the Resolutions set forth in this Notice. Remote e-voting is optional. The remote e-voting period will commence on Tuesday, September 27, 2016 at 10.00 A.M. (IST) and ends on Thursday, September, 29 at 5.00 P.M. (IST). The facility for voting by ballot/polling paper shall also be made available at the Annual General Meeting (AGM) and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. A person who is not a member as on the cut off date should treat this Notice for information purposes only.

Mr. Deepak Kukreja, Practicing Company Secretary, FCS No: 4140 has been appointed to act as the Scrutinizer, to scrutinize the remote e-voting process and voting by ballot/polling paper at the AGM in a fair and transparent manner. The Members desiring to vote through remote e-voting may refer to the detailed procedure given hereinafter.



The Scrutinizer shall immediately after the conclusion at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two(2) witnesses not in the employment of the Company and shall make in writing, within 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report to the Chairman or any person authorised by him, who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

The manner in which members have cast their votes, that is, affirming or negating the resolution(s), shall remain secret and not available to the Chairman, Scrutinizer or any other person till the votes are cast in the AGM. However for the purpose of ensuring that members who have cast their votes through remote e-voting do not vote again at the AGM, the scrutinizer shall have access, after the closure of period for remote e-voting and before the start of the AGM, details relating to members, such as their names, folios, number of shares held and such other information that the scrutinizer may require, who have cast votes through remote e-voting but not the manner in which they have cast their votes.

The result of the remote e-voting along with the result of the poll conducted at the AGM and the Scrutinizer's Report shall be sent to stock exchanges, where the securities of the Company are listed and placed on the Company's website "www.samtexfashions.com" immediately after the results are declared by the Chairperson.

- g) Members are requested to bring their copy of the Annual Report to the meeting.
- h) The Complete details of the instruction for e- voting is annexed to this Notice.

Process and Manner for Members opting for Remote E- Voting:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule, 2014, the Company is pleased to provide Members facility to exercise their right to vote at the 23rd Annual General Meeting by electronic means and the business may be transacted through E- Voting Services provided by Central Depository Services (India) Limited (CDSL):

1. Instruction for Remote E-Voting:-

(A) The instruction for members for voting electronically is as under:-

- (i) The remote e- voting period begins on **Tuesday, September 27, 2016 at 10.00 A.M. (IST) and ends on Thursday September, 29 at 5.00 P.M. (IST)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Friday, September 23, 2016 may cast their vote electronically. The remote e- voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the (remote) e- voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now select "SAMTEX FASHIONS LIMITED" from the drop down menu and click on "SUBMIT"
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:



For Members holding shares in Demat Form and Physical Form	
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"> 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 sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If 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).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly to 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 to be also used by the demat holders for voting for resolutions of any other company in 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.
- (xi) For Members holding shares in physical form, the details can be used only for remote e- voting or the resolutions contained in this Notice.
- (xii) Click on the EVSN for "Samtex Fashions Limited" on which you choose to vote
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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 "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) 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 download the app from the App Store and the Windows Phone Store



respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for institutional Shareholders/ non individual/custodians :-

- Institutional shareholders/ Non individual (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to Log on to <https://www.evotingindia.co.in> and register themselves as Corporate and custodians respectively.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cDSLindia.com
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case you have any queries or issues regarding remote e- voting, you may refer the Frequently Asked Questions ("FAQs") and (remote) e- voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cDSLindia.com.

(C) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the remote e- voting period unblock the votes in the presence of at least two (2) witness not in employment of the Company and make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Managing Director of the Company.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.samtexfashions.com and on the website of CDSL and the same be communicated to the Stock Exchange(s).

(D) The term Members has been used to denote Shareholders of "Samtex Fashions Limited".

Poll at the Meeting

After the items of the notice have been discussed, the Chairman will order poll in respect of the items. Poll will be conducted and supervised under the Scrutinizer appointed for remote e-voting and poll as stated above. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date and who have not cast their vote by remote e-voting, and being present at the AGM either personally or through proxy, only shall be entitled to vote at the AGM

A route map and prominent land mark for easy location to the venue of AGM is attached to this Notice.

EXPLANATORY STATEMENT

The following statement in terms of Section 102 of the Companies Act, 2013 is annexed to and forms part of the Notice convening the 23rd Annual general meeting:

ITEM NO. 4

The Company wants to enter into new line of business to carry on the business of manufacturing, processing, fining, recycling, buying, selling, exporting, importing, dealing, extract bye products, edible oils, non-edible oils, brans, hydrates and such derivatives. Extracting oils either by crushing or by chemical or any other process from seeds and brans and other oil bearing substance. To deal as to export, import of all type of commodities particularly rice, wheat, maize, fruits, vegetable and milk products etc.



The proposed change required the consent of the Members by way of special resolution and approval of Registrar of Companies. Hence your approval is sought in terms of Provision of Section 13 & 179 and other applicable provision, if any of the Companies Act,2013 ,set out at Item No. 4 of the Notice.

None of the Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

A copy of the proposed set of Memorandum of Association of the Company would be available for inspection for the member at the Registered Office of the Company during the office hours on any working day between 11.00 a.m to 1.00 pm up to the date of AGM

The board commends the resolution for the approval by the Share Holders.

ITEM NO. 5

Mr. Atul Mittal (DIN- 00223366)is appointed as Managing Director of the Company w.e.f. 1st September, 2016 for a period of 3 years.

Mr. Atul Mittal is a Commerce Graduate, belonging to an Industrialist family and is having the managerial experience of about 16 years in Samtex Fashions Limited. He has put his sincere efforts and hard work for the growth and development of the Company.

Pursuant to the provisions of Sections 196,197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for time being in force) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, the Nomination and Remuneration Committee and Board of Directors in their respective meetings held on 27th August,2016 approved the appointment of Mr. Atul Mittal, as Managing Director, for 3 years w.e.f 1st September, 2016, on the same remuneration, which he is drawing in the capacity of Joint Managing Director.

Memorandum of Interest :-

None is concerned or interested in the appointment / Resolution.

This may also be considered as an abstract of the Terms and Conditions of the appointment of the Managing Director and the Memorandum of interest in pursuance of Section 190 of the Companies Act, 2013.

The board recommends the resolutions for the approval by the Share Holders.

By order of the Board
For **SAMTEX FASHIONS LIMITED**

Sd/-
KAMINI GUPTA
Company Secretary & GM Finance

Date : 27.08.2016

Place : New Delhi

REGISTERED OFFICE & WORK

Plot No. 134-135, Noida Special Economic Zone,

Phase –II, Noida-201 305

Distt. Gautam Budha Nagar, Uttar Pradesh

Phone No. : 0120-4055600

E-Mail : samtex.compliance@gmail.com

Website : www.samtexfashions.com

CIN : L17112UP1993PLC022479



Details of Directors seeking appointment/ Reappointment at the ensuing Annual General Meeting. Under Regulation 36(3) of SEBI(LODR) 2015.

Name of the Director	Mr. Atul Mittal
Date of Birth	25-04-1977
Date of Appointment	29-07-2002
Qualification	Graduate
Expertise in specific functional areas	General Management
List of Directorship held in other Companies as on 31 st March, 2016	ARLIN Foods Limited and ARLIN Exim Limited
Chairman/Member of the Committees of the Board of Public Companies on which he is a Director as on 31 st March, 2016	Chairman- NIL Membership-3
Shareholding in the Company as on 31 st March, 2016:-Equity Shares in Numbers	2600000
Relationship with other Directors	None



DIRECTORS' REPORT

To,

The Members,

The Board of Directors hereby submit the 23rd Annual Report of your Company together with the Audited Accounts of the Company for the year ended 31st March' 2016.

FINANCIAL RESULTS

Rs. In Lakhs

PARTICULARS	2015-2016	2014-2015
Sales and other Income	8538.15	10551.50
Profit before tax, interest, depreciation and write offs	530.85	720.03
Interest & Financial Expenses	312.14	416.66
Depreciation	102.64	104.79
Profit Before Tax	116.07	198.58
Provision for Taxation :		
Current	19.90	11.95
Deferred	(15.41)	(9.03)
Earlier year	-	-
Profit after Tax	108.38	188.60
Balance of Profit from Previous Years	3162.70	2974.10
Balance of Profit carried forward	3271.08	3162.70

The company does not propose any transfer to General Reserve.

REVIEW OF OPERATIONS & FUTURE PROSPECTS:

The Gross Sales and other Income for the year ended 31st March, 2016 stood at Rs. 8538.16 lakhs and Net Profits at Rs. 108.38 Lakhs as compared to Rs. 10551.50 lakhs and Rs. 188.60 lakhs respectively in the previous year.

The international economic conditions especially in US are becoming more tough for survival. Board of Directors are finding it difficult as there is no sign of improvement in the years to come.

The Board of Directors in their meeting held on 28th May, 2016 discussed and decided to stop the production activity at its unit at NSEZ, Noida. A proposal for setting other business activity was placed. After some developments the manufacturing activities at NSEZ Noida unit were partially resumed.

Your Company's Wholly Owned Subsidiary namely SSA International Limited has achieved a Turnover of Rs. 1629.00 crores and Net Profit of Rs.721 crores. As you are already aware that Company's other wholly owned Subsidiary namely Arlin Foods Limited (formerly known as Sam Buildcon Limited) is not operational. Your Board is exploring new avenues for business.

Your Directors further inform that on 9th July 2016 the Flood Water entered the Mandideep Plant of SSA International Limited, and there were losses of Inventory and some assets. The Insurance Surveyors are assessing the Losses.

MATERIAL CHANGES

During the year under review your company has sub-divided its share capital from 1 (one) Equity share having a face value of Rs. 10/- each into 5 (five) Equity Shares of the face value of Rs.2/- each.

As a result of such sub division the Authorised Share Capital of the company has been changed from 1,60,00,000 (One Crores Sixty Lakhs) Equity shares of Rs. 10/- each into 8,00,00,000 (Eight Crores) equity shares of Rs. 2/- (Rupees Two) each.

DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors regret their inability to recommend any dividend for the year 2015-2016.

DIRECTORS

Your Director Mr. Atul Mittal retires this year by rotation in accordance with the Articles of Association of the Company and being eligible offers himself for re-appointment.

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.



BOARD OF DIRECTORS MEETINGS

During the year 7 (Seven) Board Meetings and 4 (four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

Pursuant to the provisions of section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Audit Committee has comprise the following members:-

- i) Mr. S.K. Gupta
- ii) Mr. Raman Ohri
- iii) Mr. Atul Mittal

AUDITORS

STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013, Aggarwal & Rampal, Chartered Accountants, were appointed as Statutory Auditors in the 21st Annual General Meeting until the conclusion of 24th Annual General Meeting to be held in the calendar year 2017(subject to ratification of their appointment at every Annual General Meeting) at such remuneration as shall be fixed by the Board. In terms of the first proviso to section 139 of the Companies Act, 2013 the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of Aggarwal & Rampal, Chartered Accountants as statutory auditors of the Company, is placed for ratification by the shareholders.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. DMK, Associates, Company Secretaries, as Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2015-16.

The Secretarial Audit Report for the Financial Year 2015-16 submitted by them in prescribed form MR-3 has been annexed hereto, marked as Annexure -4 and forms an integral part of this Report. The Secretarial Auditor has made certain observations. The observations and reply thereto are as under:

Qualifications/Observations

1. **According to Section 178 of the Act and Regulations 19 of LODR, there must be minimum three Non-executive directors to constitute the Nomination and Remuneration Committee(NRC) whereas NRC of the Company is comprises of only two Non-executive Directors.**
The Company's Board comprises of four numbers of Directors, with two Executive Promoter Directors and two Independent Non Executive Directors. The Company is in the process of appointing one more non executive director in the Board shortly.
2. **It is observed that 100% promoter's equity shares in the company are in not in dematerialized form as required under Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement), 2015 (LODR).**
As on 31st March, 2016 the equity share capital in non dematerialized form belonging to Promoter Category, have been shifted to others category and share holding pattern submitted to stock exchange for the period ended 31.03.2016 contains promoters equity as 100% De materialized form and is in compliance of Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement), 2015 (LODR).
3. **The constitution of Internal Complaints Committee (ICC) is not in accordance with Section 3 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.**
The company is in the process of appointing one member from NGO to make the constitution of Internal Complaints Committee in compliance of Section 3 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
4. **The company has not attached Form AOC-2 relating to transactions incurred on arm length basis in the ordinary course of business as an annexure to Board report for the FY 2014-2015.**
During the Financial Year 2014-15, all the transactions with the related parties were in ordinary course of business and on arm's length basis, hence, were out of the purview of Section 188 of the Act. Further all transactions with related parties were also reviewed by the Audit Committee of the Board. The AOC-2 relating to transactions for the Financial Year 2015-16 is attached with this Board's Report.
5. **The Company has received a notice u/s 7A of Employees' Provident Fund & Miscellaneous Provisions Act, 1952 from Employees' Provident Fund Organization (EPFO) dated 05.08.2015 for determination of PF amount and thereafter received demand notice dated 11.07.2016 of Rs.6,11,93,017/- . Thereafter the Company has filed an**



appeal with Employees' Provident Fund Organization Tribunal (EPFOT) which was heard on 22.07.2016, EPFOT waived the pre deposit of said demand and stayed the impugned order of EPFO dated 11.07.2016 till further orders.

Your Company after receiving the notice from EPFO filed the appeal with Employees' Provident Fund Organization Tribunal (EPFOT) which was heard on 22.07.2016, EPFOT waived the pre deposit of said demand and stayed the impugned order of EPFO dated 11.07.2016 till further orders. Presently the matter is pending with EPFOT.

INTERNAL AUDIT

M/s. Ashok Aggarwal & Co. a firm of Chartered Accountants is conducting periodic Internal Audit of all operations of the Company and the Audit Committee of the Board of Directors has reviewed their findings regularly. Their reports have been well received by the Audit Committee.

AUDITORS' REPORT

The Statutory Auditors of the Company has submitted their reports on the standalone and consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2016. The Auditor has made certain observations. The observations and reply thereto are as under:

Qualifications/Observations

Going concern concept of the company may be affected if the decision of the Board of Directors meeting held on May 28, 2016 to stop the production activities of the company is implemented by the management.

In the Board of Directors meeting held on May 28, 2016, Board decided to stop the production activities of the company at its unit at NSEZ, Noida. After this decision the Production activities were stopped for some time and later on after some developments were partially resumed. The necessary ratification of decision was informed to Stock Exchange and was taken on record by the Board of Directors.

Rest are self-explanatory and no further comments are required. The observation or comment of the auditors on financial transactions or matters are not having any adverse effect on the functioning of the company.

COMPLIANCE CERTIFICATE FROM COST AUDITOR FOR MAINTENANCE OF COST RECORDS

Pursuant to the provisions of section 148 of the Companies Act, 2013 and rules made there under and with Cost Accounting Record Rules 2011, the company is maintaining the Cost records .

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

As required by Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion & analysis report is appended in the Annual report.

CORPORATE GOVERNANCE

The Company is committed to maintain the standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

As required under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 a separate report on Corporate Governance report along with Certificate on its compliance is annexed to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) read with Section 134(5), the Directors state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (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 at the end of the financial year and of the profit and loss of the company for that period;
- (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 were operating effectively.



- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All independent directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

In terms of Section 178(3) of the Companies Act, 2013, upon recommendation of the Nomination and Remuneration Committee, the Board has adopted the Nomination and Remuneration Policy of the Company. Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other prescribed matters, are governed by such policy. As per terms of Section 178(4) of the Act, such policy is attached hereto as **Annexure - 1** which forms part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism Policy to deal with instance of fraud and mismanagement, if any.

As per the policy objective, the Company encourages its employees who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment. A vigil mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Managing Director/Chairman of the Audit Committee in exceptional cases. Such policy is made available on the website of the Company.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on September 2, 2015 in order to streamline the provisions of the Listing Agreement for different segments of capital market in order to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly all the listed entities were required to enter in to fresh Listing Agreement within six months from the effective date. Therefore, the Company entered into Listing Agreement with the BSE Limited in the month of February, 2016.

CREDIT RATING

During the year under review the Company sustained its long term credit rating of "BB+" and short term credit "A4+."

SUBSIDIARIES

The Company has two subsidiaries namely, **SSA International Limited** and **Arlin Foods Limited (Formerly known as Sam Buildcon Limited)**. During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. As per Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a consolidated financial statement of the Company and its subsidiary has been prepared and attached to the stand alone financial statement of the Company. The **Consolidated Financial Statements** have been prepared in accordance with the relevant accounting standards. **Form AOC-1** annexed to the Financial Statements.

The accounts of the Subsidiaries are also available for inspection for shareholders /members /investor, during the business hours at the registered office of the company.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of Business of the Company during the year. The Company has two wholly owned subsidiaries namely M/s SSA International Limited and M/s. Arlin Foods Limited (formerly known as M/s. Sam Buildcon Limited). There was no change in the nature of business in SSA International Limited as well as Arlin Foods Limited.

PUBLIC DEPOSIT

The Company has not invited or accepted fixed deposits from public during the year under review, under Chapter V of the Companies Act, 2013 and the Rules made there under.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal Audit functions reports to the Chairman of the Audit Committee and to Chairman and Managing Director of the Company. The Internal Audit monitors and evaluates the efficiency and adequacy of Internal control systems in the company. It's compliances with operating systems, accounting procedure and policies at all locations of the Company.

RELATED PARTY TRANSACTIONS

During the year under review, there was no new transaction with related parties falling under the purview of Section 188 of the Act. All the transactions with the related parties were in ordinary course of business and on arm's length basis,



hence, were out of the purview of Section 188 of the Act. All transactions with related parties were duly reviewed by the Audit Committee of the Board. Particulars of such transactions is mentioned in the prescribed Form AOC-2 is appended as Annexure- to the Board's Report.

LOANS, GUARANTEES AND INVESTMENT

During the year under review Company has invested Rs. 1.5 crores (Rupees One Crores Fifty Lakhs) in the equity capital and provided the Guarantee of Rs. 807.46 crores, enhanced from existing Rs.716.79 crores, for working capital limits and other limits to its wholly owned subsidiary SSA International Limited.

INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO

In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, a statement containing details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in the manner as prescribed under the Companies (Accounts) Rules, 2014, is given in **Annexure - 2** hereto and forms part of this Report.

EXTRACT OF THE ANNUAL RETURN

In terms of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the extract of the annual return in form MGT-9 is annexed herewith as **Annexure – 3**

POLICIES

As per the regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all listed entities are required to formulate certain policies. All such policies are available on our website i.e. www.samtexfashions.com. Key policies that have been adopted by the Board are as follows:

Name of the Policy	Brief description	Web link
Vigil Mechanism Policy	The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1439197042.pdf&name=VIGIL+MECHANISM+POLICY
Board Diversity	To ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge, perspective and gender in the Board	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1439196915.pdf&name=POLICY+ON+BOARD+DIVERSITY
Policy on Preservation of Documents	This policy deals with the retention and archival of corporate records of the Company	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372452.pdf&name=Policy+on+Preservation+of+Documents
Policy- Dealing with Related Parties	This policy regulates all the transactions between the Company and its related parties	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372529.pdf&name=Policy-+Dealing+with+Related+Parties
Policy on Material Subsidiary	This policy deals with determination of Material Subsidiaries of Samtex Fashions Limited in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR)	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372662.pdf&name=Policy-+Determining+Material+Subsidiary
Materiality of Events	The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372810.pdf&name=Policy+on+Materiality+of++Events
Risk Management Policy	The objective of Risk Management at Samtex Fashions Limited is to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities.	http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1439196980.pdf&name=RISK+MANAGEMENT+POLICY



SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNALS

A demand Notice dated 11.07.2016 from Employees Provident Fund Organisation under section 7-A of the Employees Provident Funds & Miscellaneous Provisions Act, 1952 was received . An Appeal before the Employees Provident Fund Appellate Tribunal , New Delhi have been filed . As per Tribunal order dtd. 27.07.16 the notice issued to the company is liable to be st aside and been stayed.

DEMATERIALIZATION OF SHARES

Your Company's shares are participating both with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN number of the Company is **INE931D01020**.

STOCK EXCHANGE LISTING

The Equity shares of your Company are listed at: The Bombay Stock Exchange, (BSE), Mumbai.

CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to constitute corporate social responsibility committee pursuant to section 135 of the Companies Act, 2013.

CODE OF CONDUCT:

In compliance with Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, the Company has framed and adopted a code of conduct. The code is applicable to the members of the Board and all employees of the Company.

The Board Members have affirmed compliance with the Code of Conduct for the period ended March 31, 2016.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy.

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to members, business associates, various agencies of the Government, Financial Institutions and Banks for all the help and Co-operation extended by them to the Company.

They also acknowledge with appreciation the devoted services rendered by the workers, staff and Executives at all levels of the Company.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

**Rita Mittal
(Chairperson & Managing Director)
DIN 03398410**

**Place : New Delhi
Dated : 12.08.2016**

ANNEXURE-1

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

1. OBJECTIVE:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.



2. ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

3. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

4. EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

5. REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

6. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors [excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013] shall be subject to ceiling/ limits



as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of pay structure as per the Company's Policy, in compliance with the provisions of the Companies Act, 2013.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) Any performance based pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

8. AMENDMENTS

This policy can be modified or repealed at any time by the Board of Directors of the Company.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

**Rita Mittal
(Chairperson & Managing Director)
DIN 03398410**

Place : New Delhi

Dated : 12.08.2016

ANNEXURE-2

A. CONSERVATION OF ENERGY:

- a) Energy Conservation measures taken: Company's operations involve low energy consumption. The Company has always been taking steps towards conservation of energy. The Company continues to envisage and implement energy conservation measures in its manufacturing operations and leading to savings in consumption of power and fuel.
- b) Additional investment and proposals, if any, being implemented for reduction of consumption of Energy: Introduced energy saving features in the systems by which the user saves power consumption to a considerable extent.
- c) Impact of the measures of (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods: The impact of the measures taken above is that the same would result in reduction in energy consumption in future years and increase in productivity.
- d) Total energy consumptions, energy consumption per unit of production:

	Current Year	Previous Year
1. POWER AND FUEL COSUMPTION		
a) Purchased		
Unit	418172	648182
Total Amount (Rs. Lacs)	44.47	60.47
Rate/Unit (Rs.)	10.63	9.33
b) Own Generation Through Diesel Generator		
Unit	34226	69551
Total Amount (Rs. Lacs)	4.14	6.73
Cost/Unit (Rs.)	12.09	9.68

B. RESEARCH AND DEVELOPMENT

(i) RESEARCH AND DEVELOPMENT

The Company has no specific R & D activities. However the Company has well equipped Quality Control department to check the quality of Garments manufactured.

(ii) TECHNOLOGY ABSORPTION

New technology absorption is the endeavor of the Company. Development of new products, designs and quality improvement is a continuous process. Value Addition by up gradation of Technology is a regular process.



C. FOREIGN EXCHANGE EARNING AND OUTGO

Activities relating to Exports, initiative taken to increase exports, development of new export markets for product and services and export plans:

Regularly developing the new international markets. In order to develop new export markets for its products your company is regularly participating through its buyers, in international exhibitions. Company has its own office in New York with arrangement of display of Company's Products and exploring new markets and products.

