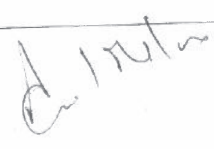