	(Rs. In Lacs)	
	Current Year	Previous Year
i. Earnings for the year		
(FOB value of Exports)	2226.23	3803.81
ii. Outgo for the year:		
Raw Material	950.67	1717.51

During the year under review your Company has exported goods. The details of foreign exchange earnings and outgo are given in the Notes to the accounts which form a part of the Annual Report.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

**Rita Mittal
(Chairperson & Managing Director)
DIN 03398410**

Place : New Delhi

Dated : 12.08.2016

Particulars of employees pursuant to section 197(12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014

- 1 The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 are as under:

S. No.	Name of Director, KMP & Designation	Remuneration of Director/KMP for financial year 2014-15 (in Rs.)	Remuneration of Director/ KMP for financial year 2015-16 (in Rs.)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees (times)
1	Mrs. Rita Mittal Chairperson & Managing Director	10,94,349	13,26,942	21.25%	4.39
2	Mr. Atul Mittal Whole-time Director	31,46,258	36,41,000	15.72%	12.05
3	Mr. Surendra Kumar Gupta Independent Director	Only sitting fees was paid			
4	Mr. Raman Ohri Independent Director				
5	Ms. Kamini Gupta Company Secretary	6,50,400	6,50,400	NIL	N.A.

- 2 The median remuneration of employees of the Company during the financial year 14-15 was Rs. 285,096/- p.a. whereas in 15-16 it is Rs. 302,100/-p.a. Therefore in the financial year 15-16, there is an increase of 5.96% in the median remuneration of employees.
- 3 Number of Permanent Employees on the rolls of Company as on 31.03.2016: 295
- 4 The Average percentile increase/decrease in the salaries of the employees (other than Managerial Personnel) for FY 15-16 was 5.14% whereas the average percentile increase/decrease in the managerial remuneration for the FY 15-16



is 6.50%. The Company's variable compensation philosophy for its managerial personnel is to ensure its competitive in the global markets in which it operates, for attracting & retaining the best talent.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Statement pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014

- The details of Employees who were employed throughout the FY- 15-16 and were in receipt of minimum aggregate Remuneration of Rs.1.2 Cr.: NIL
- The details of Employees who were employed for the part of FY 15-16 and for that part they recd. minimum aggregate remuneration of Rs. 8.5 lakh per month. NIL
- The details of Employees who were employed during FY 15-16 (whether for full year or part thereof) and were drawing remuneration which is in excess of the remuneration drawn by MD or WTD or Manager and along with this, he is holding minimum 2% of the equity shares of the company together with his wife & dependent children.

PARTICULARS OF REMUNERATION (RELATIVE) EMPLOYEES

Statement pursuant to Section 197 and 188 the Companies Act, 2013 the particulars employees drawing remuneration for the year ended 31st March' 2016

Sl. No.	NAME	Designation/ Duties	Qualification	Remuneration Rs. in Lacs	Experience In Years	Date of Commencement of Employment	Age in Years	Last Employment held
1.	Mr. Anubhav Mittal	Vice President Overseas Marketing	Diploma in G.M.T. (F.I.T New York)	60.16	20	01.10.96	41	—

Note :

- Nature of employment of Mr. Anubhav Mittal is contractual .
- Nature of Duties of the appointee includes Development & Promotion of Export Marketing of the Company's Products in USA and other Western Countries.
- Mr. Anubhav Mittal is related to Mrs. Rita Mittal, Chairperson & Managing Director and Mr. Atul Mittal Director of the Company.
- The remuneration specified above includes salary, allowances, bonus and value of perquisites.
- Mr. Anubhav Mittal , the above named employee along with his spouse hold 7.64 % of Equity Shares of the Company, on the date of this report.
- Detail of top ten employees in terms of remuneration drawn:-

S. No.	Name	Designation	Salary Received (2015-16) in Rs.	Nature of Employment	D.O.B.	D.O.J.	Qualification	Last Employment before Joining the company	Equity Share held	Relatio with Director
1	Mr. Sharad Verma	Sr. Manager-HR	960000	On Roll	15.12.1970	02.08.2010	Post Graduation-Mkt & Advert	AMS Fashions Pvt Ltd	NA	No
2	Mr. Ranjan Kumar	Factory Manager	720000	On Roll	11.12.1976	06.12.2012	BA-Arts	Sam Buildcon Ltd	NA	No
3	Ms. Kamini Gupta	GM-Finance & CS	650400	On Roll	19.07.1965	01.03.1995	B.Com.(H), FCS & FCMA	Metro Appliances Ltd.	NA	No
4	Mr. Vijender K Rai	Manager-Accounts	600000	On Roll	10.07.1986	21.04.2014	Post Graduation-MBA Finance, B Com	West Coast Fine F Pvt Ltd	NA	No
5	Mr. Anil Sharma	CAD Manager	348000	On Roll	10.07.1971	06.03.2006	BA-Arts, Diploma in CAD	Meenu Creations	NA	No
6	Mr. Kunwar Pal	Line-Supervisor	342000	On Roll	13.10.1975	01.07.2007	12th Pass	AMS Fashions Pvt Ltd	NA	No
7	Mr. Gokul Bansal	Finishing Incharge	336000	On Roll	10.08.1977	01.04.2007	BA Pass	Radha Fashion	NA	No
8	Mr. Sudhir Shrivastava	Executive -HR	282146	On Roll	01.05.1974	18.09.2006	BA-Arts	Panasonic India Ltd	NA	No
9	Mr. Digamber Singh	Electrician	282000	On Roll	10.01.1973	18.10.1993	12th Pass & ITI-Electrician Trade	Surya Vanaspati Ltd	NA	No
10	Mr. Vinod Kumar	Line-Supervisor	264500	On Roll	28.07.1976	01.06.2011	BA-Arts	Radha Fashion	NA	No



FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on Financial Year ended on 31.03.2016

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L17112UP1993PLC022479
ii	Registration Date	26.04.1993
iii	Name of the Company	Samtex Fashions Limited
iv	Category/Sub-category of the Company	Public Company
v	Address of the Registered office & contact details	Plot No. 134-135, NSEZ, Phase-II, Noida, Uttar Pradesh, Pin-201305
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukdas Mandir, New Delhi-110062, Contact No. 011-29961281

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL. No	Name & Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Garments- Apparels	62034300	8538.15590 Lacs (100%)

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SL No	NAME & ADDRESS OF THE COMPANY	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	SSA International Ltd.	Subsidiary	100%	2(87)(ii)
2	Arlin Foods Ltd.	Subsidiary	100%	2(87)(ii)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	31393440	350	31393790	42.14	31168440	0	31168440	41.84	-225350	-0.30
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0.00	0	0	0	0	0	0
d) Bank/FI	0	0	0	0.00	0	0	0	0	0	0
e) Any other	0	0	0	0.00	0	0	0	0	0	0
SUB TOTAL:(A) (1)	31393440	350	31393790	42.14	31168440	0	31168440	41.84	-225350	-0.30



Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
a) NRI- Individuals	5697500	0	5697500	7.65	5697500	0	5697500	7.65	0	0
b) Other Individuals	0	0	0	0.00	0	0	0			
c) Bodies Corp.	0	1550000	1550000	2.08	0	0	0		-1550000	-2.08
d) Banks/FI	0	0	0	0.00	0	0	0			
e) Any other...	0	0	0	0.00	0	0	0			
	0	0	0	0	0	0	0			
SUB TOTAL (A) (2)	5697500	1550000	7247500	9.73	5697500	0	5697500	7.65	-1550000	-2.08
Total Shareholding of Promoter (A)= (A) (1)+(A)(2)	37090940	1550350	38641290	51.87	36865940	0	36865940	49.48	-1775350	-2.38
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	53000	53000	0.07	0	53000	53000	0.07	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
C) Cenntal govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investor	0	0	0	0	99600	0	99600	0.13	99600	0.13
SUB TOTAL (B)(1):	0	53000	53000	0.07	99600	53000	152600	0.20	99600	0.13
(2) Non Institutions										
a) Bodies corporates	10429280	19505	10448785	14.03	10299555	16505	10316060	13.85	-132725	-0.18
i) Indian	0	0	0	0	0	0	0			
ii) Overseas	0	0	0	0		1550000	1550000	2.08	1550000	2.08
b) Individuals	0	0	0	0	0	0	0			
i) Individuals shareholders holding nominal share capital upto of Rs. 1 lakhs	3571340	2131940	5703280	7.66	4180366	2053565	6233931	8.37	530651	0.71
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	14648850	56500	14705350	19.74	14796772	56500	14853272	19.94	147922	0.20



Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
Others (Specify)										
i) Clearing Member	19825	0	19825	0.03	2250	0	2250	0.00	-17575	-0.02
ii)HUF	672900	0	672900	0.90	317270	0	317270	0.43	-355630	-0.48
III) NRI	4240070	15500	4255570	5.71	4193177	15500	4208677	5.65	-46893	-0.06
SUB TOTAL (B)(2):	33582265	2223445	35805710	48.06	33789390	3692070	37481460	50.31	1675750	2.25
Total Public Shareholding(B)=(B)(1)+(B)(2)	33582265	2276445	35858710	48.13	33888990	3745070	37634060	50.52	1775350	2.38
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	70673205	3826795	74500000	100	70754930	3745070	74500000	100	0	0

*Note-During the year the shares of the Company has been sub divided , therefore in order to make the comparative statement Number of shares at the beginning has been multiplied by 5 (i.e. one share has been splitted into 5 shares)

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Mr. Anil Mittal	50	0.00	0.00		0.00	0.00	0.00
2	Mr. Vinay Mittal	50	0.00	0.00		0.00	0.00	0.00
3	Mr. Sunil Mittal	50	0.00	0.00		0.00	0.00	0.00
4	Mr. Sunil Gupta	50	0.00	0.00		0.00	0.00	0.00
5	Mr. Parveen Gupta	50	0.00	0.00		0.00	0.00	0.00
6	Mr. Suresh Goel	50	0.00	0.00		0.00	0.00	0.00
7	Mr Rakesh Goel	50	0.00	0.00		0.00	0.00	0.00
8	Mrs Anju Mittal	5500	0.01	0.00	5500	0.01	0.00	0.00
9	Mr. Suraj Gupta	100000	0.13	0.00	100000	0.13	0.00	0.00
10	Mr. Sunil Mittal	110500	0.15	0.00	110500	0.15	0.00	0.00
11	Mr. Indersain Bansal	125000	0.17	0.17	125000	0.17	0.17	0.00
12	Mrs Sushma Bansal	125000	0.17	0.17	125000	0.17	0.17	0.00
13	Mr. Gautam Aggarwal	125000	0.17	0.00	125000	0.17	0.00	0.00
14	Mr. Anil K. Gupta	175000	0.23	0.00	175000	0.23	0.00	0.00
15	Ms Kusum Lata	225000	0.30	0.00	0	0.00	0.00	-0.30
16	Mrs Neena Mittal	385500	0.52	0.52	385500	0.52	0.52	0.00
17	Mr. Saurabh Mittal	500000	0.67	0.67	500000	0.67	0.67	0.00



SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	
19	Kanika Mittal	500000	0.67	0.67	500000	0.67	0.67	0.00
20	Mr. Vinay Mittal	1060500	1.42	1.42	1060500	1.42	1.42	0.00
21	Mrs Rita Mittal	2860150	3.84	0.35	2860150	3.84	0.35	0.00
22	Mrs. Rama Mittal	1693750	2.27	0.00	1693750	2.27	0.00	0.00
23	Mrs. Sujata Mittal	1800000	2.42	0.33	1800000	2.42	0.33	0.00
24	Mrs. Neha Mittal	2075000	2.79	0.60	2075000	2.79	0.60	0.00
25	Mr. Rahul Mittal	2091750	2.81	0.00	2091750	2.81	0.00	0.00
26	Mrs. Pooja Mittal	2500000	3.36	1.68	2500000	3.36	1.68	0.00
27	Mr. Sanjeev Mittal	2506000	3.36	0.00	2506000	3.36	0.00	0.00
28	Mr. Amit Mittal	2550000	3.42	1.41	2550000	3.42	1.41	0.00
29	Mr. Karan Mittal	2589785	3.48	1.34	2589785	3.48	1.34	0.00
30	Mr Atul Mittal	2600000	3.49	1.81	2600000	3.49	1.81	0.00
31	Mr Naveen Mittal	2690005	3.61	0.20	2690005	3.61	0.20	0.00
32	Mr. Anil Mittal	1500000	2.01	0.00	1500000	2.01	0.00	0.00
33	Mrs Nitika Mittal	2500000	3.36	0.00	2500000	3.36	0.00	0.00
34	Mr. Anubhav Mittal	3197500	4.29	0.00	3197500	4.29	0.00	0.00
35	Calco International	1550000	2.08	0.00		0.00	0.00	-2.08
	Total	38641290	51.87	12.01	36865940	49.48	12.01	-2.38

*Note-During the year the shares of the Company has been sub divided , therefore in order to make the comparative statement Number of shares at the beginning has been multiplied by 5 (i.e. one share has been splitted into 5 shares)

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI. No.	Name of the Promoter	SHAREHOLDING			Increase/ (Decrease) in Share Holding	Reason for Increase / (Decrease)	Cumulative Shareholding During the year (01-04-2015 to 31-03-2016)	
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date			No of share	%of total Shares of the Company
	Ms Kusum Lata	225000	0.30	31.03.16	0	*	225000	0.30
	Calco International	1550000	2.08	31.03.16	0	*	1550000	2.08
AN	* - Due to Non Dmat and No PAN available shifted to others for listing compliance.							



(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

Sl. No.	Name of the Shareholder	SHAREHOLDING			Increase/ (Decrease) in Share Holding	Reason for Increase / (Decrease)	No. of shares	
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date			Cumulative Shareholding During the year (01-04-2015 to 31-03-2016)	% of total Shares of the Company
1	Anil Kumar Goel	2904905	3.90	1-Apr-15			2904905	3.90
				10-Apr-15	95	Transfer	2905000	3.90
				24-Apr-15	755150	Transfer	3660150	4.91
				01-May-15	1064850	Transfer	4725000	6.34
				22-May-15	10000	Transfer	4735000	6.36
				29-May-15	9245	Transfer	4744245	6.37
				05-Jun-15	31355	Transfer	4775600	6.41
				26-Jun-15	31900	Transfer	4807500	6.45
				30-Jun-15	500	Transfer	4808000	6.45
				03-Jul-15	42000	Transfer	4850000	6.51
				10-Jul-15	50000	Transfer	4900000	6.58
				28-Aug-15	10000	Transfer	4910000	6.59
				4-Sep-15	5000	Transfer	4915000	6.60
				04-Dec-15	5000	Transfer	4920000	6.60
				18-Dec-15	15000	Transfer	4935000	6.62
				22-Jan-16	5000	Transfer	4940000	6.63
				05-Feb-16	85	Transfer	4940085	6.63
				12-Feb-16	4915	Transfer	4945000	6.64
				19-Feb-16	10000	Transfer	4955000	6.65
				26-Feb-16	5000	Transfer	4960000	6.66
				31-Mar-16			4960000	6.66
2	GPM Spinning Mills Private Limited	3500000	4.70	1-Apr-15	0	Nil Movement	3500000	4.70
				31-Mar-16			3500000	4.70
3	Kanika Finlease Limited	3250000	4.36	1-Apr-15	0	Nil Movement	3250000	4.36
				31-Mar-16			3250000	4.36
4	Rajesh Dheri	2359340	3.17	1-Apr-15	0	Nil Movement	2359340	3.17
				31-Mar-16			2359340	3.17
5	Sanjay Devki nandan Gupta	3722500	5.00	1-Apr-15			3722500	5.00
				24-Apr-15	-722500.00	Transfer	3000000	4.03
				01-May-15	-1000000	Transfer	2000000	2.68
				15-May-15	-75000	Transfer	1925000	2.58

SAMTEX FASHIONS LIMITED



Sl. No.	Name of the Shareholder	SHAREHOLDING			Increase/ (Decrease) in Share Holding	Reason for Increase / (Decrease)	No. of shares	
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date			Cumulative Shareholding During the year (01-04-2015 to 31-03-2016)	% of total Shares of the Company
				5-Jun-15	-25000	Transfer	1900000	2.55
				12-Jun-15	-2395	Transfer	1897605	2.55
				19-Jun-15	-97605	Transfer	1800000	2.42
				13-Nov-15	-89964	Transfer	1710036	2.30
				27-Nov-15	-210036	Transfer	1500000	2.01
				31-Mar-16			1500000	2.01
6	Seema Goel	1350000	1.81	1-Apr-15	0	Nil Movement	1350000	1.81
				31-Mar-16			1350000	1.81
7	Sandeepi Scandata Solutions Private Limited	1000000	1.34	1-Apr-15	0	Nil Movement	1000000	1.34
				31-Mar-16			1000000	1.34
8	Image Securities Ltd.	896725	1.20	01.04.2015			896725	1.20
				17-Jul-15	27875	Transfer	924600	1.24
				24-Jul-15	-23875	Transfer	900725	1.21
				31-Jul-15	8000	Transfer	908725	1.22
				14-Aug-15	155000	Transfer	1063725	1.43
				28-Aug-15	-7390	Transfer	1056335	1.42
				04-Sep-15	125	Transfer	1056460	1.42
				11-Sep-15	-875	Transfer	1055585	1.42
				09-Oct-15	-7500	Transfer	1048085	1.41
				31-Dec-15	-57746	Transfer	990339	1.33
				08-Jan-16	-72834	Transfer	917505	1.23
				15-Jan-16	-22529	Transfer	894976	1.20
				31-Mar-16			894976	1.20
9	Porinju V Veliyath	387635	0.52	1-Apr-15			387635	0.52
				12-Jun-15	387365	Transfer	775000	1.04
				31-Mar-16			775000	1.04
10	Krishan Kumar Kapoor	750000	1.01	1-Apr-15	0	Nil Movement	750000	1.01
				31-Mar-16			750000	1.01



(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Name of the Shareholder	SHAREHOLDING					No. of shares	
		No. of share at the beginning/ End of the year	% of total Shares of the Company	Date	Increase/ (Decrease) in Share Holding	Reason for Increase / (Decrease)	Cumulative Shareholding During the year (01-04-2015 to 31-03-2016)	% of total Shares of the Company
1	Rita Mittal	2860150	3.84	01.04.2015	0	Nil Movement	2860150	3.84
	CMD	2860150	3.84	31.03.2016			2860150	3.84
2	Atul Mittal	2600000	3.49	01.04.2015	0	Nil Movement	2600000	3.49
	JMD	2600000	3.49	31.03.2016			2600000	3.49
3	Raman Ohri	0	0	01.04.2015	0	No Shares Held	0	0
	Director			31.03.2016			0	0
4	S.K Gupta	0	0	01.04.2015	0	No Shares Held	0	0
	Director			31.03.2016			0	0
5	Kamini Gupta	0	0	01.04.2015	0	No Shares Held	0	0
	Company secretary			31.03.2016			0	0

(V) INDEBTEDNESS

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

Rs. In Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2706.55	650.30	Nil	3356.85
ii) Interest due but not paid	0.74	Nil	Nil	3.04
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	2707.29	650.30	0.00	3359.89
Change in Indebtedness during the financial year				
Additions	Nil	Nil	Nil	Nil
Reduction	420.13	Nil	Nil	420.13
Net Change	-420.13	Nil	Nil	-420.13
Indebtedness at the end of the financial year				
i) Principal Amount	2286.42	650.30	Nil	2936.72
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	2286.42	650.30	0.00	2936.72



(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	Gross salary	Mr. Atul Mittal , WTD, Executive	Mrs. Rita Mittal , Chairperson & MD, Executive	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1800000	1189484	2989484
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	1625000	nil	1625000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	nil	nil	
2	Stock option	nil	nil	nil
3	Sweat Equity	nil	nil	nil
4	Commission as % of profit others (specify)	nil	nil	nil
5	Others, please specify- Provident Fund contribution	216000	137458	353458
	Total (A)	3641000	1326942	4967942
	Ceiling as per the Act	Rs. 19.86 lacs (being 10% of the Profits)		

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No	Particulars of Remuneration	Name of the Directors		Total
1	Independent Directors	Mr. S.K. Gupta	Mr. Raman Ohri	
	(a) Fee for attending board committee meetings	55000	40000	95000
	(b) Commission	-	-	-
	(c) Others, please specify	-	-	-
	Total (1)	55000	40000	95000
2	Other Non Executive Directors	No any		
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify.			
	Total (2)	0	0	0
	Total (B)=(1+2)			95000
	Total Managerial Remuneration			5062942
	Overall Cieling as per the Act.	Rs. 21.85 lacs (being 11% of the Profits)		



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	650400		650400
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	Drwaing remuneration in the capacity as WTD	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0		0
2	Stock Option	nil		nil
3	Sweat Equity	nil		nil
4	Commission	nil		nil
	as % of profit			
	others, specify			
5	Others, please specify- Reimbursement LTA , Medical and Contribution to PF	59600		59600
	Total	710000		710000

(V) PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeall made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

[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,

M/s SAMTEX FASHIONS LIMITED
CIN: L17112UP1993PLC022479
Plot No.134-135,
NSEZ Phase- II,
Noida, UP-201305

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 (Audit Period) 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 along with Annexure 1 attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment(ODI) and External Commercial Borrowings (ECB); **(No FDI, ODI and ECB was taken by the company during the Audit Period)**
- (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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
 - d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the**



Company during the Audit Period)

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (vi) **OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**
- i. The Boilers Act, 1923 and the rules made thereunder;
 - ii. Special Economic Zone Act, 2005 & SEZ Rules, 2006;
 - iii. Petroleum Act, 1934 & rules framed thereunder;
 - iv. Foreign Trade (Development & Regulations) Act, 1992.

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

- (i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited
- (iii) Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above except

1. *According to Section 178 of the Act and regulations 19 of LODR, there must be minimum three Non-executive directors to constitute the Nomination and Remuneration Committee(NRC) whereas NRC of the Company is comprises of only two Non-executive Directors.*
2. *It is observed that 100% promoter's equity shares in the company are in not in dematerialized form as required under Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement), 2015 (LODR).*
3. *The constitution of Internal Complaints Committee (ICC) is not in accordance with Section 3 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.*
4. *The company has not attached Form AOC-2 relating to transactions incurred on arm length basis in the ordinary course of business as an annexure to Board report for the FY 2014-2015.*
5. *The Company has received a notice u/s 7A of Employees' Provident Fund & Miscellaneous Provisions Act, 1952 from Employees' Provident Fund Organization (EPFO) dated 05.08.2015 for determination of PF amount and thereafter received demand notice dated 11.07.2016 of Rs.6,11,93,017/- .Thereafter the Company has filed an appeal with Employees' Provident Fund Organization Tribunal (EPFOT) which was heard on 22.07.2016, EPFOT waived the pre deposit of said demand and stayed the impugned order of EPFO dated 11.07.2016 till further orders.*

Based on the information received and records maintained, we further report that

1. The Board of Directors of the Company is duly constituted with Executive, Non-Executive, Women and Independent Directors except that three Non-Executive Directors are required to constitute Nomination and Remuneration Committee as per Section 178 of the Act, whereas the company has two Non Executive Directors. There was no change in the composition of the Board of Directors during the period under review.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.



Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) placed and taken on record by the Board of Directors at their meeting(s), 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 not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except:

- (i) Special Resolution under Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder was passed by the members through postal ballot, the results of which were declared on 27.08.2015 for Alteration of Capital Clause V of the Memorandum of Association from Rs.16,00,00,000/- (Rupees 16 Crores only) divided into 1,60,00,000 equity shares of Rs.10/- each into 8,00,00,000 equity shares of Rs.2/- each.
- (ii) Special Resolution under Section 61(1)(d), 64 and other applicable provisions, if any, of the Act, if any, was passed by the members through postal ballot, the results of which were declared on 27.08.2015 for sub-division of equity shares from the face value of Rs.10/- per share to Rs.2/- per share.
- (iii) Special resolution under section 13 & 14 of the Act was passed by the members at its Annual General Meeting dated 30.09.2015 for alteration of Articles of Association to align with the provisions of Companies Act, 2013
- (iv) Special resolution under section 13 of the Act was passed by the members at its Annual General Meeting dated 30.09.2015 for alteration of Sub-Clause B & C of Clause III (A) and Clause IV of Memorandum of Association of the Company to align with the provisions of Companies Act, 2013
- (v) Board Resolution under Section 186 and 179(3) of the Act was passed to invest as share application money up to Rs.50 lacs from time to time as when offered by SSA International limited, Wholly Owned Subsidiary of the Company.
- (vi) Board Resolution under section 186(2) of the Act in suppression of earlier resolution was passed to provide Corporate Guarantee of Rs.762.41 Crore to SSA International Limited, wholly owned subsidiary in favour of SBI Overseas Branch, Tolstoy Marg, New Delhi

**For DMK ASSOCIATES
COMPANY SECRETARIES**

(MONIKA KOHLI)
FCS, LL.B.
PARTNER
FCS 5480
C P 4936

Date : 12.08.2016
Place : New Delhi



To,
The Members,
M/s SAMTEX FASHIONS LIMITED
CIN: L17112UP1993PLC022479
Plot No.134-135,
NSEZ Phase- II,
Noida, UP-201305

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2016 of even date is to be read with 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis 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 compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the 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 or effectiveness with which the management has conducted the affairs of the Company.
7. *As regard to other Laws, our report is limited to compliances of specific Laws identified by the Management.*

**For DMK ASSOCIATES
COMPANY SECRETARIES**

(MONIKA KOHLI)
FCS, LL.B.
PARTNER
FCS 5480
C P 4936

Date : 12.08.2016
Place : New Delhi



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Overview: -

Company Background

The Company was incorporated on 26th April, 1993 and having its Registered Office at 134-135, NSEZ, Noida .It is a 100% Export Oriented Unit (EOU), engaged in the business of manufacturing and selling of Ready Made Garments.

Its Corporate Office is located at Unit No. 307, Square One Mall, C-2, District Centre Saket, New Delhi -110017 and it also has a Trading Office in USA in the city of New York in order to facilitate the marketing of Company's products. This Trading Office is headed by Vice President, Overseas Marketing.

Company Management

The Board of Directors of the Company presently comprised of Five Directors headed by Mrs. Rita Mittal Chairperson and Managing Director of the Company. The Board has a combination of Executive and non-Executive Directors comprising of two Executive Directors - namely Mrs. Rita Mittal, Chairperson & Managing Director and Mr. Atul Mittal, Whole Time Director and three non-Executive Independent Directors.

The Board of Directors meets regularly at least 4 times in a year. In the year 2015-2016 seven such meetings were held, the details of the attendance of Directors in the Board Meetings have been given in the Report of Corporate Governance. The Board has also constituted Committees namely, (a) Audit Committee (b) Nomination and Remuneration Committee (c) Stake holders Relationship Committee. The committee members' meet regularly from time to time to dispose of the work assigned to them respectively.

Product and Services

The Company is engaged in the business of manufacturing and selling of Ready Made Garments. The Production process is being carried in the Company's factory located at 134-135, NSEZ, Noida U.P. Entire production of the company is exported to the overseas markets. The Company has major one segment activity i.e. Ready-made Garments. Its geographical distribution is in India and in USA.

Industry Structure and Development

The Indian Textile Industry especially Garment Sector is export oriented and is one of the leading textile industry in the world, having an overwhelming presence in the Indian Economy. The international trade in clothing and textile plays a vital role through its contribution to industrial output, employment generation and export earnings for the country. The Industry is targeting towards modernization and expansions being encouraged by the prevailing textile strategies and policies.

The Indian clothing and textile industry has attracted huge investments and is moving towards economic growth. Restructuring its system and operations to match the international levels of technology, quality and standards. As a result, the capacity has expanded to meet the future requirements as the demands are growing but with slow speed . The business environment is very challenging.

Opportunities and Threats.

The modern technology, improvements in infrastructure and regulations, all are playing significant role among the different sectors of the Industry.

The textile and clothing industry is also facing increase in input prices as well as increase in conversion cost. The inflationary pressure both with in the country and globally have bearing on the outlook of the textile and clothing industry.

In the coming financial year 2016 -17 risk of inventory value losses and increase in labour cost had become a threat to the company. Currently Management had taken the decision to stop production activities and later on



partially resumed the production activities. The same is resulting in high cost of manufacturing and operating losses. The Management will remain vigilant and deal with the situation with prudence and foresight and will make all efforts to cope up the situation.

Internal control system and their Adequacy

The Company's Quality Control Department strictly follows the Quality Control Rules defined by the Company and inspects each and every piece of Readymade Garments before it is dispatched for Exports. The Operational and Financial performances are also monitored through Internal Audit Systems which always keeps an eye so as to ensure that the operational performance is always kept commensurate with the Financial Performance and maintaining the effectiveness and efficiency of the system.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

**Place : New Delhi
Dated : 12.08.2016**

**Rita Mittal
Chairperson & Managing Director
DIN 03398410**



CORPORATE GOVERNANCE REPORT

1. Company's philosophy

Samtex Fashions Limited, (SFL), SFL 's philosophy on corporate governance envisages to attain Transparency, Accountability, Fairness, Integrity and Social Responsibility in all facets of its operations. The corporate governance enables us to have our system in place and gives us sufficient freedom to operate within the framework of accountability. The company has a firm belief that the Code of Corporate Governance provides the structure by which the rights and responsibilities are mentioned and distributed amongst the different members of the organisation.

2. Board of Directors:

During the year under report the Board of Directors Comprised of Four Directors – Two Executive Directors and Two Non- Executive Directors of which Two are Independent Directors.

The composition of Board of Directors, their category and other directorships as on 31st March, 2016 given as under :-

Sl. No	Name of Directors	Designation	Category	No.of directorship and Committee Membership / Chairmanship		
				Other Directorship	Committee Membership	Committee-Chairmanship
1.	Mrs. Rita Mittal	Chairperson & Managing Director	Promoter & Executive	2	-	-
2.	Mr. Raman Ohri	Director	Independent Non-executive	1	3	-
3.	Mr.Atul Mittal	Whole Time Director	Executive	2	3	-
4.	Mr.S.K.Gupta	Director	Non-executive (Independent)	1	3	3

Retiring Directors :

Mr. Atul Mittal, Jt. Managing Director is retiring by rotation in the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

Mr. Atul Mittal is a graduate, belonging to an industrial family and is having experience of 17 years. He possesses command in his field of operations and managing the affairs of the Company.

Board Meetings and attendance of Directors :

During the year, Seven Meetings of the Board were held on 14.04.2015, 30.05.2015,17.07.2015, 11.08.2015, 15.09.2015,14.11.2015 and 13.02.2016.

Attendance record of Directors :

The table given below gives the attendance record of all the Directors at the seven Board Meetings held during 2015-16 ,as well as at the last Annual General Meeting.

Sl. No.	Name of Director	No. of Board Meeting attended	Attendance at the last AGM held on 30.09.2015
1	Mrs. Rita Mittal	7	Yes
2	Mr.Atul Mittal	7	Yes
3	Mr.S.K. Gupta	7	Yes
4	Mr.Raman Ohri	5	No

3. Audit committee

In the year under reference, the Audit committee comprised of three Directors, two of them are Non-Execu-



tive Independent Directors. All these Directors possessed good knowledge of Corporate Finance, Accounts and Company Law.

The constitution of the Audit Committee as below :-

1. Mr.S.K.Gupta - Chairman
2. Mr. Raman Ohri - Member
3. Mr. Atul Mittal - Member

The meetings were scheduled well in advance. In addition to the members of the audit committee, these meetings were attended by the head of the Accounts Department, the Statutory Auditors and Internal Auditors of the Company.

The terms of reference of Audit committee are extensive and include all that is mandated in Regulation 18 of SEBI (LODR) Regulations 2015 and Corresponding section 177 of the Companies Act,2013.

The Company Secretary of the Company acts as the Secretary to the Committee. The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meetings.

Audit Committee Meetings

SI. No	Date of Meeting	Strength	No. of Member Present
1.	29.05.2015	3	3
2.	11.08.2015	3	3
3.	14.11.2015	3	2
4.	13.02.2016	3	3

The Attendance of the Members of the Committee is given below:-

Members	No. of Meetings Attended	Category
Mr. S.K.Gupta	4	Member & Chairman
Mr. Raman Ohri	3	Member
Mr. Atul Mittal	4	Member

Mr. S.K. Gupta Chaired the Meeting of Audit Committee held on 26th May,2016 for reviewing and approving the Final Accounts for the period ended 31st March, 2016.

Terms of reference

The Audit Committee has the powers as provided under section 177 of the Companies Act, 2013 as well as requirements under Listing Agreement/ Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations , 2015 pertaining to Audit Committee, which include amongst others:

- Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements and audit report before submission to the Board.
- Reviewing with management, performance of statutory and internal auditors and adequacy of internal control systems.
- Reviewing with management the quarterly Financial Statements before submission to Board of Directors for approval.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority, reporting structure coverage and frequency of internal audit.
- Review and functioning of Whistle Blower/ Vigil Mechanism.



The Committee review the Management Discussion and Analysis of the financial condition, results of operations and statements of significant Related Party Transactions, internal control and any other matter which may be a part of its terms of reference or referred to by the Board of Directors.

Internal Auditors:

M/s Ashok Aggarwal & Co. a Firm of Chartered Accountants have been appointed w.e.f. 1st April, 2008 as the Internal Auditors to review the Internal control system of the company and to report thereon. They are conducting periodic audit of all operations of the Company and the Audit Committee of the Board of Directors has reviewed their findings regularly. Their reports have been well received by the Audit Committee.

4. Nomination and Remuneration Committee :

The Nomination and Remuneration committee comprises of Three Directors, two of them are Non- Executive Independent Directors.

The terms of reference are in line with the requirement of Code of Corporate Governance. The Nomination and Remuneration Committee has the powers as provided under section 178 of the Companies Act, 2013 as well as requirements under Listing Agreement/ Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations , 2015 pertaining to Audit Committee, which include amongst others:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Recommend to the Board a policy relating to the remuneration for the directors, Key managerial Personnel and Senior Management.
- Fixation of salary, perquisites etc. of all Executives Directors of the company at the time of their appointment/re-appointment.
- Deciding commission payable to executive directors.
- Identify persons who qualify to become Directors and who may be appointed in senior management in accordance with criteria laid down and recommend to the Board their appointment and removal.

The Constitution of the committee is as follows:

1. Mr.S.K.Gupta - Chairman
2. Mr. Raman Ohri - Member
3. Mr. Atul Mittal - Member

Meetings and Attendance:

Sl. No	Date of Meeting	Strength	No. of Member Present
1.	10.08.2015	3	3

The Attendance of the Members of the Committee is given below:-

Members	No. of Meetings Attended	Category
Mr. S.K.Gupta	1	Member & Chairman
Mr. Raman Ohri	1	Member
Mr. Atul Mittal	1	Member

During the year under report one meeting of the committee was held to consider, ratify and to fix or revise the remuneration of Mr. Anubhav Mittal, Vice President, Overseas Marketing, placed at New York, USA . Mr. Anubhav Mittal is son of Mrs. Rita Mittal Chairperson and Managing Director and Brother of Mr. Atul Mittal, Jt. Managing Director.

Director's Remuneration

a) Managing Director/Executive Directors:

The Company pays remuneration to the Managing Director / Executive Directors as recommended by the Remuneration Committee and the Board of Directors of the Company. It has also been approved



by the Members of the company in their General Meeting. Details of Remuneration to Directors for the Year 2015-16: -

In Rs.

Name	Designation	Salary	Perquisites	P.F.	Gross Remuneration
Rita Mittal	Managing Director	1189484	-	137458	1326942
Atul Mittal	WholeTime Director	1800000	1625000	216000	3641000

b) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration except sitting fees for attending Board and Audit Committee Meetings.

5. Stake Holders Relationship Committee :

Stake Holders Relationship Committee meets regularly and during the year 4 meetings were held. To expedite the process of Share Transfers the powers are delegated to the Company Secretary & GM Finance and one Executive Director, and the delegated authority attends to Share Transfer formalities once in a fortnight. In case of any difference of opinion or there being a dispute among the claimants the matter is forwarded to the Stake holders Relationship Committee for their Approval. The Committee comprises of three Directors, one of whom is Executive Director. The Chairman is a Non-Executive Director.

The Constitution of the committee is as follows:

Mr. S.K. Gupta	Chairman
Mr. Raman Ohri	Member
Mr. Atul Mittal	Member

- There was no share Transfer / Demat cases, or Complaints pending for more than 30 days, as on 31st March, 2016.
- **Compliance Officer** : The Board has designated **Ms.Kamini Gupta, Company Secretary and GM Finance** as the Compliance officer.

Address :- Unit No. 307, C-2 Square One Mall, Saket District Center, Saket, New Delhi -110017.

Ph. No. 41429250, 41429252 Email ID: samtex.compliance@gmail.com

Details of Shareholders Complaints during the FY 2015-16:-

Investors Compliant	SEBI	BSE	Investor
Number of complaints pending at the beginning of year	Nil	Nil	Nil
Number of complaints Received	1	Nil	1
Number of complaints resolved	1	Nil	1
Number of complaints pending complaints at the end of year	Nil	Nil	Nil

6. Code of Conduct

Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors, Senior Management and Employees of the Company. The Code of Conduct of the Company covers substantial development, disclosure of material information, integrity of financial reporting, continuous improvement of the internal control system and sound investor relations.

Declaration as required under Regulation 26(3) and Schedule V of SEBI (LODR) Regulations , 2015	
All Directors and Senior Management of the Company have affirmed Compliance with the Samtex Code of Conduct for the financial year ended 31 st March, 2016	
Atul Mittal Joint Managing Director (DIN 00223366)	
New Delhi, 12 th August, 2016	



7. General Body Meeting :

The details of last three Annual General Meetings are given as follows:-

Annual General Meeting/Year	Day, Date & Time of the AGM	Venue
20 th AGM 2012-13	Friday, 27 th September, 2013 at 9.30 AM	Regd Office: Plot No-134- 135, NSEZ, Phase-II, Noida-201305, U.P
21 st AGM 2013-14	Tuesday, 30 th September, 2014 at 9.30AM	----- Do-----
22 nd AGM 2014-15	Wednesday, 30 th September, 2015 at 9.30AM	----- Do-----

8. Details of Special Resolutions:

1. 20th AGM
 - i) Re-appointment of relative Mr. Anubhav Mittal son of Mr. Anil Mittal, Chairman & Managing Director of the Company for holding place of profit.
 - ii) Re-appointment of Mr. Anil Mittal as Chairman & Managing Director, without remuneration for a period of 5 (five) years w.e.f. 26.04.2013.
2. 21st AGM
 - i) Appointment of Mrs. Rita Mittal, Chairman & Managing Director with Remuneration Managing Director of the Company for holding place of profit.
 - ii) Re-appointment of Mr. Atul Mittal as Whole Time Director- designated as Joint Managing Director with increased remuneration for a period of 3 years w.e.f. 16.02.2014.
 - iii) Alteration of Article of Association by adding new Article no. 111 A.
3. 22nd AGM
 - i) Adoption of new set of Articles of Association of the Company.
 - ii) Alteration in Memorandum of Association .

Special Resolution passed through Postal Ballot

During the year, the members approved following matters by passing Special Resolution through Postal Ballot :-

- 1) To sub-divide 1 (one) Equity Share of the Company having a face value of Rs. 10/- (Rupees Ten Only) each to 5 (five) Equity Shares of the face value of Rs. 2/- (Rupees Two Only) each and the Authorised Share Capital of the Company of Rs. 16,00,00,000/- (Sixteen Crores) divided into 1,60,00,000 (One Crores Sixty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each would be subdivided into and shall comprise of 8,00,00,000 (Eight Crores) Equity Shares of Rs. 2/- (Rupees Two) each aggregating to Rs. 16,00,00,000/- (Sixteen Crores), pursuant to the provisions of Section 61(1)(d), 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force)
- 2) To alter Capital Clause of the Memorandum of Association of the Company pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re enactment thereof for the time being in force), which shall read as under:

The Authorized Share Capital of the Company is Rs.16,00,00,000 (Rupees Sixteen Crores Only) divided into 8,00,00,000 (Eight Crores Only) equity shares of Rs. 2/- (Rupees Two) each."

The Board had appointed Mr. Deepak Kukreja , Practicing Company Secretary as scrutiniser to conduct the Postal Ballot Process in a fair and transparent manner. The details of the voting pattern is as under :-



Promoter/Public	No. of shares held (1)	No. of Votes polled* (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]*100	No. of Votes- in favour (4)	No. of Votes- against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes in against on votes polled (7)=[(5)/(2)]*100
Resolution-1							
Promoter and Promoter Group	7728258	6573487	85.06%	6573487	Nil	100%	Nil
Public - Institutional Holders	10600	Nil	Nil	Nil	Nil	Nil	Nil
Public- Others	7161142	2251326	31.44%	2251316	10	100%	0%
TOTAL	14900000	8824813	59.23%	8824803	10	100%	0%
Resolution-2							
Promoter and Promoter Group	7728258	6573487	85.06%	6573487	Nil	100%	Nil
Public - Institutional Holders	10600	Nil	Nil	Nil	Nil	Nil	Nil
Public- Others	7161142	2251326	31.44%	2251316	10	100%	0%
TOTAL	14900000	8824813	59.23%	8824803	10	100%	0%

9. Subsidiary Companies

The Company has two wholly owned subsidiary companies, namely SSA International Limited and ARLIN Foods Limited (earlier name Sambuildcon Limited). The requirements of Regulation 24 of SEBI (LODR) Regulations 2015 with regard to subsidiary companies have been complied with, to the extent applicable.

10. Disclosures :

Related Party Transactions as required :

- a) Related Party Transactions as required by the Accounting Standards (AS) 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountant of India have been disclosed in Notes to Accounts to the Financial Statements. Members may refer to the notes to accounts for details of related Party Transactions. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts.
 - b) The Company has complied with the requirements of regulatory authorities on Capital Market and no penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to the capital markets during the last three years.
 - c) The Company has adopted the whistle blower policy .The said Policy is available at the Web site of the Company, www.samtexfashions.com.No personnel have been denied access to the audit committee.
11. The Company has also adopted Policy on Determination of Materiality for Disclosures (http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372810.pdf&name=Policy+on+Materiality+of++Events), Policy for Preservation of Documents (http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372452.pdf&name=Policy+on+Preservation+of+Documents) and Policy on Determining Material subsidiary (http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372662.pdf&name=Policy++Determining+Material+Subsidiary).



12. Registrars and Share Transfer Agents :

- i) Beetal Financial & Computer Services(P) Ltd
Registrars and Transfer Agents
Beetal House, 3rd Floor
99, Madangir, BH- Local Shopping Center
New Delhi-110062
Ph. : 011-29961281,29961282 Fax : 011-29961284
- ii) **Company's Corporate Office :**
Unit No. 307, C-2 Square One Mall,
Saket District Center , Saket,
New Delhi -110017.
Ph. No. 41429250 Email ID: samtex.compliance@gmail.com

13. Investors Correspondence :

In case of any delay in attending to transfer of shares, non receipt of Annual Report or any other related matter the following official of Samtex Fashions Ltd. may be contacted.

Ms. Kamini Gupta, Company Secretary & GM Finance.

14. Registered office & Works :

Samtex Fashions Ltd.

Plot No. 134-135,Noida Special Economic Zone (NSEZ)
Phase-II, Noida-201305, Dist-Gautam Budha Nagar, Uttar Pradesh.

15. Means of communication :

The company communicates with the shareholders at large through its Annual Reports, Publication of Financial Results ,and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and The Registrar of Companies. The quarterly results are published in prominent daily newspapers, Financial Express (English) and Regional language (Hindi) Newspaper. The Company has also posted information relating to its financial results, Annual Report, Corporate Governance Report and shareholding pattern in Electronic Data with Mumbai Stock Exchange and can be viewed at the company's Website : www.samtexfashions.com .

16. General Shareholders Information :

- i) 23rd Annual General Meeting:-

Date	: 30 th September, 2016
Time	: 9:30 A.M
Venue	: Plot No-134-135, NSEZ, Phase-II, Noida : Gautam Budh Nagar, Uttar Pradesh-201305
- ii) Book closure Details :- : 24th September 2016 to 30th September, 2016
- iii) Dividend Payment Details:- N.A
- iv) **Financial Calendar (2015-2016-Tentative)**

First quarter results	: August , 2016
Second quarter results	: November, 2016
Third quarter results	: February , 2017
Fourth quarter results	: May , 2017
Annual results	: May , 2017

AGM for the year ended 31.03.2017 : September, 2017
- v) Listing and Stock code : The company's Equity shares are listed on
The Stock Exchange, Mumbai, Scrip Code 521206



vi) Stock Market Data : (Scrip Code-521206)

Year 2015 -2016 (Month)	The Stock Exchange, Mumbai		
	Highest	Lowest	Closing
April- 2015	63.90	48.05	54.00
May -2015	75.25	51.55	59.30
June -2015	100.00	57.00	89.20
July -2015	90.95	77.50	85.65
August - 2015	93.95	67.00	70.85
September -2015* (Split into 5 no. of shares of Rs. 2/- each w.e.f. 22.09.2015)	79.70	12.30	12.65
October -2015	16.44	11.93	15.50
November -2015	20.15	14.75	16.75
December -2015	19.20	15.20	17.85
January -2016	18.00	14.50	16.20
February -2016	16.40	10.70	11.75
March- 2016	13.58	11.50	12.00

16. Listing Fees :

Paid for the year 2016 -2017.

17. Shareholding Pattern of the Company as on 31st March,2016 :

Category of Shareholders	No of shares	Percentage
Promoter's Holding	36865940	49.49
Mutual Funds/UTI	53000	0.07
Banks/Financial institution (Central /State Govt. inst/Non Govt inst)	—	—
Private Corporate Bodies	10316060	13.85
NRI/OCBs	5858277	7.86
Others (Trust and Clearing Members)	319520	0.43
Indian Public	21087203	28.30
Total	74500000	100.00

18. Distribution of Shareholding as at 31st March,2016 :

Share Holding of Nominal value of Rs. 2 each	Folio Nos.	% of Total Folio Nos.	Shares in Nos.	% of Total
Up to 5000	5063	90.28	2978427	4.00
5001 – 10000	225	4.01	931005	1.25
10001 – 20000	112	2.00	852403	1.14
20001 – 30000	68	1.21	869289	1.17
30001 - 40000	24	0.43	424405	0.57
40001 - 50000	11	0.20	258754	0.35
50001 - 100000	25	0.44	883619	1.18
100001 and above	80	1.43	67302098	90.34
Total	5608	100.00	74500000	100.00



The company has not issued any GDRS/ADRS/ Share Warrants or any convertible instruments during the year.

19. Share Transfer System :

Share Transfers in physical form are registered and share certificates are returned to the respective transferees within a period ranging from fifteen days to one month, Provided the documents lodged with the Registrar/Company are clear and complete in all respects.

20. Dematerialization of Shares :

Trading in Samtex Fashions Ltd. Share is permitted in De-Materialised Form w.e.f 8th October,2001 as per notifications issued by the SEBI. The company has entered in to Agreement with Depositories NSDL and CDSL, where the investors have the options to De-Materialize/Re-Materialize their shares with either of the Depositories.

The Company's ISIN number is INE931D01020.

Shares Dematerialized Record :

The following data indicates the extent of dematerialization of company's shares as on 31st March,2016.

No. of shares dematerialized	707,54,930	94.97% of total share capital
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**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

**Place : New Delhi
Dated : 12.08.2016**

**Rita Mittal
Chairperson & Managing Director
DIN 03398410**



MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
**The Board of Directors,
Samtex Fashions Limited.**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Samtex Fashions Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2016 on standalone and consolidated basis and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year 2015-16 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have disclosed to the Auditors and the Audit committee
 - (a) significant changes ,if any, in internal control over financial reporting during the Year;
 - (b) 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
 - (c) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.
5. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and ethics for the year 2015-16 covered by this report.

Atul Mittal
Joint Managing Director and
CFO
(DIN 00223366)

Rita Mittal
Managing Director
(DIN 03398410)

Date : August 12, 2016
Place : New Delhi



CERTIFICATE ON CORPORATE GOVERNANCE

To,
THE MEMBERS OF SAMTEX FASHIONS LIMITED
PLOT NO. 134-135,
NOIDA SPECIAL ECONOMIC ZONE,
PHASE-II, NOIDA- 201 305

We have examined the compliance of conditions of corporate governance by SAMTEX FASHIONS Limited (the 'Company') for the year ended on 31 March 2016, as stipulated in:

- Clause 49 {excluding Clause 49 (VII) (E)} of the Listing Agreement of the Company with the stock exchange('Listing Agreement') for the period 1 April 2015 to 30 November 2015;
- Clause 49 (VII) (E) of the Listing Agreement for the period 1 April 2015 to 1 September 2015;
- Regulations 17 to 27 {excluding regulation 23(4)}, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1 December 2015 to 31 March 2016; and
- Regulation 23(4) of the Listing Regulations for the period 2 September 2015 to 31 March 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to 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 our examination of the relevant records, the explanations and the written representations provided to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement and Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above during the year ended 31 March 2016 except to the following(s);

Pursuant to Section 178 of the Act and Regulation 19 Listing Regulations, the company is required to have minimum three non-executive directors for constitution of Nomination and Remuneration Committee. It is observed that after the resignation of Mr. A.P. Mathur, Non-Executive Independent Director on 10.11.2014, there were only two non-executive directors on the board of the company.

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

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For DEEPAK KUKREJA & ASSOCIATES
COMPANY SECRETARIES**

Place : New Delhi
Date : 12.08.2016

(DEEPAK KUKREJA)
COMPANY SECRETARY
C.P. No. 8265



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

M/S SAMTEX FASHIONS LIMITED

We have audited the accompanying financial statements of **M/s SAMTEX FASHIONS LIMITED** ("The Company") (Financial statements of trading office of the company at New York are duly audited by R. Rehani & Co. Certified Public Accountants P.C. New York) which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY:

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 standalone 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 there under. 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, 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 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 (**subject to the matters of emphasis mentioned below**) in conformity with the accounting principles generally accepted in India;

Subject to the above we report that the accounts represent true and fair view:

- a) In the case of the standalone Balance Sheet, of the state of affairs of the Company as at March 31, 2016;



- b) In the case of the Statement of Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTERS

We draw attention to the following observation:

- (a) ***Going concern concept of the company may be effected if the decision of the Board of Director's meeting held on May 28, 2016 to stop the production activities of the company is implemented by the management.***

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as required by Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement (Annexure – A) on the matters specified in said Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial control 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 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 – Refer note 28 Part A to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was not required to transfer amounts, to the Investor Education and Protection FUND by the Company.

For AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS
FRN: 003072N

Sd/-

Praveen Kumar Rampal

Partner

M.No.-82226

PLACE : NEW DELHI
DATE : May 28, 2016



ANNEXURE - A TO THE AUDITORS' REPORT

ANNEXURE REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S SAMTEX FASHIONS LIMITED, PURSUANT TO THE COMPANIES (AUDITORS' REPORT) ORDER 2016 ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

- i. (a) The Company has updated its records of fixed assets showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, most of the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.
- (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. **According to the information and explanations given to us the inventory has been physically verified during the year by the management, but the Stock records were under updation. Accordingly they were not produced before us for verification and we have relied upon the information provide to us by the management. Further as explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.**
- iii. As explained to us, the Company has not granted any loans, secured or unsecured to companies, firm, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Companies Act. 2013.
- 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, with respect to the loans and investments made.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public.
- vi. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including, income tax, sales tax, wealth tax, Service tax, custom duty, excise-duty, cess, Provident fund & ESI and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
- (b) **According to information and explanation given to us, the disputed statutory dues i.e. Income tax aggregating to Rs. 125.42 lakh that have not been provided for in the books of accounts on account of matters pending before concerned appellate authorities / Delhi High Court and ITAT Delhi bench. However a sum of Rs. 110.65 lakh is deposited under protest against above demand. (Refer note no. 28 part A to notes to accounts)**
- viii. According to the information and explanations given to us the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). And term loans raised during the year were applied for the purposes for which those are raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- 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.
- 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 sections 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 give 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. Accordingly, 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 AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS
FRN: 003072N

Sd/-

Praveen Kumar Rampal
Partner
M.No.-82226

PLACE : NEW DELHI
DAT : May 28, 2016

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 Samtex Fashions Limited ("the Company") as of 31 March 2016 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 and according to the information and explanations given to us, the company requires further improvement in internal financial control system to commensurate with the size of company and the nature of its business.

For AGGARWAL & RAMPAL
CHARTERED ACCOUNTANTS
FRN: 003072N

Sd/-

Praveen Kumar Rampal
Partner
M.No.-82226

PLACE : NEW DELHI
DAT : May 28, 2016



BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	NOTE	AS AT 31.03.2016		AS AT 31.03.2015	
		(Amount INR)	(Amount INR)	(Amount INR)	(Amount INR)
<u>EQUITY AND LIABILITIES</u>					
<u>SHAREHOLDER'S FUND</u>					
(A) SHARE CAPITAL	3	149,180,000		149,180,000	
(B) RESERVES & SURPLUS	4	382,884,058	532,064,058	386,543,317	535,723,317
<u>NON-CURRENT LIABILITIES</u>					
(A) LONG-TERM BORROWINGS	5	65,030,000		65,030,000	
(B) DEFERRED TAX LIABILITIES (NET)					
(C) LONG-TERM PROVISIONS	6	11,833,034	76,863,034	12,425,842	77,455,842
<u>CURRENT LIABILITIES</u>					
(A) SHORT-TERM BORROWINGS	7	228,642,347		259,518,717	
(B) TRADE PAYABLES	8	170,681,635		210,010,253	
(C) OTHER CURRENT LIABILITIES	9	18,472,088		32,372,134	
(D) SHORT-TERM PROVISIONS	10	2,817,803		2,749,991	
		420,613,874	420,613,874	504,651,095	504,651,095
<u>ASSETS</u>					
<u>NON-CURRENT ASSETS</u>					
(A) FIXED ASSETS					
(I) TANGIBLE ASSETS	11	107,221,201		117,171,466	
(II) INTANGIBLE ASSETS		-		-	
(B) NON-CURRENT INVESTMENTS	12	393,000,700		378,000,700	
(C) DEFERRED TAX ASSETS(NET)	13	8,481,102		6,939,179	
(C) LONG-TERM LOANS AND ADVANCES	14	5,270,025	513,973,028	5,368,080	507,479,425
<u>CURRENT ASSETS</u>					
(A) CURRENT INVESTMENTS					
(B) INVENTORIES	15	380,896,322		442,772,643	
(C) TRADE RECEIVABLES	16	102,211,278		99,021,252	
(D) CASH AND BANK BALANCES	17	12,052,328		11,587,001	
(E) SHORT-TERM LOANS AND ADVANCES	18	17,246,010		53,758,771	
(F) OTHER CURRENT ASSETS	19	3,162,000	515,567,938	3,211,163	610,350,829
		-	1,029,540,966	-	1,117,830,254
Significant Accounting Policies	1 & 2				

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 FIRM'S REGN NO. 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
PRAVEEN KUMAR RAMPAL
 PARTNER
 M. NO. 82226

Sd/-
RITA MITTAL
 (CHAIRPERSON & MANAGING DIRECTOR)
 DIN NO. 03398410

Sd/-
ATUL MITTAL
 (JT. MANAGING DIRECTOR & CFO)
 DIN NO. 00223366

Place : New Delhi
 Date : 28.05.2016

Sd/-
KAMINI GUPTA
 (COMPANY SECRETARY & GM FINANCE)
 M. No. FCS 5882



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	NOTE	AS AT 31.03.2016	AS AT 31.03.2015
		(Amount INR)	(Amount INR)
I. REVENUE :-			
REVENUE FROM OPERATIONS	20	848,472,995	1,047,914,405
OTHER INCOME	21	5,342,595	7,236,508
TOTAL REVENUE		853,815,590	1,055,150,912
II. EXPENSES :-			
COST OF MATERIAL CONSUMED	22	143,020,425	303,773,528
PURCHASE OF STOCK-IN-TRADE		423,198,086	494,111,498
CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN- PROGRESS AND STOCK IN TRADE	23	68,174,646	9,988,285
EMPLOYEE'S BENEFIT EXPENSES	24	91,409,658	87,719,547
FINANCE COST	25	31,214,003	41,665,941
DEPRECIATION AND AMORTISATION	26	10,264,815	10,478,810
OTHER EXPENSES	27	74,926,166	87,554,989
TOTAL EXPENSES		842,207,799	1,035,292,598
III. PROFIT BEFORE PRIOR PERIOD ITEMS (I-II)		11,607,791	19,858,315
IV. PRIOR PERIOD (INCOME)/EXPENSES		320,915	369,476
V. PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAXES (III-IV)		11,286,876	19,488,839
VI. EXCEPTIONAL ITEMS		-	335,705
VII. PROFIT/(LOSS) BEFORE TAXES - PBT		11,286,876	19,153,134
VII. TAX EXPENSE :-			
CURRENT TAX		1,990,014	1,195,285
DEFERRED TAX		(1,541,923)	(902,548)
IX. VIII. PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VI-VII)		10,838,785	18,860,396
EARNINGS PER EQUITY SHARE			
- BASIC		0.73	1.27
- DILUTED		0.73	1.27
FACE VALUE PER EQUITY SHARE		10	10

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS 28

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 FIRM'S REGN NO. 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
PRAVEEN KUMAR RAMPAL
 PARTNER
 M. NO. 82226

Sd/-
RITA MITTAL
 (CHAIRPERSON & MANAGING DIRECTOR)
 DIN NO. 03398410

Sd/-
ATUL MITTAL
 (JT. MANAGING DIRECTOR & CFO)
 DIN NO. 00223366

Place : New Delhi
 Date : 28.05.2016

Sd/-
KAMINI GUPTA
 (COMPANY SECRETARY & GM FINANCE)
 M. No. FCS 5882



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

PARTICULARS	F.Y 2015-16		F.Y 2014-15	
	(Amount in INR)		(Amount in INR)	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		11,286,876		19,488,839
<i>Adjustments for:</i>				
Depreciation and amortisation	10,264,815		10,478,810	
Finance costs	31,214,003		41,665,941	
Interest income	(271,775)	41,207,042	(927,982)	51,216,769
Operating profit / (loss) before working capital changes		52,493,918		70,705,608
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	61,876,321		95,059,359	
Trade receivables	(3,190,026)		(15,688,153)	
Short-term loans and advances	36,512,761		11,567,265	
Long-term loans and advances	98,055		(398,320)	
Other current assets	49,162		(2,357,117)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(39,328,618)		29,804,152	
Other current liabilities	(13,900,046)		(78,366,265)	
Short-term provisions	67,812		(190,369)	
Long-term provisions	(592,808)	41,592,614	759,987	40,190,539
Cash generated from operations		94,086,532		110,896,146
Net income tax (paid) / refunds		1,990,014		1,195,285
Net cash flow from / (used in) operating activities (A)		96,076,546		112,091,431
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets, including capital advances	(20,451,009)		(3,370,159)	
Bank balances not considered as Cash and cash equivalents :				
- Placed	1,509,710		1,361,033	
Interest received	271,775		927,982	
- Others	(15,000,000)	(33,669,524)	(55,000,000)	(56,081,144)
Net cash flow from/(used in) investing activities (B)		(33,669,524)		(56,081,144)



PARTICULARS	F.Y 2015-16		F.Y 2014-15	
	(Amount in INR)		(Amount in INR)	
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		-	
Repayment of long-term borrowings	-		(11,136,001)	
Net increase / (decrease) in working capital borrowings	(30,876,370)		(10,902,201)	
Net proceed from long-term borrowing	-		-	
Finance cost	(31,214,003)	(62,090,373)	(41,665,941)	(63,704,143)
Net cash flow from/(used in) financing activities (C)		(62,090,373)		(63,704,143)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		316,650		(7,693,856)
Cash and cash equivalents at the beginning of the year		10,225,968		17,919,822
Cash and cash equivalents at the end of the year		10,542,618		10,225,968
Components of Cash and cash equivalents:-				
(a) Cash on hand		1,351,059		1,981,026
(b) Balances with banks:				
(i) In current accounts		6,514,637		468,858
(ii) in Term Deposits with original maturity of less than 3 months.		2,676,921		7,776,083
(c) Current investments considered as part of Cash and cash				
Cash & Cash Equivalents		10,542,618		10,225,968

Notes:

- "1. Cash Flow statement has been prepared under the Indirect Method as set out in the Accounting Standard 3; "" Cash Flow Statement"" as per Companies (Accounting Standard) Rules, 2006.
2. Previous year's figures have been regrouped/reclassified wherever applicable.
3. The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 FIRM'S REGN NO. 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
PRAVEEN KUMAR RAMPAL
 PARTNER
 M. NO. 82226

Sd/-
RITA MITTAL
 (CHAIRPERSON & MANAGING DIRECTOR)
 DIN NO. 03398410

Sd/-
ATUL MITTAL
 (JT. MANAGING DIRECTOR & CFO)
 DIN NO. 00223366

Place : New Delhi
 Date : 28.05.2016

Sd/-
KAMINI GUPTA
 (COMPANY SECRETARY & GM FINANCE)
 M. No. FCS 5882



NOTE NO. 1- SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principals (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Management evaluates all recently issued or revised accounting standards on an ongoing concern basis.
- b) The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and Assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates includes estimate of carrying value of work in progress, provision for doubtful debts and useful life of fixed assets. Actual results could differ from estimates.

C. FIXED ASSETS AND DEPRECIATION

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- b) Depreciation on fixed assets is provided on Straight-line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.
- c) Fixed Assets Acquired at New York Trading Office is capitalized at historical cost. Depreciation on these Fixed Assets is accounted for as charged in the branch Profit & Loss Account. The same is converted in INR based on the rate prevailing at the time of acquisition of relevant fixed assets.

D. INVESTMENTS

Investments are in the nature of long term investments and are valued at cost to the Company in accordance with AS – 13 accounting for Investments.

E. FOREIGN EXCHANGE TRANSACTIONS

In view of the Accounting Standard (AS)-11 “ Accounting for the effects of Changes in Foreign Exchange rates” (AS-11) issued by the Institute of Chartered Accountants of India, being mandatory with effect from the 1st April, 1995 foreign currency transactions are translated as under :

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction as far as possible.
- b) Monetary items denominated in foreign currency other than the foreign currency loans outstanding as at the year end are recorded at the closing rate and the difference is adjusted in profit & loss account.
- c) Exchange differences arising on foreign currency transactions are recognized as income or expenditure in the year in which they arise.
- d) Financial Statement of Overseas branch are translated and incorporated in the books of Head Office in accordance to with the AS - 11.



F. INVENTORY VALUATION

- a) Stock of Raw Materials are valued according to FIFO method as prescribed for the valuation of Inventory, at purchase cost or net realisable value whichever is low. The quantity and valuation of stocks of Raw Material is taken as physically verified, valued and certified by the Management at the end of the year. The inventory of Raw Material includes raw material supplied by foreign parties for the execution of their export orders by the company and the same is valued at the end of the year.
- b) Finished goods are valued at lower of cost or net realisable value. Cost for the purpose is determined on the basis of absorption costing method the quantity and valuation of finished goods is taken as physically verified valued and certified by the management at the end of the year. Cost for the purpose of valuation is inclusive of all the expenses except selling expenses. Excise duty levied on domestic tariff area sales does not form part of the cost since the quantum of these sales out of the finished goods stock cannot be ascertained.
- c) The stock of Work In Process, is valued at the estimated cost or net realizable value whichever is lower to the company based on absorption costing method. Packing material and accessories like thread, buttons, etc is valued at Cost or Net realizable value whichever is low. The quantity and valuation of Inventory of WIP is taken as physically verified, valued and certified by the management at the end of the year.

G. REVENUE RECOGNITION

a) EXPORT SALES

Sales are recognized on the basis of Bill Of Lading. Sales of companies overseas branches are recognized as and when they are executed at their country. In respect of sales where material are supplied by the foreign buyers, purchases are booked at the amount debited by them for supply of materials and sales invoices includes the value of material so debited.

b) DOMESTIC SALES

The Company main manufacturing units situated in NSEZ thus Domestic sales are recognized in the Books of Account at the time of dispatch from the gate at NSEZ, and sales executed at the Delhi office is recognized at the date of dispatch from Delhi Office.

H. PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made on the basis of assessable income under the Income Tax Act, 1961. Current Tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated and accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date.

I. PROVISIONS & CONTINGENT LIABILITIES

In terms of the requirement of the Accounting Standard 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets"

- (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates' can be made of the amount of obligation- an appropriate provision is created and disclosed.



- (b) Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources no provision is recognized but appropriate disclosure made as contingent liability unless the possibility of out flow is remote.

J. BORROWING COST

Borrowing cost specifically identified to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit & Loss Account.

K. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

L. EMPLOYEE BENEFITS

a) PROVIDENT FUND

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employees' salary. The company has no further obligations under the plan beyond its monthly contributions.

b) GRATUITY

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non - funded, defined benefit retirement plan (the gratuity plan) covering all employees. The plan, subject to the provisions of the Act, provides a lump sum payment to vested employees at retirement or termination of employment with the company.

The Company estimates its liability on adhoc basis in the interim financial reports and on an actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).

c) LEAVE ENCASHMENT

Leave encashment cost is a defined benefit, and is accrued on adhoc basis in the interim financial reports and on An actuarial valuation basis as of year end balance sheet date carried out by an independent actuary, and is charged to Profit & Loss Account in accordance with AS-15 (revised).

NOTE NO. 2-CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)		AS AT 31.03.2015 (Amount INR)	
		NO. OF SHARES	AMOUNT	NO OF SHARES	AMOUNT
3	SHARE CAPITAL:				
	AUTHORIZED SHARES				
	EQUITY SHARES OF ₹ 2/- EACH (PREVIOUS YEAR ₹ 10/- EACH)	<u>80,000,000</u>	<u>160,000,000</u>	<u>16,000,000</u>	<u>160,000,000</u>
	ISSUED, SUBSCRIBED AND PAID UP SHARES				
	EQUITY SHARES OF ₹ 2/- EACH FULLY PAID UP (PREVIOUS YEAR ₹ 10/- EACH)	74,500,000	149,000,000	14,900,000	149,000,000
	FORFEITED SHARES				
	AMOUNT ORIGINALLY PAID -UP ON 1,00,000 ZERO COUPON WARRANT @ ₹ 1.80 PER WARRANT.	<u>100,000</u>	<u>180,000</u>	<u>100,000</u>	<u>180,000</u>
	TOTAL	<u>74,600,000</u>	<u>149,180,000</u>	<u>15,000,000</u>	<u>149,180,000</u>

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the year:

PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
	NO OF SHARES	AMOUNT (₹)	NO OF SHARES	AMOUNT (₹)
Equity Shares:				
At the beginning of the year	14,900,000	149,000,000	14,900,000	149,000,000
Issued during the year as fully paid	—	—	—	—
Outstanding at the end of the year	74,500,000	149,000,000	14,900,000	149,000,000

(b) Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. The equity shareholders of the Company have voting rights and are subject to the preferential rights as prescribed under law, if any. The equity shares are also subject to restriction as prescribed under the Companies Act, 2013. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31st March 2016, no dividend is declared by Board of Directors. (Previous year - Nil)

(c) Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates: Nil (Previous year -Nil)

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)		AS AT 31.03.2015 (Amount INR)	
4	RESERVE & SURPLUS:				
	CAPITAL RESERVE				
	(STATE CAPITAL SUBSIDY)		<u>1,000,000</u>		<u>1,000,000</u>
			<u>1,000,000</u>		<u>1,000,000</u>
	SECURITY PREMIUM		<u>114,000,000</u>		<u>114,000,000</u>
			<u>114,000,000</u>		<u>114,000,000</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
	<u>SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS</u>		
	BALANCE AS PER THE LAST FINANCIAL STATEMENT	271,543,317	297,408,884
	LESS: ADJUST. EXCHANGE FLUCT NY	14,498,044	44,725,963
	ADD: PROFIT / (LOSS) FROM CURRENT YEAR	10,838,785	18,860,396
	Closing Balance	<u>267,884,058</u>	<u>271,543,317</u>
	Total of Reserves and Surplus	<u>382,884,058</u>	<u>386,543,317</u>
5	<u>LONG TERM BORROWINGS</u>		
	<u>TERM LOANS(SECURED):</u>		
	FROM BANK		
	IDBI BANK LIMITED	-	11,136,001
	SUB-TOTAL (A)	<u>-</u>	<u>11,136,001</u>
	<u>TERM LOANS(UNSECURED):</u>		
	FROM OTHERS		
	LOANS AND ADVANCES FROM RELATED PARTIES	65,030,000	65,030,000
	SUB-TOTAL (B)	<u>65,030,000</u>	<u>65,030,000</u>
	TOTAL (A+B)	<u>65,030,000</u>	<u>76,166,001</u>
	LESS:-		
	DUE WITHIN ONE YEAR -(DISCLOSED UNDER OTHER CURRENT LIABILITIES- REFER NOTE NO-10)	-	11,136,001
	TOTAL	<u>65,030,000</u>	<u>65,030,000</u>
(A)	NATURE OF SECURITY :-		
	(I) PRIMARY SECURITY		
	Term Loan from IDBI is secured by first charge on immovable & movable assets, present and future except book debts, subject to the charge created or to be created in favor of bankers for securing working capital loan on stocks of raw material, semi finished goods, finished goods, stores and spares, consumables, book debts and other current assets held by the Company both present and future in the ordinary course of the business and further guaranteed by the Managing Director, Promoter Directors and an independent Director.		
	(B) Terms of Repayments :-		
	Repayable in equated quarterly installments of Rs 55,68,000/- each from the date of loan. Interest will be payable at 10%.		



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
6	LONG TERM PROVISIONS		
	PROVISIONS FOR EMPLOYEE BENEFITS:-		
	PROVISION FOR GRATUITY	10,043,206	10,598,401
	PROVISION FOR LEAVE ENCASHMENT	1,789,828	1,827,441
	TOTAL	11,833,034	12,425,842
7	SHORT TERM BORROWINGS		
	Loan Repayable on Demand From Bank		
	A) SECURED		
	WORKING CAPITAL LOAN FROM STATE BANK OF INDIA	228,642,347	259,518,717
	B) UN-SECURED		
	BANK OVER DRAFT WITH STATE BANK OF INDIA	-	-
	FROM OTHERS		
	TOTAL	228,642,347	259,518,717
	NATURE OF SECURITY :-		
	The Working Capital Loan taken from State Bank of India is secured by first exclusive hypothecation charge on all existing and future current assets, second hypothecation charge on all movable fixed assets (other than specially charged with other lenders) and personal guarantee of directors -Mr. Rita Mittal, Mr. Vinay Mittal and Mr. Atul Mittal.		
8	TRADE PAYABLES		
	TRADE PAYABLES		
	A) OUTSTANDING DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES	-	-
	B) OUTSTANDING DUE TO OTHER THAN MICRO, SMALL AND MEDIUM ENTERPRISES	170,681,635	210,010,253
	TOTAL	170,681,635	210,010,253
9	OTHER CURRENT LIABILITIES		
	TERM LOAN INSTALLMENT DUE WITHIN 1 YEAR (REF. NOTE NO. 6)	-	11,136,001
	INTEREST ACCRUED AND DUE ON BORROWINGS	-	74,023
	EXPENSES PAYABLE	9,617,747	15,594,067
	STATUTORY DUES PAYABLE:-	-	
	TDS PAYABLE	556,099	523,551
	TCS PAYABLE	247	-
	ESI PAYABLE	-	174,940
	PF PAYABLE	1,260,782	451,945
	OTHERS PAYABLE	7,037,213	4,417,606
	TOTAL	18,472,088	32,372,134
10	SHORT TERM PROVISIONS		
	PROVISIONS FOR EMPLOYEE BENEFITS:-		
	PROVISION FOR GRATUITY	379,578	344,728
	PROVISION FOR LEAVE ENCASHMENT	67,452	64,700
	PROVISION FOR BONUS	2,370,773	2,340,563
	TOTAL	2,817,803	2,749,991

SAMTEX FASHIONS LIMITED



NOTE 11 : FIXED ASSETS

Part-A

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET CARRYING Value			
	As at 01.04.2015 (Amount INR)	Additions During the Year (Amount INR)	Sales/ Adjustment During the Year (Amount INR)	As at 31.03.2016 (Amount INR)	Up to 01.04.2015 (Amount INR)	For the year (Amount INR)	Adjust- ment	W.Back During the Year (Amount INR)	Up to 31.03.2016 (Amount INR)	As at 31.03.2016 (Amount INR)	As at 31.03.2015 (Amount INR)	
Tangible Assets												
Building and Site Development	91,805,270	-	-	91,805,270	44,035,210	3,371,821	-	-	47,407,031	44,398,239	47,770,060	
Plant & Machinery	227,939,477	57,750	-	227,997,227	176,503,134	5,504,646	-	-	182,007,780	45,989,447	51,436,343	
Furniture & Fixtures	24,055,358	-	-	24,055,358	22,387,191	124,761	-	-	22,511,952	1,543,406	1,668,167	
Electrical Installation	12,246,808	28,400	-	12,275,208	9,783,477	780,468	-	-	10,563,945	1,711,263	2,463,331	
Office Equipment's	9,258,644	8,400	-	9,267,044	8,269,286	304,149	-	-	8,573,435	693,609	989,358	
Vehicles	9,782,645	-	-	9,782,645	9,293,513	-	-	-	9,293,513	489,132	489,132	
Mobiles	275,013	220,000	-	495,013	42,657	178,970	-	-	221,627	273,386	232,356	
Total (A)	375,363,215	314,550	-	375,677,765	270,314,467	10,264,815	-	-	280,579,282	95,098,483	105,048,747	
Part-B												
Housing Project	12,122,718			12,122,718	-	-	-	-	-	12,122,718	12,122,718	
Total (A+B)	387,485,933	314,550	-	387,800,483	270,314,467	10,264,815	-	-	280,579,282	107,221,201	117,171,465	
Previous year	389,388,029	447,904	2,350,000	387,485,933	216,146,212	10,478,810	44,725,962	1,036,517	270,314,467	117,171,466	173,063,411	

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
12.	NON CURRENT INVESTMENTS		
	INVESTMENT (VALUED AT COST)		
	A) TRADE INVESTMENT IN EQUITY INSTRUMENTS (UNQUOTED)		
	IN WHOLLY OWNED SUBSIDIARY COMPANIES.		
	I) SSA INTERNATIONAL LIMITED.		
	37,200,000 (PREVIOUS YEAR 37,200,000) EQUITY SHARES OF 10/- EACH FULLY PAID-UP	372,000,000	357,000,000
	II) SAM BUILDCON LIMITED		
	1,500,070 (PREVIOUS YEAR 1,500,070) EQUITY SHARES OF 10/- EACH FULLY PAID-UP	15,000,700	15,000,700
	B) OTHER INVESTMENT IN EQUITY INSTRUMENTS (UNQUOTED)		
	YOGENDRA WORSTED LIMITED		
	600,000 (PREVIOUS YEAR 600,000) EQUITY SHARES OF 10/- EACH FULLY PAID-UP (REFER NOTE NO. 28 (M) (VI)	6,000,000	6,000,000
	TOTAL	393,000,700	378,000,700
13.	DEFERRED TAX ASSETS (NET)		
	DEFERRED TAX ASSETS	8,481,102	6,939,179
	TOTAL	8,481,102	6,939,179
	NOTE* ITEM WISE DETAIL OF DEFERRED TAX		
	RELATED TO DEPRECIATION ON FIXED ASSETS(DTA/(DTL))	4,864,087	4,169,762
	RELATED TO GRATUITY AND LEAVE ENCASHMENT (DTA)	3,617,015	2,769,417



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
14.	LONG TERM LOANS AND ADVANCES		
	SECURITY DEPOSITS		
	SECURED, CONSIDER GOOD		
	UNSECURED, CONSIDER GOOD	5,270,025	5,368,080
	TOTAL	5,270,025	5,368,080
15.	INVENTORIES		
	RAW MATERIAL	175,132,669	168,232,993
	FINISHED GOODS	188,292,192	238,814,576
	WORK IN PROGRESS	15,048,051	31,178,518
	SCRAP MATERIAL	365,780	1,887,574
	OTHER STORES	2,057,630	2,658,982
	TOTAL	380,896,322	442,772,643
16.	TRADE RECEIVABLES		
	UNSECURED, CONSIDER GOOD:-		
	TRADE RECEIVABLES		
	- OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DATE THEY WERE DUE FOR PAYMENTS	41,190,921	20,170,718
	- OTHERS	61,020,358	78,850,534
	TOTAL	102,211,278	99,021,252
17.	CASH & BANK BALANCES		
	CASH AND CASH EQUIVALENTS:-		
	BALANCES WITH BANKS		
	ON CURRENT ACCOUNT	6,514,637	468,858
	ON TERM DEPOSITS WITH ORIGINAL MATURITY OF LESS THAN 3 MONTHS.	2,676,921	7,776,083
	CASH ON HAND	1,351,059	1,981,026
	TOTAL	10,542,618	10,225,968
	OTHER BANK BALANCES:-		
	DEPOSITS WITH ORIGINAL MATURITY FOR MORE THAN 3 MONTHS BUT LESS THAN 12 MONTHS	1,509,710	1,361,033
	TOTAL	12,052,328	11,587,001
18.	SHORT TERM LOANS AND ADVANCES		
	LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)		
	ADVANCES TO EMPLOYEES	-	821,312
	TRADE ADVANCES TO SUPPLIERS	1,777,259	28,609,336
	PREPAID EXPENSES	457,854	535,311
	LOAN & ADVANCE TO RELATED PARTIES	-	-
	SHARE APPLICATION MONEY (PAID)	-	10,000,000
	BALANCES WITH GOVERNMENT AUTHORITIES		
	- TDS RECEIVABLES	152,424	180,123
	- VAT RECEIVABLES	2,989,517	2,520,883
	- DEPOSIT AGAINST DISPUTE WITH GOVT. AUTHORITIES	11,867,681	11,064,581
	OTHERS	1,275	27,225
	TOTAL	17,246,010	53,758,771
19.	OTHER CURRENT ASSETS		
	INTEREST ACCRUED ON FIXED DEPOSITS	855,490	904,653
	OTHERS	2,306,510	2,306,510
	TOTAL	3,162,000	3,211,163



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	For the Year Ended 31.03.2016 (Amount INR)	For the Year Ended 31.03.2015 (Amount INR)
20.	REVENUE FROM OPERATIONS		
	SALE OF MANUFACTURING GOODS :-		
	EXPORT SALES	798,598,892	926,304,327
	DOMESTIC SALES OF TRADE GOODS	49,706,670	121,228,566
	SCRAPE SALES	167,433	381,512
	NET REVENUE FROM OPERATION	848,472,995	1,047,914,405
21.	OTHER INCOME		
	INTEREST	271,775	927,982
	EXCHANGE FLUCTUATIONS	2,477,098	5,712,441
	RENT RECEIVED	9,075	45,375
	MISCELLANEOUS INCOMES	2,584,647	550,710
	TOTAL	5,342,595	7,236,508
22.	COST OF MATERIALS CONSUMED		
	OPENING BALANCE OF STOCK	168,232,993	254,252,537
	ADD :- MATERIAL PURCHASED	149,920,101	217,753,984
	LESS :- CLOSING STOCK	175,132,669	168,232,993
	COST OF MATERIAL CONSUMED	143,020,425	303,773,528
	MATERIAL CONSUMED COMPRISES :-		
	FABRICS	115,978,159	209,494,214
	TRIMS	12,436,449	70,560,472
	OTHERS	14,605,817	23,718,842
23.	CHANGES IN INVENTORIES		
	FINISHED GOODS:-		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	218,414,577	200,317,449
	AT THE ENDING OF THE ACCOUNTING PERIOD	182,795,950	218,414,576
	CHANGE IN FINISH GOODS	35,618,627	(18,097,128)
	FINISHED GOODS IN TRANSIT (TO)		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	20,400,000	30,400,139
	AT THE ENDING OF THE ACCOUNTING PERIOD	5,496,242	20,400,000
	CHANGE IN FINISH GOODS	14,903,758	10,000,139
	WORK-IN-PROGRESS		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	31,178,518	49,579,010
	AT THE ENDING OF THE ACCOUNTING PERIOD	15,048,051	31,178,518
	CHANGE IN WORK-IN-PROGRESS	16,130,467	18,400,492
	SCRAP MATERIAL		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,887,574	1,572,356
	AT THE ENDING OF THE ACCOUNTING PERIOD	365,780	1,887,574
	CHANGE IN SCRAP MATERIAL	1,521,794	(315,218)
	TOTAL	68,174,646	9,988,285



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	For the Year Ended 31.03.2016 (Amount INR)	For the Year Ended 31.03.2015 (Amount INR)
24.	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	SALARY AND WAGES :-		
	WAGES AND OTHER BENEFITS	65,533,230	60,834,916
	OFFICE STAFF SALARY	10,570,711	13,305,213
	BONUS	2,567,543	2,265,055
	SECURITY CHARGES	794,013	2,191,303
	DIRECTOR'S REMUNERATION	4,614,484	2,755,555
	LTA REIMBURSEMENT	79,250	45,200
	MEDICAL REIMBURSEMENT	26,200	29,776
	LEAVE ENCASHMENT	442,511	226,343
	NOTICE PAY	241,289	-
	GRATUITY EXPENSES	2,300,524	1,571,761
	CONTRIBUTION TO PROVIDENT FUND AND OTHER FUNDS :-		
	CONTRIBUTION TO PROVIDENT FUND	2,624,296	2,691,905
	CONTRIBUTION TO EMPLOYEE'S STATE INSURANCE FUND	1,365,567	1,468,939
	STAFF WELFARE EXPENSES :-		
	STAFF WELFARE EXPENSES	250,040	333,581
	TOTAL	91,409,658	87,719,547
25.	<u>FINANCE COSTS</u>		
	INTEREST ON WORKING CAPITAL LOANS	20,441,789	26,779,063
	INTEREST ON TERM LOANS	148,677	1,140,693
	INTEREST OTHERS	8,318,315	6,910,354
	BANK CHARGES	2,305,222	6,820,492
	FORWARD CONTRACT/ FACTORING CHARGES	-	15,339
	TOTAL	31,214,003	41,665,941
26.	<u>DEPRECIATION AND AMORTZATION</u>		
	DEPRECIATION ON TANGIBLE ASSETS	10,264,815	10,478,810
	TOTAL	10,264,815	10,478,810
27.	<u>OTHER EXPENSES</u>		
	MANUFACTURING EXPENSES :-		
	CONSUMPTION OF STORES AND SPARES :-		
	STOCK AT BEGINNING OF THE ACCOUNTING PERIOD	2,658,982	1,710,512
	ADD: STORES AND CONSUMABLES PURCHASED	1,533,311	1,326,625
	LESS: STOCK AT ENDING OF THE ACCOUNTING PERIOD	2,057,630	2,658,982
	STORES AND SPARES CONSUMED	2,134,663	378,155
	POWER AND FUEL	7,770,622	14,669,773
	CUSTOM/ EXCISE DUTY	47,582	113,909
	IMPORT CLEARING EXPENSES	634,298	2,373,584
	FREIGHT INWARDS	298,150	924,573
	REPAIR AND MAINTENANCE(MACHINERY)	737,898	1,344,140
	REPAIR AND MAINTENANCE(ELECTRICALS)	176,884	516,049
	PROCESSING AND FINISHING EXPENSES	1,639,198	12,977,499



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE	PARTICULARS	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
	GENERAL & ADMINISTRATIVE EXPENSES :-		
	AUDITOR'S REMUNERATION	134,350	152,068
	TRAVELLING AND CONVEYANCE EXPENSES	2,972,276	3,851,953
	RENT EXPENSES	10,625,313	13,650,826
	LEGAL AND PROFESSIONAL CHARGES	1,693,394	1,142,060
	INSURANCE EXPENSES	7,732,465	7,124,575
	RATES AND TAXES	1,249,124	782,634
	PRINTING AND STATIONARY EXPENSES	496,020	558,584
	INTEREST ON TDS	306,762	160,836
	POSTAGE, TELEGRAM AND TELEPHONE EXPENSES	3,377,815	2,740,061
	GENERAL EXPENSES	14,435,495	14,479,816
	FRANCHISE FEES	-	-
	COMPLIANCE AUDIT FEES	60,000	129,192
	BOOKS AND PERIODICALS	21,189	10,520
	CHARITY AND DONATION	260,675	299,770
	DIRECTOR'S SITTING FEES	75,500	34,000
	GUEST HOUSE EXPENSES	104,548	519,948
	REPAIR AND MAINTENANCE- VEHICLE	283,889	352,686
	REPAIR AND MAINTENANCE- BUILDING	-	420,263
	REPAIR AND MAINTENANCE- OTHERS	1,003,866	696,586
	EARLIER YEAR INCOME TAX	-	-
	INCOME TAX A.Y 2013-14	1,519,232	-
	EXCHANGE FLUCTUATION	-	(11,010,988)
	DUTY DRAWBACK PAID	85,566	-
	SHORT FALL RECD. (DEBTORS)	-	-
	SELLING AND DISTRIBUTION EXPENSES :-		
	FREIGHT OUTWARDS	372,270	923,087
	EXPORT CLEARING CHARGES	944,336	3,037,940
	SAMPLING AND SUPPLIED CHARGES	3,717,970	3,520,647
	REBATE AND DISCOUNT	(445,570)	957,333
	SALES COMMISSION	66,944	210,518
	ADVERTISEMENT EXPENSES	347,834	509,106
	BUSINESS PROMOTION EXPENSES	10,021,602	8,998,907
	HANDLING CHARGES	-	-
	EXPORT SHIPMENT DAMAGE CHARGES	24,009	4,378
	TOTAL	74,926,166	87,554,989



NOTE 28 : OTHER NOTES

A. CONTINGENT LIABILITIES

(a) No provision has been made in the books of accounts by the company for a sum of Rs.5902380/-, Rs.1205225/-, Rs.4080705/- & Rs.1353174/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y.2003-04, A.Y.2007-08 & A.Y. 2012-13 respectively, against which a sum of Rs 5859356/- Rs.1205225/- & Rs.40,00,000/- has already been paid for A.Y 2000-01, A.Y.2003-04 & A.Y.2007-08 under protest. All the above liabilities stands before the Appellate Authority/Delhi High Court.

b) Guarantees

The company has guaranteed a sum of Rs. 80,746 Lacs (Previous Year Rs. 77,384 Lacs) against secured Loans taken by SSA International Ltd. from financial institutions; these are wholly owned subsidiaries of the Company.

B. DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES

The employee gratuity fund & leave encashment scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

As per actuarial valuations as on 31st March 2016 and recognized in the financial statement in respect of employee benefit schemes :-

Particulars	Amount in INR)			
	Gratuity		Leave Encashment	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
I. Assumptions				
Discount Rate	8.00%	8.00%	8.00%	8.00%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
II. Table showing change in Benefit Obligation				
Liability at the beginning of the year	10,943,129	10,202,915	1,892,141	1,881,719
Interest Cost	875,450	867,248	151,371	159,946
Past Service Cost	-	-	-	-
Current Services Cost	584,236	658,684	127,418	135,048
Benefit Paid	(2,820,869)	(831,547)	(477,372)	(215,921)
Actuarial (gain)/loss on obligation	840,838	45,829	163,722	(68,651)
Liability at the end of the year	10,422,784	10,943,129	1,857,280	1,892,141
III. Tables of Fair value of Plan Assets				
Fair value of plan assets at the beginning of the year				
Expected return on Plan Assets				
Contributions				
Benefit Paid				
Actuarial (gain)/loss on Plan Assets				
Fair Value of Plan Assets at the end of the year				
Total actuarial gain / (loss) to be recognized				
IV. Actual Return on Plan Assets				
Expected Return on Plan Assets				
Actuarial (gain)/loss on Plan Assets				
Actuarial Return on Plan Assets				
V. Amount recognized in the Balance Sheet				
Liability at the end of the year	10,422,784	10,943,129	1,857,280	1,892,141
Fair value of plan assets at the end of the year	-	-	-	-
Difference	(10,422,784)	(10,943,129)	(1,857,280)	(1,892,141)



Excess of actual over estimated	-	-	-	-
Unrecognized Actuarial (gain)/losses	-	-	-	-
Amount recognized in the Balance sheet	(10,422,784)	(10,943,129)	(1,857,280)	(1,892,141)
VI. Expenses recognized in the Income Statement				
Current Service Cost	584,236	658,684	127,418	135,048
Interest Cost	875,450	867,248	151,371	159,946
Expected Return On Plan Assets	-	-	-	-
Net actuarial (gain)/loss to be recognized	840,838	45,829	163,722	(68,651)
Expenses Recognized in Profit & Loss A/c	2,300,524	1,571,761	442,511	226,343
VII. Amount Recognized in the Balance Sheet				
Opening net liability	10,943,129	10,202,915	1,892,141	1,881,719
Expense as above	2,300,524	1,571,761	442,511	226,343
Employers Contribution Paid	(2,820,869)	(831,547)	(477,372)	(215,921)
Closing net Liability	10,422,784	10,943,129	1,857,280	1,892,141

C. RELATED PARTY DISCLOSURES

I. Related Parties with Whom Transactions have been Taken Place and Relationships.

S. No.	Name of Related Parties	Relationship
1	SSA International Limited	Wholly owned Subsidiary company
2	Sam Buildcon Limited	Wholly owned Subsidiary company

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions **(Amount in INR)**

Nature of Transaction	Wholly owned Subsidiary companies			
	SSA International Limited		Sam Buildcon Limited	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
A. Investments				
Opening Balance	357,000,000	302,000,000	15,000,700	15,000,700
Issued during the Year	15,000,000	55,000,000	-	-
Closing Balance	372,000,000	357,000,000	15,000,700	15,000,700
B. Share Application Money Paid for Investments				
Opening Balance	10,000,000	30,000,000	-	-
Received during the Year	5,000,000	36,000,000	-	-
Equity issued during the Year	15,000,000	56,000,000	-	-
Closing Balance	-	10,000,000	-	-
C. Loan & Advances				
Opening Balance	-	-	-	-
Given During the Year	-	-	-	-
Repaid During the Year	-	-	-	-
Transferred to Equity Investment/Running	-	-	-	-
Closing Balance	-	-	-	-
D. Sale & Job work				
Sale/Job Work Done	-	-	-	-
E. Creditors				
Opening Balance	-	-	2,492,200	2,112,354
Amount Received during the year	-	-	480,000	609,892
Amount Paid during the year	-	-	1,440,000	230,046
Purchase during the year	-	-	-	-
Sale/Job Work Done	-	-	-	-
Realise During the Year	-	-	-	-
Closing Balance	-	-	1,532,200	2,492,200



D. SEGMENT REPORTING

The company has identified a geographical reportable segment viz M/S Samtex Fashions Ltd. New York. Segments have been identified and reported taking into account the Differing risk and returns and the Financial business reporting systems. The accounting policies adopted for segment reporting are in line with the Accounting Policy of the Company. Except the Accounting period which is for the Segment is calendar year.

Segment Assets and Segment Liabilities represent Assets and Liabilities in Respective segments.

(I) PRIMARY SEGMENT INFORMATION :-

(AMOUNT IN INR)

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
1). TOTAL SALES AT EACH SEGMENT.		
USA	575,975,272.26	545,923,516.27
INDIA	272,497,722.64	501,990,888.56
GROSS SALES	848,472,994.90	1,047,914,404.83
LESS :- INTER SEGMENT REVENUE	209,593,144.24	244,869,795.00
NET SALES / INCOME FROM OPERATION	638,879,850.66	746,004,987.68
2). SEGMENT RESULTS (PROFIT/ LOSS BEFORE TAX AND INTEREST FOR EACH SEGMENT)		
USA	6,274,547.72	14,496,399.92
INDIA	25,154,703.45	32,283,751.92
TOTAL	31,429,251.17	46,780,151.84
INTEREST	20,590,465.79	27,919,756.00
TOTAL PROFIT BEFORE TAX	10,838,785.38	18,860,395.84

As per Accounting Standard on Segment Reporting As –17, prescribed by Companies (Accounting Standard) Rules 2006, The Company has reported segment information.

(II) SECONDARY SEGMENT INFORMATION

Particulars	IN USD	IN INR	PERIOD
SEGMENT ASSETS			
USA	1,513,069.25	100,152,447.91	Current Year
	(2,154,739.54)	(134,177,631.66)	Previous
SEGMENT LIABILITIES			
USA	524,587.62	31,334,679.36	Current Year
	(1,189,762.23)	(84,434,390.44)	Previous
CAPITAL EMPLOYED			
USA	988,481.63	68,817,768.55	Current Year
	(964,977.31)	(49,743,241.22)	Previous

E. IMPAIRMENT OF ASSETS

The Company has revised the future discounted cash flows based on value in use of fixed assets and is hopefully sure that the recoverable amount is more than the amount carried in the books. Accordingly, no provision is required to be made for the impairment in the accounts.

F Value and percentage of Imported and Indigenous raw materials, stores and spares consumed :

PARTICULARS	RAW MATERIALS		STORES AND SPARES	
	Value	(%)	Value	(%)
Imported	131,867,564	92	-	-
	(171,751,285)	(79)		
Indigenous	11,152,861	8	1,533,311	100
	(46,002,699)	(21)	(1,326,625)	100
TOTAL	143,020,425	100	1,533,311	100
	(217,753,984)	100%	(1,326,625)	100%

Note :- Figures in bracket are of Previous Year.



G. EXPENDITURE IN FOREIGN CURRENCY (AMOUNT IN INR)

C.I.F Value of Imports:-

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
Raw Materials	95,067,553	171,751,285
TOTAL	95,067,553	171,751,285

H. EARNINGS IN FOREIGN CURRENCY

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
F.O.B. value of Exports*	222,623,620	380,380,811

*Export FOB has been calculated on the basis of Shipping Bill issued by Customs Department.

I. SUNDRY DEBTORS INCLUDES BILLS DISCOUNTED WITH SCHEDULED BANK OF COMPANY AGAINST DEBTORS FOR EXPORTS

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
i Bill of Exchange	11,508,881	30,017,397
TOTAL	11,508,881	30,017,397

J. EARNINGS PER EQUITY SHARE

PARTICULARS	Unit	AS AT 31.03.2016	AS AT 31.03.2015
Net Profit after tax	Rupees	10,838,785	18,860,396
Equity Shares outstanding	Numbers	14,900,000	14,900,000
Weighted Average Equity Shares	Numbers	14,900,000	149,000,000
Nominal Value of Equity Share	Rupees	10	10
Basic Earnings per Share	Rupees	0.73	1.27
Diluted Earnings per Share	Rupees	0.73	1.27

K. PAYMENTS TO AUDITOR

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
(a) Statutory Audit Fee	100,000	100,000
(b) Other Services		
(i) For certification	4,809	-
(ii) For Income Tax	176,352	-
TOTAL	281,161	100,000

L. TRANSACTION WITH MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has not received information from vendors regarding their status and status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence necessary disclosures under this Act have not been given.

M. OTHERS

- (i) Fixed assets installed and put to use have been certified by the management and relied upon by the auditors, being a technical matter.
- (ii) In the opinion of the directors, current assets, loans and advances are of the value stated if realized in the ordinary course of business except otherwise stated. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary.
- (iii) The personal accounts of the parties are subject to their respective confirmations
- (iv) Security deposit includes Rs. 26,36,950/- (Previous Year Rs. 1857055/-) equivalent US\$ 39815 (Previous Year US\$ 30920) representing security given by the New York Trading Office of the company.



- (v) The Company had applied for Issue of exemption certificate from service tax and under notification no. 12/2013 on November 21, 2014 the issuance of certificate is still pending. According the company has not deposited service tax under reverse charge mechanism on payment made for service availed and covered under reverse charge mechanism.
- (vi) Investment of Rs. 60 lakhs invested in M/S Yogendra Worsted Limited are valued at cost since the said company is unlisted company accordingly management is unable to ascertain the market value of the investment.
- (vii) The Amount of sale and purchase includes Inter Branch transaction of Rs. 20,95,93,144 during the year and in previous year of Rs. 24,48,69,795. (Refer Note No. 28 (D)).
- (viii) Balances of Debtors & Creditors are subject to confirmation and reconciliation consequential effect (if any) on the account remained unascertained.

N. PREVIOUS YEAR FIGURES

The Company has regrouped/reclassified the previous year figures to make them comparable with current year figures.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS
FIRM'S REGN NO. 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
PRAVEEN KUMAR RAMPAL
PARTNER
M. NO. 82226

Sd/-
RITA MITTAL
(CHAIRPERSON & MANAGING DIRECTOR)
DIN NO. 03398410

Sd/-
ATUL MITTAL
(JT. MANAGING DIRECTOR & CFO)
DIN NO. 00223366

Place : New Delhi
Date : 28.05.2016

Sd/-
KAMINI GUPTA
(COMPANY SECRETARY & GM FINANCE)
M. No. FCS 5882



Form AOC-1 Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts Rs. In lakhs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	SSA International Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	3720.00
5.	Reserves & surplus	14318.15
6.	Total assets	91571.09
7.	Total Liabilities	91571.09
8.	Investments	559.85
9.	Turnover	162902.68
10.	Profit before taxation	1517.76
11.	Provision for taxation	796.64
12.	Profit after taxation	721.12
13.	Proposed Dividend	0
14.	% of shareholding	100

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Arlin Foods Limited (Formerly known as Sam Buildcon Limited)
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	150.00
5.	Reserves & surplus	8.76
6.	Total assets	330.68
7.	Total Liabilities	330.68
8.	Investments	NIL
9.	Turnover	0.54
10.	Profit before taxation	(10.29)
11.	Provision for taxation	0
12.	Profit after taxation	(10.29)
13.	Proposed Dividend	0
14.	% of shareholding	100

**ANNEXURE****FORM NO. AOC -2****(Pursuant to clause (h) of sub-section (3) of section 134 of th ANNEXURE**

1. Details of contracts or arrangements or transactions not at Arm's length basis : -
2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Arlin Foods Limited (Formerly known as Sam Buildcon Limited, wholly owned Subsidiary Company)
b)	Nature of contracts/arrangements/transaction	Job work
c)	Duration of the contracts/arrangements/transaction	N.A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Date of approval by the Board	20.03.2009
f)	Amount paid as advances, if any	Nil

**For and On behalf of the Board
For Samtex Fashions Limited**

**Atul Mittal
(Joint Managing Director)
DIN 00223366**

**Place : New Delhi
Date : 12.08.2016**



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

M/S SAMTEX FASHIONS LIMITED

We have audited the accompanying consolidated financial statements of **M/s SAMTEX FASHIONS LIMITED** ("**The Company**") and its subsidiaries (SSA International Limited and Arlin Foods Limited formerly known as Sam Buildcon Limited) constitute the "Group" which comprise the consolidated Balance Sheet as at March 31, 2016 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY:

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and consolidated cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 consolidated 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 there under. 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements.

OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view (**subject to the matters of emphasis mentioned below**) in conformity with the accounting principles generally accepted in India;

Subject to the above we report that the accounts represent true and fair view:

- a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the consolidated of Profit and Loss Account, of the profit/ loss for the year ended on that date; and



c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTERS

We draw attention to the following observation:

- (a) ***Going concern concept of the company may be effected if the decision of the Board of Director's meeting held on May 28, 2016 to stop the production activities of the company is implemented by the management.***
- (b) ***Arlin Foods Limited (Formerly known as Sam Buildcon Limited) a Subsidiary Company has changed its main object in EGM held on April 14, 2015 to explore the business opportunities in the food industry accordingly operation's of the Subsidiary has been suspended.***

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as required by Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give that the same are annexed to standalone audit report of the Company "Samtex Fashions Limited".
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, we give that the same are annexed to standalone audit report of the Company "Samtex Fashions Limited". and
 - g) With respect to the other matters 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 – Refer note 29 Part I to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was not required to transfer amounts, to the Investor Education and Protection FUND by the Company.

**For Aggarwal & Rampal
Chartered Accountants
FRN: 003072N**

**Praveen Kumar Rampal
Partner
M.No.-082226**

Place : New Delhi
Date : May 28, 2016



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	PARTICULARS	NOTE NO.	AS AT 31.03.2016	AS AT 31.03.2015
			(Amount INR)	(Amount INR)
	EQUITY AND LIABILITIES			
1	SHAREHOLDERS FUNDS			
	(A) SHARE CAPITAL	3	149,180,000	149,180,000
	(b) RESERVES AND SURPLUS	4	1,825,617,696	1,757,964,160
	TOTAL(1)		1,974,797,696	1,907,144,160
2	NON-CURRENT LIABILITIES			
	(a) LONG TERM BORROWINGS	5	281,259,145	373,316,082
	(B) DEFERRED TAX LIABILITIES (NET)	6	110,209,718	111,967,969
	(C) LONG-TERM PROVISIONS	7	24,050,820	21,996,813
	TOTAL(2)		415,519,683	507,280,864
3	CURRENT LIABILITIES			
	(a) SHORT TERM BORROWINGS	8	6,399,010,099	6,578,643,801
	(B) TRADE PAYABLES	9	864,598,806	634,221,038
	(C) OTHER CURRENT LIABILITIES	10	147,004,692	283,348,679
	(D) SHORT TERM PROVISIONS	11	27,014,131	51,874,696
	TOTAL(3)		7,437,627,728	7,548,088,214
	TOTAL(1+2+3)		9,827,945,107	9,962,513,238
	ASSETS			
1	NON-CURRENT ASSETS			
	(A) FIXED ASSETS	12		
	(I) TANGIBLE ASSTS		1,322,616,514	1,427,154,045
	(II) INTANGIBLE ASSETS		377,399	434,979
	(III) CAPITAL WORK-IN-PROGRESS		8,650,277	11,026,479
	(B) NON-CURRENT INVESTMENTS	13	36,000,000	36,000,000
	(C) LONG-TERM LOANS AND ADVANCES	14	60,986,967	59,048,715
	TOTAL(1)		1,428,631,157	1,533,664,218
2	CURRENT ASSETS			
	(a) INVENTORIES	15	7,395,339,854	6,984,990,412
	(b) TRADE RECEIVABLES	16	664,150,646	1,155,871,243
	(c) CASH AND BANK BALANCES	17	183,936,213	116,411,643
	(d) SHORT-TERM LOANS AND ADVANCES	18	152,281,329	167,967,226
	(e) OTHER CURRENT ASSETS	19	3,605,908	3,608,496
	TOTAL(2)		8,399,313,950	8,428,849,020
	TOTAL(1+2)		9,827,945,107	9,962,513,238
	NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-29		

IN TERMS OF OUR REPORT ATTACHED

For **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 FIRM'S REGN NO. 003072N

Sd/-
PRAVEEN KUMAR RAMPAL
 PARTNER
 M. NO. 82226

Place : New Delhi
 Date : 28.05.2016

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
RITA MITTAL
 (CHAIRPERSON & MANAGING DIRECTOR)
 DIN NO. 03398410

Sd/-
KAMINI GUPTA
 (COMPANY SECRETARY & GM FINANCE)
 M. No. FCS 5882

Sd/-
ATUL MITTAL
 (JT. MANAGING DIRECTOR & CFO)
 DIN NO. 00223366



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	NOTE	AS AT 31.03.2016	AS AT 31.03.2015
		(Amount INR)	(Amount INR)
I REVENUE FROM OPERATIONS			
(1) REVENUE FROM OPERATIONS(GROSS)	20	17,230,665,913	18,704,431,650
(2) OTHER INCOME	21	18,692,337	39,271,079
TOTAL REVENUE		17,249,358,250	18,743,702,728
II EXPENSES:			
(1) COST OF MATERIAL CONSUMED	22	15,146,360,655	15,482,756,855
(2) PURCHASES OF STOCK IN TRADE	23	1,429,198,091	1,529,814,443
(3) CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK -IN-TRADE	24	(1,578,075,064)	(816,220,522)
(4) EMPLOYEE BENEFITS EXPENSES	25	226,028,296	215,454,451
(5) FINANCE COSTS	26	731,612,777	586,829,297
(6) DEPRECIATION AND AMORTIZATION EXPENSE	27	118,554,175	117,898,487
(7) OTHER EXPENSES	28	1,012,130,457	1,200,940,124
TOTAL EXPENSES		17,085,809,387	18,317,473,135
III PROFIT BEFORE PRIOR PERIOD ITEMS (I-II)		163,548,863	426,229,593
IV PRIOR PERIOD (INCOME)/EXPENSE		1,328,616	369,476
V PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX (III-IV)		162,220,247	425,860,117
VI EXCEPTIONAL ITEMS		(426,287)	701,280
VII PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		162,646,534	425,158,837
VIII EXTRAORDINARY ITEMS		-	-
IX PROFIT BEFORE TAX (VII-VIII)		162,646,534	425,158,837
X TAX EXPENSE			
CURRENT TAX		33,802,972	86,468,214
CORPORATION TAX		94,176	
EARLIAR YEARS TAX		48,067,057	25,656,257
DEFERRED TAX (ASSETS) /LIABILITY		(1,758,251)	6,227,732
XI PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		82,440,580	306,806,634
XII PROFIT(LOSS) FROM DISCONTINUING OPERATIONS			
XIII TAX EXPENSE OF DISCONTINUING OPERATIONS			
XIV PROFIT(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII-XIII)			
XV PROFIT (LOSS) FOR THE PERIOD (XI+XIV)		82,440,580	306,806,634
XVI EARNING PER EQUITY SHARE			
BASIC		1.11	20.59
DILUTED		1.11	20.59
NUMBER OF EQUITY SHARES			
BASIC		74,500,000	14,900,000
DILUTED		74,500,000	14,900,000

IN TERMS OF OUR REPORT ATTACHED

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS
FIRM'S REGN NO. 003072N

Sd/-
PRAVEEN KUMAR RAMPAL
PARTNER
M. NO. 82226

Place : New Delhi
Date : 28.05.2016

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
RITA MITTAL
(CHAIRPERSON & MANAGING DIRECTOR)
DIN NO. 03398410

Sd/-
KAMINI GUPTA
(COMPANY SECRETARY & GM FINANCE)
M. No. FCS 5882

Sd/-
ATUL MITTAL
(JT. MANAGING DIRECTOR & CFO)
DIN NO. 00223366



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

PARTICULARS	31.03.2016		31.03.2015	
	(Amount in INR)		(Amount in INR)	
A. ASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		162,646,534		425,158,837
Adjustments for:				
Depreciation and amortisation	118,554,175		117,898,487	
(Profit) / loss on sale / write off of assets	(426,287)		701,280	
Finance costs	731,612,777		586,829,297	
Interest income	(9,725,846)		(11,281,111)	
Net (gain) / loss on sale of land	-		(11,105,200)	
Appropriation of Profit	-		-	
Capital investment subsidy	(289,000)	839,725,819	(1,546,477)	681,496,277
Operating profit/(loss) before working capital changes		1,002,372,352		1,106,655,113
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(410,349,442)		(387,811,507)	
Trade receivables	491,720,597		(64,805,717)	
Short-term loans and advances	15,685,897		103,063,057	
Long-term loans and advances	(1,938,252)		(25,404,375)	
long -term Investment	-		(30,000,000)	
Other current assets	2,588		(2,396,396)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	230,377,768		(62,807,556)	
Other current liabilities	(136,343,987)		(106,820,763)	
Short-term provisions	(24,860,565)		18,454,727	
Long-term provisions	2,054,007	166,348,610	3,906,007	(554,622,522)
Cash generated from operations		1,168,720,963		552,032,591
Net income tax (paid) / refunds		77,984,177		97,476,893
Net cash flow from/(used in) operating activities(A)		1,090,736,786		454,555,698
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(33,638,617)		(60,775,277)	
Proceeds from sale of fixed assets	2,345,583		6,012,080	
Proceeds from sale of land	-		27,000,000	
Bank balances not considered as Cash and cash equivalents:				
- Placed	(91,033,516)		25,197,564	
Interest received				
- Others	9,725,846		11,281,111	
		(112,600,704)	-	8,715,477
Net cash flow from / (used in) investing activities (B)		(112,600,704)	-	8,715,477



PARTICULARS	31.03.2016		31.03.2015	
	(Amount in INR)		(Amount in INR)	
C. Cash flow from financing activities				
Repayment of long-term borrowings	(92,056,937)		(135,632,392)	
Net increase/(decrease) in working capital borrowings	(179,633,702)		274,456,076	
Finance cost	(731,612,777)	(1,003,303,416)	(586,829,297)	(448,005,614)
Net cash flow from / (used in) financing activities (C)		(1,003,303,416)		(448,005,614)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(25,167,334)		15,265,562
Cash and cash equivalents at the beginning of the year		50,529,729		35,264,170
Cash and cash equivalents at the end of the year		25,362,395		50,529,729
* Comprises:				
(a) Cash on hand		12,502,320		11,612,893
(b) Cheques, drafts on hand		-		-
(c) Balances with banks:				
(i) In current accounts		10,127,685		478,857
(ii)		2,732,390		38,437,979
(d) Current investments considered as part of Cash and cash equivalents				
Total		25,362,395		50,529,729

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

AIN TERMS OF OUR REPORT ATTACHED

For **AGGARWAL & RAMPAL**
 CHARTERED ACCOUNTANTS
 FIRM'S REGN NO. 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
PRAVEEN KUMAR RAMPAL
 PARTNER
 M. NO. 82226

Sd/-
RITA MITTAL
 (CHAIRPERSON & MANAGING DIRECTOR)
 DIN NO. 03398410

Sd/-
ATUL MITTAL
 (JT. MANAGING DIRECTOR & CFO)
 DIN NO. 00223366

Place : New Delhi
 Date : 28.05.2016

Sd/-
KAMINI GUPTA
 (COMPANY SECRETARY & GM FINANCE)
 M. No. FCS 5882



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

(All amounts are in Indian Rupees unless otherwise stated)

Note 1: Significant Accounting Policies:

I BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Management evaluates all recently issued or revised accounting standards on going concern basis.

The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

II USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and Assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates includes estimate of carrying value of work in progress, provision for doubtful debts and useful life of fixed assets. Actual results could differ from estimates.

III FIXED ASSETS AND DEPRECIATION

- a) Expenditure of capital nature are capitalized at cost comprising of purchase price (net of rebates and discounts) and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- b) Depreciation is provided in accordance with the useful life specified in the Part C of Schedule II of the Companies Act 2013 on straight line method basis according to the number of days being put to use and number of shifts it is used. However based on internal assessment management believes that the useful lives of wooden crates (Dunnege) is 2 years Hence the useful lives of the wodoon crates t is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.
- c) Fixed Assets Acquired at New York Trading Office is capitalized at historical cost. Depreciation on these Fixed Assets is accounted for as charged in the branch Profit & Loss Account. The same is converted in INR based on the rate prevailing at the time of acquisition of relevant fixed assets.

IV REVENUE RECOGNITION

Export Sales: Export sales are recognised in the books of accounts of company at the date of bill of lading.

Domestic Sales: Domestic sales are recognised in the books of accounts at the time of dispatch from the factory gate/godown gate/warehouse gate. Sales are booked after deducting taxes from invoiced value of goods.

Other Income

Interest income : Income from Interest are recognised on time proportion basis.

V INVESTMENT

Investments are in the nature of long term investments and are valued at cost to the Company in accordance with AS – 13: 'Accounting for Investments'.

VI FOREIGN EXCHANGE TRANSACTIONS

In view of the Accounting Standard on "Accounting for the effects of Changes in Foreign Exchange Rates" (AS-11) issued by the Institute of Chartered Accountants of India, being mandatory with effect from the 1st April, 1995, foreign currency transactions are translated as under

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction as far as possible



- b) Monetary items denominated in foreign currency other than the foreign currency loans outstanding as at the year end are recorded at the closing rate and the difference is adjusted in profit & loss account.
- c) Exchange differences arising on foreign currency transactions are recognized as income or expenditure in the year in which they arise.
- d) Financial Statement of Overseas branch are translated and incorporated in the books of Head Office in accordance to with the AS – 11

VII INVENTORY VALUATION

- a) Stocks of Raw Material are valued at Cost or Net Realisable value whichever is low, based on First In First Out method. The cost includes the purchase price as well as direct incidental expenses. The quantity and valuation of stocks of Raw Material at the year end is taken as physically verified, valued, and certified by the management.
- b) Finished goods are valued at Cost or Net Realisable value whichever is low, method. The cost for the purpose of valuation is inclusive of all the expenses (incurred in the process of its production and the packing material cost) except selling expenses and any other cost incurred in bringing them to their respective present location and condition. The quantity and valuation of Stocks of Finished Goods at the year end is taken as physically verified, valued, and certified by the management.
- c) The Work In Progress is valued at estimated cost or Net Realisable Value whichever is low to the company. The Stores, Spares and Packing Material are valued at cost or net Realisable value whichever is low, based on First In First out method. The quantity and valuation of stocks at the year end is taken as physically verified, valued, and certified by the management.

VIII Employee benefits

The Company's obligation towards various employee benefits has been recognized as follows:

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, short term compensated balances and bonus etc. are recognized in the Profit and Loss Account in the period in which the employee renders the related service.

b) Defined contribution plan

In respect of the retirement benefit in the form of Provident fund, the Company's contribution paid/payable under the schemes is recognized as an expense in the period in which the employee renders the related service. The Company's contributions towards provident fund, which are being deposited with the Regional Provident Fund Commissioner, are charged to the Profit and Loss Account.

c) Defined benefit plan

The Company's gratuity scheme and leave encashment/ compensated absences is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities as at the balance sheet date.

IX PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961. As per Accounting standard "22," Deferred Tax is recognized on timing differences; differences between the taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such Deferred assets can be realized. The tax effect is calculated and accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date.



X PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In term of the requirement of the Accounting Standard 29 (AS-29) on “Provisions, Contingent Liabilities and Contingent Assets”:

- a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates’ can be made of the amount of obligation-an appropriate provision is created and disclosed
- b) Where as results of past events, there is a possible that may, but probably will not require an outflow of resources- no provision is recognised but appropriate disclosure made as contingent liability unless the possibility of outflow is remote.

XI SEGMENT REPORTING

To identify segments based on the dominate source and nature of risks and returns and the internal organization and management structure. To account for inter-segment revenue on the basis of transactions which are primarily market led. To include under “Unallocated Corporate Expenses” revenue and expenses which relate to the enterprise as a whole and are not attributable to segments.

XII IMPAIRMENT OF ASSETS

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset’s net sales price or present value as determined above. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is recorded only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss has been recognized.

XIII BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

XIV LEASES

Leases of Fixed assets where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the estimated present value of the underlying lease payments .Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in payables. The interest element of the finance charge is charged to the Profit and Loss Account over the lease period. Lease rentals in respect of assets taken/ given on “Operating Lease” are charged to the Profit and Loss Account on straight line basis over the lease term.

XV EARNING PER SAHRE

Basic earnings per share are computed by dividing the net profit or loss for the year available to equity shareholders by the weighted average number of equity share outstanding during the year. There are no outstanding Preference shares, warrants of options attached to the equity share of the company.

NOTE 2: CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
3	SHARE CAPITAL:		
	1) AUTHORIZED SHARES		
	EQUITY SHARES OF ₹ 2/- EACH (PREVIOUS YEAR Rs. 10/- EACH)	<u>16,000,000</u>	<u>160,000,000</u>
	2) ISSUED, SUBSCRIBED AND PAID UP SHARES		
	EQUITY SHARES OF ₹ 2/- EACH FULLY PAID UP (PREVIOUS YEAR Rs. 10/- EACH)	<u>14,900,000</u>	<u>149,000,000</u>
	3) FORFEITED SHARES		
	AMOUNT ORIGINALLY PAID -UP ON 1,00,000 ZERO COUPON WARRANT @ ₹ 1.80 PER WARRANT.	<u>180,000</u>	<u>180,000</u>
	TOTAL	<u>149,180,000</u>	<u>149,180,000</u>

(a) The reconciliation of number of shares outstanding is as follows:

PARTICULARS	AS AT 31 MARCH 2016		AS AT 31 MARCH 2015	
	NO OF SHARES	AMOUNT (₹)	NO OF SHARES	AMOUNT (₹)
At the beginning of the year	14,900,000	149,000,000	14,900,000	149,000,000
Add: Shares issued	-	-	-	-
At the closing of the year	74,500,000	149,000,000	14,900,000	149,000,000

(b) **Rights, Preferences & restrictions attached to Shares :**

The Company has only one class of equity shares having a par value of ₹ 2/- per share. The equity shareholders of the Company have voting rights and are subject to the preferential rights as prescribed under law, if any. The equity shares are also subject to restriction as prescribed under the Companies Act, 2013. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31st March 2016, no dividend is declared by Board of Directors. (Previous year - Nil)

(c) **Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates:**
Nil (Previous year -Nil)

4. RESERVE & SURPLUS:

(1) SURPLUS

AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,641,215,410	1,388,387,603
ADDITIONS DURING THE YEAR (BALANCE IN STATEMENT OF PROFIT & LOSS A/C)	<u>82,440,580</u>	<u>306,806,631</u>
LESS: ADJUST. EXCHANGE FLUCT. NY	14,498,044	-
LESS : CHANGE OF RATE FROM CURRENT YEAR	-	53,978,825
AT THE END OF THE ACCOUNTING PERIOD	<u>1,709,157,946</u>	<u>1,641,215,410</u>

(2) CAPITAL INVESTMENT SUBSIDY

AT THE BEGINNING OF THE ACCOUNTING PERIOD	2,748,750	4,295,227
ADDITIONS/(DEDUCTION) DURING THE YEAR	<u>289,000</u>	<u>1,546,477</u>
AT THE END OF THE ACCOUNTING PERIOD	<u>2,459,750</u>	<u>2,748,750</u>

(3) SECURITIES PREMIUM ACCOUNT

AT THE BEGINNING OF THE ACCOUNTING PERIOD	114,000,000	114,000,000
ADDITIONS/(DEDUCTION) DURING THE YEAR	-	-
AT THE END OF THE ACCOUNTING PERIOD	<u>114,000,000</u>	<u>114,000,000</u>
TOTAL (1+2+3)	<u>1,825,617,696</u>	<u>1,757,964,160</u>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
5	LONG TERM BORROWINGS		
	TERM LOANS FROM BANKS (SECURED) :		
	IDBI BANK LTD.	152,540,000	206,124,000
	STATE BANK OF INDIA	40,890,862	68,102,645
	STATE BANK OF TRAVANCORE	15,591,489	25,207,286
	VEHICLE LOANS	4,706,794	7,585,534
	TERM LOANS FROM FIANANCIAL INSTITUTIONS (SECURED) :		
	DAIMLER FINANCIAL SERVICES INDIA PVT. LTD.	-	1,266,617
	LOANS AND ADVANCES FROM RELATED PARTES (UNSECURED)	66,030,000	65,030,000
	LOANS AND ADVANCES FROM OTHERS	1,500,000	
	TOTAL	281,259,145	373,316,082

(A) NATURE OF SECURITY AND TERMS OF REPAYMENT OF BORROWINGS

Nature of Security	Terms of repayment
Term Loan from IDBI Bank Ltd. Is secured by first charge on Immovable and Movable assets, presrnt and future except book debts, subject to the charge created or to be created in favor of bankers for securing working capital requirement on stock of raw material , semi finished goods, finished goods, store and spares, consumables , book debts and other current assets held by the company both present and future in the ordinary course of the business and further gauranted by the Managing Director, Promoter Directors and an independent Director.	Repayable in equated quarterly installments of Rs. 5,568,000 each from the date of loan. The interst will be payable 10% above base rate at Monthly rests.
Term loan of Rs.700 Lacs (year end balance Rs. 140 lacs) from IDBI Bank Ltd. is secured by first charge on the fixed assets (solvent plant) of the company at Samalkha Unit and further guaranteed by irrevocable and unconditional personal guarantee of Rita Mittal (CMD) and Naveen Mittal (MD) & corporate guarantee of Samtex fashions Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.35 Lacs from 01.04.2013 to 01.01.2018. Interest will be payable at BBR plus 350 BPS monthly
Term loan of Rs.2375 Lacs(year end balance Rs.1385.40 lacs) from IDBI Bank Ltd. is secured by exclusive charge on fixed assets of the proposed Soya Extraction Plant at Mandideep(excluding land). Further guaranteed by personal guarantee of Rita Mittal(CMD) and Naveen Mittal(MD) and corporate guarantee by Samtex Fashions Ltd.	The principle amount is repayable in 24 equal quarterly instalments of Rs.98.96 lacs each beginning from 01.10.2014 to 01.07.2020
Term loan of Rs.750 Lacs (year end balance Rs. 136.05 lacs) from State Bank of India is secured by exclusive charge over assets created for the Co-generation Power Plant at Samalkha and second charge over current assets, both present & future, of the company. Extension of second charge over fixed assets of the company (excluding fixed assets at mandideep industrial area, M.P & assets created for co-generation power Plant at samalkha). Further guaranteed by personal guarantee of Rita Mittal (CMD) and Naveen Mittal (MD) and corporate guarantee of Samtex Fashions Limited, Empire Finvest Limited, Gartex Overseas Private Limited and SSR Apparel Private Limited.	The principle amount is repayable in 23 equal quarterly instalments of Rs.31 Lacs and last quarterly instalment of Rs.37 Lacs from 01.04.2013 to 31.03.2019. In-terest will be payable 4.00% above base rate at Monthly rests.



Term loan of Rs.780 Lacs(year end balance Rs.272.84 lacs) from State Bank of India is secured by exclusive charge over entire fixed assets created at Rice Mill-2 at Mandideep Plant. Further guaranteed by personal guarantee of Rita Mittal(CMD), Vinay Mittal and Naveen Mittal(MD) and corporate guarantee by Samtex Fashions Ltd.,Empire Finvest Pvt. Ltd.,Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.39 lacs each beginning from 31.12.2013 to 30.09.2018
Term loan of Rs.480 Lacs(year end balance Rs.155.91 lacs) from State Bank of Travancore is secured by exclusive charge on fixed assets of the proposed solvent extraction plant at Mandideep(excluding land). Further guaranteed by personal guarantee of Rita Mittal(CMD) and Naveen Mittal and corporate guarantee by Samtex Fashions Ltd.	The principle amount is repayable in 25 equal quarterly instalments of Rs.19.20 lacs each beginning from 01.04.2013 to 30.06.2019
HDFC Bank Ltd.Car Loan of Rs.3,30,000 (year end balance is Rs.1,95,059) is secured by hypothecation of Maruti Celerio Car and personal guarantee of directors.	Repayable in 36 equated monthly instalments of Rs.10,602 including interest(@ 9.70 % p.a)from the date of loan (30/10/2015)
HDFC Bank Ltd. Car Loan of Rs. 3,70,000 (year end balance is Rs. 2,18,703) is secured by hypothecation of Maruti Celerio Car and personal guarantee of directors.	Repayable in 36 equated monthly instalments of Rs.11,887 including interest(@ 9.70 % p.a)from the date of loan (30/10/2015)
Kotak Mahindra Prime Ltd. Audi Car Loan of Rs.40,80,000 (year end balance is Rs.32,03,791/-) is secured by hypothecation of Audi Car and personal guarantee of directors.	Repayable in 60 equated monthly instalments of Rs.84,008 including interest(@ 8.90 % p.a)from the date of loan (26/12/2015)
HDFC Bank Ltd. Car loan of Rs.2,62,500/- (year end balance Rs.41,837/-)is secured by hypothecation of Alto 800 Car and personal guarantee of directors	Repayable in 36 equated monthly instalments of Rs. 8,600/-including interest (@ 11.20 % p.a.) from the date of loan(20/08/2014).
HDFC Bank Ltd. Truck loan of Rs.24,00,000(year end balance Rs.5,38,774/-) is secured by hypothecation of two nos. Eicher Trucks and personal guarantee of directors	Repayable in 35 equated monthly instalments of Rs. 39,810 each including interest (@ 10.39 % p.a.) from the date of loan(30/10/2014)
HDFC Bank Ltd. Truck loan of Rs.38,40,000(year end balance Rs. Nil)is secured by hypothecation of two nos. TATA trucks and personal guarantee of directors	Repayable in 35 equated monthly instalments of Rs. 63,925 each including interest (@ 10.50% p.a.) from the date of loan(20/01/2014)
HDFC Bank Ltd. Mini Staff Bus loan of Rs.3,25,000/-(year end balance Rs. 43,383/-)is secured by hypothecation of Mahindra Maximo and personal guarantee of directors	Repayable in 35 equated monthly instalments of Rs. 11,130/-each including interest (@ % p.a.) from the date of loan(01/08/2014)
HDFC Bank Ltd. Car loan of Rs.20,70,000(year end balance Rs. Nil)is secured by hypothecation of Toyota Fortuner and personal guarantee of directors	Repayable in 36 equated monthly instalments of Rs. 66,300 including interest (@ 10.00% p.a.) from the date of loan(07/07/2013)
HDFC Bank Ltd. Tractor loan of Rs.16,02,000(year end balance Rs. 10,14,558) is secured by hypothecation of 3 Nos tractors and personal guarantee of directors	Repayable in 36 equated monthly instalments of Rs. 18,251/- including interest (@ 14 .00 % p.a.) from the date of loan(20/11/2014)
HDFC Bank Ltd. Truck loan of Rs.79,00,000(year end balance Rs.19,78,608) is secured by hypothecation of four nos. TATA trucks and personal guarantee of directors	Repayable in 36 equated monthly instalments of Rs. 64,325/ for each truck including interest (@ 10.73% p.a.) from the date of loan(14/12/2013)



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
6	DEFERRED TAX LIABILITIES (NET)		
	DEFERRED TAX LIABILITIES/(ASSETS)	110,209,718	111,967,969
		110,209,718	111,967,969
	ITEM WISE DETAIL OF THE DEFERRED TAX LIABILITY		
	RELATED TO FIXED ASSETS	116,624,421	116,877,444
	PROVISION FOR GRATUITY & LEAVE ENCASHMENT	(6,414,703)	(4,909,475)
	NET DEFERRED TAX LIABILITY	110,209,718	111,967,969
7	LONG TERM PROVISIONS		
	PROVISION FOR GRATUITY	18,000,409	17,055,014
	PROVISION FOR LEAVE ENCASHMENT	6,050,411	4,941,799
	TOTAL	24,050,820	21,996,813
8	SHORT TERM BORROWINGS		
	FROM BANKS(SECURED):		
	LOANS REPAYABLE ON DEMAND :		
	WAREHOUSED FINANCE	-	-
	BUYER CREDIT LOAN	279,648,403	61,258,036
	WORKING CAPITAL FINANCE:		
	EPC ACCOUNT	1,911,567,304	3,821,565,654
	OCC ACCOUNT	4,193,312,144	1,975,723,791
	PCFC ACCOUNT	-	705,174,624
	FBP ACCOUNT	14,482,248	14,921,696
	FROM BANKS (UNSECURED):		
	BANK OVERDRAFT WITH SBI	-	-
	TOTAL	6,399,010,099	6,578,643,801

Details of security and Guarantee for working capital finance:-

The working capital facilities are secured by 1st charge on current assets (both present and future) of the company to be shared on pari-passu basis with other banks in the consortium.

Second pari-passu charge over fixed assets of the company. E.M. of residential property bearing No. D-78 Pushpanjali, pitampura measuring 212.75 sq mtr in the name of Anil Mittal (CMD) and Naveen Mittal (WTD). E.M property consisting of freehold land 7018 Sq Yd, Khasra No 615/10 Samalkha belonging to Gartex Overseas (P) Ltd. E.M. property consisting of free hold land, 165/1 and 165/2/1 at samalkha belonging to SSR apparelers (P) Ltd. Negative lien on property at 12th floor, Big Jo's Estate, Plot A/08 NSP Pitampura in the name of Empire finvest (P) Ltd.

Further guaranteed by personal guarantee of Rita Mittal (CMD), Naveen Mittal (WTD) and Vinay Mittal (Promoter) and corporate guarantee of Samtex Fashions Limited, Empire Finvest Private Limited, Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.

The Working Capital Loan taken from State Bank of India is secured by first exclusive hypothecation charge on all existing and future current assets, second hypothecation charge on all movable fixed assets (other than specially charged with other lenders) and personal guarantee of directors -Mr. Rita Mittal, Mr. Vinay Mittal and Mr. Atul Mittal.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
9	TRADE PAYABLES		
		864,598,806	634,221,038
	TOTAL	864,598,806	634,221,038
10	OTHER CURRENT LIABILITIES		
	CURRENT MATURITIES OF LONG TERM DEBTS (SECURED):		
	TERM LOAN FROM BANKS :		
	IDBI BANLK LTD.	53,584,000	83,976,528
	STATE BANK OF INDIA	28,000,000	28,469,192
	STATE BANK OF TRAVANCORE	7,680,000	7,767,735
	VEHICLE LOANS	5,679,337	8,688,900
	CORPORATE LOANS FROM BANKS :		
	IDBI BANK LTD.	-	44,431,524
	TERM LOANS FROM FINANCIAL INSTITUTIONS:		
	DAIMLER FINANCIAL SERVICES INDIA PVT. LTD.	-	-
	SUB-TOTAL	94,943,337	173,333,879
	INTEREST ACCRUED BUT NOT DUE ON BORROWINGS	-	-
	INTEREST ACCRUED AND DUE ON BORROWINGS	-	74,023
	ADVANCES FROM CUSTOMERS	1,382,200	2,492,200
	OTHERS PAYABLE	10,780,285	62,321,912
	SECURITY RECEIVED	-	313,923
	EXPENSES PAYABLE	30,872,786	34,162,403
	STATUATORY REMITTANCES :		
	SERVICE TAX PAYABLE	68,054	203,655
	TDS PAYABLE	6,261,188	8,661,402
	ESI PAYABLE	108,644	300,529
	PROVIDENT FUND PAYABLE	2,296,364	1,246,822
	PROFESSIONAL TAX PAYABLE	11,632	18,385
	ENTRY TAX PAYABLE	78,656	-
	SALES TAX PAYABLE	201,546	201,546
	GOVT. WELFARE . PAYABLE	-	18,000
	TOTAL	147,004,692	283,348,679
11	SHORT TERM PROVISIONS		
	PROVISION FOR INCOME TAX	16,880,035	42,322,767
	PROVISION FOR WEALTH TAX	-	132,869
	PROVISION FOR EMPLOYEE BENEFITS:		
	PROVISION FOR BAD & DOUBTFUL DEBTS	390,000	390,000
	PROVISION FOR BONUS	5,909,907	5,359,305
	PROVISION FOR GRATUITY	1,041,465	685,868
	PROVISION FOR LEAVE ENCASHMENT	532,345	360,353
	PROVISION FOR EXPENSES PAYABLE	2,260,379	2,623,534
	TOTAL	27,014,131	51,874,696



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
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NOTE 12 : FIXED ASSETS

Part-A

SR NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2015 (Amount INR)	Additions During the Year (Amount INR)	Sales/ Adjustment During the Year (Amount INR)	As at 31.03.2016 (Amount INR)	As at 01.04.2015 (Amount INR)	For the year (Amount INR)	Deduction/ Adjust- ment	As at 31.03.2016 (Amount INR)	As at 31.03.2016 (Amount INR)	As at 31.03.2015 (Amount INR)
	Tangible Assets										
1	Land(Freehold)	9,877,795	-	-	9,877,795	-	-	-	-	9,877,795	9,877,795
2	Land (leasehold)	34,723,135	-	-	34,723,135	7,028,807	109,1035	0	8,119,842	26,603,293	27,694,328
3	Site Development	50,581,249	350,857	-	50,932,106	5,604,020	4,922,578	-	10,526,598	40,405,508	44,977,229
4	Roads & Building	455,372,088	-	-	455,372,088	111,703,743	14,659,047	-	126,362,790	329,009,298	343,668,342
5	Plant & Machinery	1,528,412,340	7,415,148	-	1,535,827,488	625,940,104	80,654,899	-	706,595,003	829,232,485	902,472,226
6	Furniture & Fixtures	31,615,645	-	-	31,615,645	25,607,327	588,147	-	26,195,474	5,420,171	6,008,318
7	Electrical Installations	20,202,080	28,400	-	20,230,480	10,836,453	780,468	-	11,616,921	8,613,559	9,365,627
8	Office Equipment	25,752,198	479,850	124,650	26,107,398	20,978,703	2,494,894	104,207	23,369,390	2,738,008	4,816,153
9	Vehicles	108,375,457	7,530,430	9,464,007	106,441,880	42,181,506	13,231,852	7,565,154	47,848,204	58,593,676	66,151,302
	Housing Project	12,122,718	-	-	12,122,718	-	-	-	-	12,122,718	12,122,718
	Intangible Assets										
	Patents & Trademarks	1,105,559	73,675	-	1,179,234	670,580	131,255	-	801,835	377,399	434,979
	TOTAL	2,278,140,264	15,878,360	9,588,657	2,284,429,967	850,551,243	118,554,175	7,669,361	961,436,057	1,322,993,912	1,427,589,020
	Previous Year	2,246,701,114	73,556,729	42,117,578	2,278,140,265	697,205,590	127,108,633	26,237,027	850,551,250	1,427,589,020	-

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
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13. NON CURRENT INVESTMENTS

INVESTMENT IN EQUITY INSTRUMENTS

YOGENDRA WORSTED LIMITED

6,000,000

6,000,000

6,00,000 EQUITY SHARES RS. 10 EACH FULLY PAID UP

(PREVIOUS YEAR 6,00,000 EQUITY SHARES RS. 10 EACH)

-

EXPRESS WAREHOUSING LTD.

30,000,000

30,000,000

30,00,000 EQUITY SHARES RS. 10 EACH FULLY PAID UP

-

(PREVIOUS YEAR NIL)

TOTAL

36,000,000

36,000,000

14. LONG TERM LOANS AND ADVANCES

UNSECURED, CONSIDER GOOD

SECURITY DEPOSITS

60,986,967

59,048,715

TOTAL

60,986,967

59,048,715



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	AS AT 31.03.2016 (Amount INR)	AS AT 31.03.2015 (Amount INR)
15.	INVENTORIES		
	RAW MAETRIAL	1,785,965,267	2,974,021,964
	FINISHED GOODS	5,330,116,149	3,633,311,882
	TRADED GOODS	-	9,016,090
	WORK IN PROGRESS	37,235,890	145,427,208
	SCRAP MATERIAL	365,780	1,887,574
	STORES, SPARES & PACKING MATERIAL		
	STORES & SPARES	7,710,510	9,098,369
	PACKING MATERIAL	223,677,090	198,401,090
	DIESEL	718,681	594,821
	HEXANE	7,492,857	10,572,432
	OTHER STORES	2,057,630	2,658,982
	TOTAL	7,395,339,854	6,984,990,412
16.	TRADE RECEIVABLES		
	UNSECURED, CONSIDER GOOD:-		
	(1) REC. OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DATE THEY WERE DUE	94,285,849	34,907,449
	(2) OTHER TRADE RECEIVABLES	569,864,798	1,120,963,794
	TOTAL	664,150,646	1,155,871,243
17.	CASH & BANK BALANCES		
	CASH & CASH EQUIVALENTS (AS PER AS-3)		
	CASH IN HAND	12,502,320	11,612,893
	CURRENT ACCOUNTS WITH BANKS	10,127,685	478,857
	DEMAND DEPOSIT MATURED LESS THAN 3 MONTH	2,732,390	38,437,979
	OTHER BANK BALANCES		
	DEMAND DEPOSITS	158,573,817	65,881,914
	TOTAL	183,936,213	116,411,643
18.	SHORT TERM LOANS AND ADVANCES		
	UNSECURED, CONSIDERED GOOD:		
	LOANS AND ADVANCES TO EMPLOYEES	449,930	1,446,008
	PREPAID EXPENSES	9,521,821	5,686,509
	ADVANCE FOR FIXED ASSESTS	7,469,034	7,469,034
	LOANS AND ADVANCES TO RELATED PARTIES	-	-
	BALANCES WITH GOVT AUTHORITIES:		
	SERVICE TAX RECEIVABLE	5,899,959	5,932,877
	EXCISE DUTY RECEIVABLE	-	8,139
	GOVT. GRANT	-	2,500,000
	VAT CREDIT RECEIVABLE	21,315,148	44,137,967
	CUSTOM DUTY RECEIVABLE	4,365,397	6,373,073
	TDS RECEIVABLE	584,271	1,497,045
	DEPOSITS AGAINST DISPUTE WITH GOVT AUTHORITIES	36,444,772	32,772,134
	TRADE ADVANCE TO SUPPLIERS	22,777,259	47,609,336
	TRADE ADVANCE TO SAMBUILDCON	-	-
	TRADE ADVANCE TO OTHERS	43,453,738	12,535,104
	TOTAL	152,281,329	167,967,226



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended 31.03.2016 (Amount INR)	For the Year Ended 31.03.2015 (Amount INR)
19.	<u>OTHER CURRENT ASSETS</u>		
	ACCRUALS:		
	INTEREST ACCRUED ON FD	1,116,664	1,119,252
	OTHER RECEIVABLES	2,489,244	2,489,244
	TOTAL	<u>3,605,908</u>	<u>3,608,496</u>
20.	<u>REVENUE FROM OPERATIONS</u>		
	<u>SALE OF MANUFACTURED GOODS</u>		
	EXPORT SALE	5,883,967,108	8,468,738,982
	DOMESTIC SALES	10,113,117,622	8,995,574,966
	SALE OF TRADED GOODS		
	EXPORT SALE	100,148,426	30,102,477
	DOMESTIC SALES	1,120,593,925	1,199,280,765
	SALE OF SERVICES	-	-
	OTHERS SALE	12,838,832	10,734,460
		<u>17,230,665,913</u>	<u>18,704,431,650</u>
	LESS: EXCISE DUTY	-	-
	NET REVENUE FROM OPERATIONS	<u>17,230,665,913</u>	<u>18,704,431,650</u>
21.	<u>OTHER INCOME</u>		
	CAPITAL INVESTMENT SUBSIDY WRITTEN BACK	289,000	1,546,477
	PROFIT ON SALE OF LAND	1,193,810	11,105,200
	AMOUNT WRITTEN BACK	-	4,177,160
	DUTY DRAWBACK RECEIVED	-	-
	EXCHANGE FLUCTUATION	2,477,098	5,712,441
	MISC INCOME	5,006,583	5,408,891
	INTEREST INCOME	9,725,846	11,320,910
	TOTAL	<u>18,692,337</u>	<u>39,271,079</u>
	INTEREST INCOME COMPRISES:		
	INTEREST FROM BANKS ON DEPOSITS	5,254,084	6,015,408
	INTEREST ON LOAN & ADVANCES	4,471,762	5,305,502
	TOTAL	<u>9,725,846</u>	<u>11,320,910</u>
22.	<u>COST OF MATERIALS CONSUMED</u>		
	<u>RAW MATERIALS</u>		
	OPENING BALANCE OF STOCK	2,974,021,964	3,469,309,935
	ADD: RAW MATERIAL PURCHASED	13,692,427,730	14,727,881,827
	LESS: CLOSING STOCK	1,785,965,267	2,974,021,964
	CONSUMPTION OF RAW MATERIAL	14,880,484,427	15,223,169,798
	<u>PACKING MATERIAL</u>		
	OPENING STOCK	198,401,090	132,325,090
	ADD: PACKING MATERIAL PURCHASED	291,152,228	325,663,057
	LESS: CLOSING STOCK	223,677,090	198,401,090
	PACKING MATERIAL CONSUMED	265,876,228	259,587,057
	COST OF MATERIALS CONSUMED	<u>15,146,360,655</u>	<u>15,482,756,855</u>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended 31.03.2016 (Amount INR)	For the Year Ended 31.03.2015 (Amount INR)
	MATERIAL CONSUMED COMPRISES		
	PADDY & RICE	11,373,118,765	10,833,999,759
	RICE BRAN	1,524,019,123	1,195,676,752
	HUSK	25,179,489	46,308,279
	OILS (RB OIL, CPO, RBD, SOYA)	1,815,146,624	2,838,912,039
	PACKING MATERIAL	265,876,228	259,587,056
	FABRIC	115,978,159	213,993,655
	LINING	12,436,449	70,560,472
	OTHER	14,605,817	23,718,842
	TOTAL	15,146,360,654	15,482,756,854
23.	PURCHASE OF TRADED GOODS		
	CHICK PEAS	110,439,586	64,117,828
	PADDY	-	165,109,891
	SOYA SEEDS	-	330,567,411
	ALOMONDS	79,883,312	359,463,465
	CPO	732,452,307	116,444,350
	GRAMS	83,224,800	-
	OTHERS	423,198,086	494,111,498
	TOTAL	1,429,198,091	1,529,814,443
24.	CHANGES IN INVENTORIES		
	FINISHED GOODS		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	3,612,911,883	2,683,770,411
	AT THE END OF THE ACCOUNTING PERIOD	5,324,619,907	3,612,911,882
		<u>(1,711,708,024)</u>	<u>(929,141,472)</u>
	WORK-IN-PROGRESS		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	145,427,208	166,322,203
	AT THE END OF THE ACCOUNTING PERIOD	37,235,890	145,427,208
		<u>108,191,318</u>	<u>20,894,995</u>
	STOCK-IN-TRADE		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	9,016,090	91,357,124
	AT THE END OF THE ACCOUNTING PERIOD	-	9,016,090
		<u>9,016,090</u>	<u>82,341,034</u>
	FINISHED GOODS-IN TRANSIT(TO)		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	20,400,000	30,400,139
	AT THE END OF THE ACCOUNTING PERIOD	5,496,242	20,400,000
		<u>14,903,758</u>	<u>10,000,139</u>
	SCRAP MATERIAL		
	AT THE BEGINNING OF THE ACCOUNTING PERIOD	1,887,574	1,572,356
	AT THE END OF THE ACCOUNTING PERIOD	365,780	1,887,574
		<u>1,521,794</u>	<u>(315,218)</u>
	TOTAL	(1,578,075,064)	(816,220,522)



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended 31.03.2016 (Amount INR)	For the Year Ended 31.03.2015 (Amount INR)
25.	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	SALARY AND WAGES:		
	WAGES & OTHER BENEFITS	65,533,230	60,890,786
	OFFICE STAFF SALARY	101,684,209	102,389,792
	SECURITY CHARGES	8,805,304	10,411,597
	BONUS	5,948,587	5,228,859
	DIRECTOR'S REMUNERATIONS	21,812,484	16,698,321
	LEAVE ENCASHMENT	2,088,068	1,614,934
	RECUITMENT EXPNESES	178,987	217,435
	GRATUITY EXPENSES	4,744,147	3,947,453
	WORKERS AND STAFF WELFARE	4,803,963	4,468,596
	CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		
	CONTRIBUTION TO PROVIDENT FUND	7,551,899	6,505,907
	CONTRIBUTION TO EMPLOEES STATE INS.FUND	2,877,418	3,080,771
	TOTAL	226,028,296	215,454,451
26.	<u>FINANCE COSTS</u>		
	INTEREST ON WORKING CAPITAL LIMITS	653,934,229	605,455,949
	INTEREST ON TERM LOANS	44,388,563	58,790,859
	INTEREST ON CORPORATE LOAN	2,312,547	8,508,175
	INTEREST ON VEHICLE LOAN	1,361,158	2,475,618
	INTEREST (OTHERS)	8,422,913	7,448,432
	BANK CHARGES	34,136,959	40,089,239
	FORWARD CONTRACT CHARGES	-	15,339
	EXCHANGE FLUCTUATIONS	(12,943,592)	(135,954,314)
	TOTAL	731,612,777	586,829,297
27.	<u>DEPRECIATION AND AMORTZATION EXPNSE:</u>		
	DEPRECIATION ON TANGIBLE ASSETS	118,554,175	117,898,487
	TOTAL	118,554,175	117,898,487
28.	<u>OTHER EXPENSES</u>		
	MANUFACTURING EXPENSES		
	CONSUMPTION OF STORES AND SPARE PARTS :		
	OPENING BALANCE OF STOCK	22,329,783	21,330,355
	ADD: STORE & CONSUMABLE PURCHASED	56,639,198	84,426,373
	LESS: CLOSING STOCK	17,260,997	22,329,783
	STORE & CONSUMABLE CONSUMED	61,707,984	83,426,945
	POWER & FUEL :		
	D.G.SET RUNNING EXPENSES	8,899,765	18,041,253
	ELECTRICITY CHARGES	125,436,711	117,466,357
	MATERIAL HANDLING CHARGES	76,376,991	84,441,457
	FREIGHT & CARTAGE	1,733,281	2,114,428
	FUMIGATION CHARGES	4,273,958	4,838,006
	BARDNA REPAIR CHARGES	5,735,872	5,291,379
	REPAIR & MAINTENANCE(BUILDING)	3,863,349	3,049,468
	REPAIR & MAINTENANCE(P&M)	25,726,326	28,211,083
	REPAIR & MAINTENANCE(ELECTRICALS)	176,884	516,049



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE	PARTICULARS	For the Year Ended 31.03.2016 (Amount INR)	For the Year Ended 31.03.2015 (Amount INR)
	TRACTOR/TRUCK RUNNING EXPENSES	11,956,439	22,067,071
	LABORATORY EXPENSES	299,811	362,781
	PROCESS AAND FINISHING EXPENSES	1,639,198	12,977,499
	IMPORT CLEARING EXPENSES	634,298	2,373,584
	CUSTOM/EXCISE DUTY	47,582	113,909
	GENERAL & ADMINISTRATIVE EXPENSES		
	TRAVELLING AND CONVEYANCE	2,972,276	3,851,953
	INSURANCE EXPENSES	20,378,664	25,153,309
	ANNUAL MAINTENANCE EXPENSES	1,431,681	1,341,823
	BOOKS & PERIODICALS	46,412	53,346
	TELEPHONE, FAX & COMMUNICATION EXPENSES	2,231,785	2,429,615
	DONATION & CHARITY	616,987	10,766,971
	CSR EXPENSES	1,740,460	1,000,000
	FEES, RATES & TAXES	7,934,185	4,901,138
	RENT/LEASE RENT	95,508,025	82,561,634
	GENERAL EXPENSES	20,732,373	8,440,947
	POSTAGE & COURIER CHARGES	4,574,736	3,722,374
	PRINTING & STATIONERY	2,247,033	2,849,494
	VEHICLE MAINTENANCE	4,432,299	5,120,448
	PAYMENT TO AUDITORS	397,700	410,496
	LEGAL & PROFESSIONAL CHARGES	9,200,741	4,560,343
	MEMBERSHIP & SUBSCRIPTION EXPENSES	326,009	172,221
	REPAIR & MAINTENANCE(GENERAL)	1,500,472	1,486,277
	COMPLIANCE AUDIT FEES	60,000	129,192
	DIRECTOR SITTING FEES	75,500	34,000
	MAINTENANCE CHARGES GUEST HOUSE	104,548	519,948
	ELECTRICITY EXPENSES	785,804	751,927
	CONVEYANCE EXPENSES	2,145,267	2,533,062
	BAD DEBTS	-	390,000
	ITC DISALLOWED(SALES TAX)	18,738,058	-
	WEALTH TAX	-	132,869
	SELLING & DISTRIBUTION EXPENSES		
	REBATE & DISCOUNT	18,109,749	24,113,535
	TRAVELLING EXPENSES	3,375,075	6,971,259
	BROKERAGE & COMMISSION	15,054,638	9,291,638
	FREIGHT OUTWARD	52,194,534	74,198,325
	EXPORT CLEARING EXPENSES	944,336	3,037,940
	SAMPLING AND SUPPLIES CHARGES	3,717,970	3,520,647
	EXPORT SHIPMENT DAMAGE CHARGES	24,009	4,378
	EXPORT EXPENSES	250,270,039	275,476,914
	OCEAN FREIGHT	106,043,567	215,671,812
	INSURANCE CHARGES(TRANSIT)	2,813,823	3,366,331
	ADVERTISEMENT EXPENSES	502,036	1,084,945
	SALES/BUSINESS PROMOTION EXPENSES	11,397,955	11,615,824
	ECGC PREMIUM	18,052,550	21,489,113
	APEDA BASMATI DEVELOPMENT FUND	2,940,714	2,492,807
	TOTAL	<u>1,012,130,457</u>	<u>1,200,940,124</u>



NOTE 29 : OTHER NOTES

I. CONTINGENT LIABILITIES AND COMMITMENTS

(No provision has been made in the books of accounts by the company for a sum of Rs.5902380/-Rs.1205225/- Rs.4080705/- & Rs. 1353174/- for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y.2003-04, A.Y.2007-08, A.Y. 2012-13 respectively, against which a sum of Rs 5859356/- Rs.1205225/- & Rs.40,00,000/- has already been paid for A.Y 2000-01, A.Y.2003-04 & A.Y.2007-08 under protest.All the above liabilities have been disputed by the company before the Appellant Authority/Delhi High Court.

The company has guaranteed a sum of Rs. 80,746 Lacs (Previous Year Rs. 77,384 Lacs) against secured Loans taken by SSA International Ltd from financial institutions, these are wholly owned subsidiaries of the Company.

- II. As per Accounting standard 15, 'Employee Benefits,' the disclosures of Employee benefits as defined in the Accounting standard are as given below:

Gratuity

Particulars	Current year	Previous year
ASSUMPTION		
Discount rate	8.00%	8.00%
Future Salary Increase	5.00%	5.00%
TABLE SHOWING CHANGE IN BENEFIT OBLIGATION		
Present value of obligation as at the beginning of the period	17,740,882	14,746,680
Interest cost	1,419,270	1,248,177
Past service cost	-	-
Current service cost	2,281,478	2,013,827
Benefits paid	(3,443,155)	(953,251)
Actuarial (gain)/loss on obligation	1,043,399	685,449
Present value of obligation as at the end of period	19,041,874	17,740,882
TABLE OF FAIR VALUE OF PLAN ASSETS		
Fair value of plan assets at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the period	-	-
Total actuarial gain/ (loss) to be recognized	-	-
RETURN ON PLAN ACTUAL ASSET		
Expected Return on Plan Assets	-	-
Actuarial (gain)/loss on Plan Assets	-	-
Actuarial Return on Plan Assets	-	-
AMOUNT RECOGNIZED IN THE BALANCE SHEET		
Liability at the end of the year	19,041,874	17,740,882
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	19,041,874	17,740,882
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net asset/(liability)recognized in balance sheet	19,041,874	17,740,882
EXPENSES RECOGNIZED IN THE INCOME STATEMENT		
Current service cost	2,281,478	2,013,827
Interest cost	1,419,270	1,248,177
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	1,043,399	685,449
Expenses recognized in the statement of profit & losses	4,744,147	3,947,453
MOVEMENT IN THE LIABILITY		



Recognized in the Balance sheet		
Opening net liability	17,740,882	14,746,680
Expenses as above	4,744,147	3,947,453
Benefits paid	(3,443,155)	(953,251)
Closing net Liability	19,041,874	17,740,882
LEAVE ENCASHMENT		
DISCOUNT RATE	8.00%	8.00%
Future Salary Increase	5.50%	5.00%
TABLE SHOWING CHANGE IN BENEFIT OBLIGATION		
Present value of obligation as at the beginning of the period	5,302,152	4,113,649
Interest cost	424,172	348,219
Past service cost		
Current service cost	1,212,383	1,019,182
Benefits paid	(807,464)	(435,997)
Actuarial (gain)/loss on obligation	451,513	257,099
Present value of obligation as at the end of period	6,582,756	5,302,152
TABLE OF FAIR VALUE OF PLAN ASSETS		
Fair value of plan assets at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the period	-	-
Total actuarial gain/ (loss) to be recognized	-	-
RETURN ON PLAN ACTUAL ASSET		
Expected Return on Plan Assets	-	-
Actuarial (gain)/loss on Plan Assets	-	-
Actuarial Return on Plan Assets	-	-
AMOUNT RECOGNIZED IN THE BALANCE SHEET		
Liability at the end of the year	6,582,756	5,302,152
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	6,582,756	5,302,152
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net asset/(liability) recognized in balance sheet	6,582,756	5,302,152
EXPENSES RECOGNIZED IN THE INCOME STATEMENT		
Current service cost	1,212,383	1,019,182
Interest cost	424,172	348,219
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	451,513	257,099
Expenses recognized in the statement of profit & losses	2,088,068	1,624,500
MOVEMENT IN THE LIABILITY		
Recognized in the Balance sheet		
Opening net liability	5,302,152	4,113,649
Expenses as above	2,088,068	1,624,500
Benefits paid	(807,464)	(435,997)
Closing net Liability	6,582,756	5,302,152



III. RELATED PARTY DISCLOSURES

Related Parties with Whom Transactions have been Taken Place and Relationships.

S. No.	Name of Party	Relationship
1	Gartax Overseas Pvt Ltd.	Key Personnel are related to the Management of the related party
2	S.S.R Apparels Private Limited	Key Personnel are related to the Management of the related party
3	Express Warehousing Limited	Key Personnel are related to the Management of the related party
4	Sh. Atul Mittal	Director

Transactions/ balances outstanding with related parties.

S.No.	Nature of Transaction	Current year	Previous year
1	Transaction with Gartax Overseas Pvt. Ltd.		
	Lease Rent		
	Balance as at 1st April,2015	60,000	45,000
	Paid during the year	-	-
	Payable for the year	15,000	15,000
	Balance as at 31st March,2016	75,000	60,000
2	Transaction with SSR Apparels Pvt. Ltd.		
	Lease Rent		
	Balance as at 1st April,2015	15,000	15,000
	Paid during the year	15,000	15,000
	Payable for the year	15,000	15,000
	Balance as at 31st March,2016	15,000	15,000
3	Transaction Express Warehousing Ltd.		
	Rent Expenses		
	Balance as at 1st April,2015	486,194	-321,868
	Paid during the year	64,579,993	49,939,546
	Payable for the year	70,974,051	50,747,608
	Balance as at 31st March,2016	6,880,252	486,194
	Security Deposit		
	Balance as at 1st April,2015	32,500,000	10,000,000
	Net security Paid during the year	-	22,500,000
	Balance as at 31st March,2016	32,500,000	32,500,000
	Share Application Money		
	Balance as at 1st April, 2015	-	-
	Share Application Money	-	30,000,000
	Payment Received during the year	-	-
	Equity allotted During the Year	-	30,000,000
	Balance as at 31st March, 2016	-	-
	Investment		
	Balance as at 1st April, 2015	30,000,000	-
	Investment made during the year	-	30,000,000
	Balance as at 31st March, 2016	30,000,000	30,000,000
4	Sh. Atul Mittal		
	Unsecured Loan		
	Balance as at 1st April, 2015	-	-
	Taken During the Year	1,000,000	-
	Repaid During the Year	-	-
	Balance as at 31st March, 2016	1,000,000	-



IX. SEGMENT INFORMATION

The company has identified a geographical reportable segment viz M/S Samtex Fashions Ltd. & business segment for rice & oil. Segments have been identified and reported taking into account the Differing risk and returns and the Financial business reporting systems. The accounting Policies adopted for segment reporting are in line with the Accounting Policy of the Company.

"Segment Assets and Segment Liabilities represent Assets and Liabilities in Respective Segments"

GEOGRAPHICAL SEGMENT:

(1) PRIMARY SEGMENT INFORMATION :-

(RS. IN LACS)

PARTICULARS	2015-16	2014-15
(I) TOTAL SALES AT EACH SEGMENT.		
USA	5,759.75	5,459.23
INDIA	2,724.98	5,019.91
GROSS SALES	8,484.73	10,479.14
LESS :- INTER SEGMENT REVENUE	2,095.93	2,448.69
NET SALES / INCOME FROM OPERATION	6,388.80	8,030.45
2). SEGMENT RESULTS (PROFIT+/-LOSS – BEFORE TAX INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)		
USA	62.75	144.96
INDIA	251.55	322.83
TOTAL	314.29	467.79
INTEREST	205.90	279.19
TOTAL PROFIT BEFORE TAX	108.39	188.60

As per Accounting Standard on segment reporting AS – 17, issued by the Institute of Chartered Accountants of India, the Company has reported segment information.

(II) SECONDARY SEGMENT INFORMATION

PARTICULARS	IN USD	IN INR	PERIOD
SEGMENT ASSETS			
USA	15.13	1,001.52	Current Year
	(21.54)	1,341.78	Previous
SEGMENT LIABILITIES			
USA	5.25	313.35	Current Year
	(11.89)	844.34	Previous
CAPITAL EMPLOYED			
USA	9.88	688.18	Current Year
	(9.65)	497.44	Previous

BUSINESS SEGMENT

(1) PRIMARY SEGMENT INFORMATION :-

(RS. IN LACS)

PARTICULARS	2015-16	2014-15
(I) TOTAL SALES AT EACH SEGMENT.		
RICE	118,131.36	127,306.65
OIL	46,948.79	49,148.93
GROSS SALES	165,080.15	176,455.58
LESS: INTERSEGMENT REVENUE	2,044.53	1,916.21
NET SALES/INCOME FROM OPERATION	163,035.62	174,539.37



2. SEGMENT RESULTS (PROFIT+/LOSS – BEFORE TAX

INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)

RICE	7,203.42	8,941.92
OIL	1,020.77	234.59
TOTAL	8,224.19	9,176.51
INTEREST	6,815.10	6,478.49
EXCHANGE (GAIN/LOSS)	(108.66)	(1,352.42)
TOTAL	6,706.44	5,126.07
TOTAL PROFIT BEFORE TAX	1,517.75	4,050.44

As per Accounting Standard on segment reporting AS – 17, issued by the Institute of Chartered Accountants of India, the Company has reported segment information.

SECONDARY SEGMENT INFORMATION :-

(RS. IN LACS)

PARTICULARS	2015-16	2014-15
SEGMENT ASSETS		
Oil	10,963.42	13,508.32
SEGMENT LIABILITIES		
Oil	5,591.59	3,957.29
CAPITAL EMPLOYED		
Oil	5,371.83	9,551.03

X EARNINGS PER SHARE

The Company has revised the future discounted cash flows based on value in use of fixed assets and is hopefully sure that Basic earning per share is computed by dividing the net profit or loss for the year available to equity shareholders by the weighted average number of equity share outstanding during the year. There are no outstanding Preference shares, warrants or options attached to the equity Share of the Company. The basic and diluted Earning per Share is as under:

Particulars	Current year	Previous year
Net profit attributable to Equity Shareholders	82,440,580	306806633
Equity shares at the beginning of the year	14900000	14900000
Equity Shares issued during the year	-	-
Equity shares at the end of year	74500000	14900000
Equity shares pending for allotment	-	-
Nominal value of equity share	2	10
Weighted Average Number of shares for Basic EPS	74500000	14900000
Weighted Average Number of shares for Diluted EPS	74500000	14900000
Basic EPS	1.11	20.59
Diluted EPS	1.11	20.59

XI The Assets of the Company have not been impaired during the year as certified by the management of the Company. The management has conducted the test of Impairment of Assets using the Value-in-use method in accordance with the Mandatory Accounting Standard – 28(AS 28) on Impairment of Assets issued by the Institute of Chartered Accountants of India. For calculation of Value-in-use, discount rate of 8% per annum is used being the average market rate of interest in the opinion of the Management.

XII The Amount of sale and purchase includes Inter Branch transaction of Rs. 20,95,93,144 during the year and in previous year of Rs. 24,48,69,795.(Refer Note No. 28 (D)).

XIII Investment of Rs. 60 lakhs invested in M/S Yogendra Worsted Limited are valued at cost since the said company is unlisted company accordingly management is unable to ascertain the market value of the investment.



XIV Arlin Foods Limited subsidiary of Company has changed its main object in EGM held on April 14, 2015 to explore the business opportunities in the food industries accordingly operation of the Company has been suspended.

XV During the year the company subdivided 1(one) Equity share of having face value of Rs. 10/- (Rupees Ten Only) each to 5(five) Equity shares of the face value of Rs. 2/- (Rupees Two only) each and the authorised share capital of the Company of Rs. 16,00,00,000/- (sixteen crores) divided in to 1,60,00,000(one crore sixty lacs) Equity shares of Rs. 10/- were subdivided in to and comprise of 8,00,00,000(Eighty crores) of Rs. 2/- (Rupees Two) each aggregating to the total authorised capital to Rs. 16,00,00,000 (sixteen crores)

XVI Balances of Debtors & Creditors are subject to confirmation and reconciliation consequential effect (if any) on the account remained unascertained.

XVII Previous year figures have been re-grouped and reclassified wherever necessary to make them comparable to those of the current year and have been rounded off to the nearest rupees.

Note 1 to 29 from an integral part of the Balance Sheet as at 31st March, 2016 and have been authenticated as such.

For **AGGARWAL & RAMPAL**
CHARTERED ACCOUNTANTS
FIRM'S REGN NO. 003072N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
PRAVEEN KUMAR RAMPAL
PARTNER
M. NO. 82226

Sd/-
RITA MITTAL
(CHAIRPERSON & MANAGING DIRECTOR)
DIN NO. 03398410

Sd/-
ATUL MITTAL
(JT. MANAGING DIRECTOR & CFO)
DIN NO. 00223366

Place : New Delhi
Date : 28.05.2016

Sd/-
KAMINI GUPTA
(COMPANY SECRETARY & GM FINANCE)
M. No. FCS 5882





SAMTEX FASHIONS LIMITED

Regd. Office : Plot No. 134-135, Noida Special Economic Zone
Phase - II, Distt. Gautam Budha Nagar, Noida - 201 305 (U.P.)
CIN- L17112UP1993PLC022479, EMAIL-samtex.compliance@gmail.com

FORM NO. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the company : **SAMTEX FASHIONS LIMITED**
Registered Office : **Plot No. 134-135, Noida Special Economic Zone
Phase - II, Distt. Gautam Budha Nagar,
Noida - 201 305 (U.P.)**

Name of Shareholder(s) :
Registered Address :
Email ID. :
Folio No./DP ID/Client ID :

I/We, being the member(s) of..... Shares of the above named company, hereby appoint:

- Name:Address:
Email Id:Signature:or falling him/her
- Name:Address:
Email Id:Signature:or falling him/her
- Name:Address:
Email Id:Signature:or falling him/her

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 Friday, 30th September, 2016 at 9.30 A.M. at the Registered Office & Works of the Company at Plot No. 134-135, Noida Special Economic Zone, Phase – II, Noida – 201 305, Distt. Gautam Budha Nagar, (U.P.) and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr. No.	Description of the Resolution	For	Against
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016 and the Profit & Loss Account for the financial year ended on that date, together with the Directors' Report and Auditors' Report thereon and also the consolidated audited Balance Sheet as at 31st March, 2016 and consolidated statement of Profit and Loss for the year ended 31st March, 2016.		
2.	To appoint a Director in place of Mr. Atul Mittal (DIN 00223366), who retires by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment.		
3.	Ratification of appointment of Statutory Auditor		
4.	Alteration in object clause of the Memorandum of Association		
5.	Appointment of Mr. Atul Mittal as Managing Director of the Company		

Signed this.....day of.....2016

Signature of Shareholder..... Signature of Proxy Holder(s).....

**AFFIX
REVENUE
STAMP**

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



SAMTEX FASHIONS LIMITED

Regd. Office : Plot No. 134-135, Noida Special Economic Zone
Phase - II, Distt. Gautam Budha Nagar, Noida - 201 305 (U.P.)
CIN- L17112UP1993PLC022479, EMAIL-samtex.compliance@gmail.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Folio No./DP ID No.....

No. of equity shares held.....

Name of the Member.....

(in block letters)

Name of the Proxy.....

(if any)

I hereby record my presence at the **23rd Annual General Meeting** of the Company held on **Friday, 30th day of September, 2016.**

.....

Signature of the Member/Proxy

Admission slips without this information will not be accepted.

No Gift/Gifts coupons will be provided to the members.

Book Post/Registered/Courier

If undelivered, please return to :



SAMTEX FASHIONS LIMITED

Corporate Office: Unit No. 307, Square One Mall,
C-2 District Center, Saket, New Delhi -110017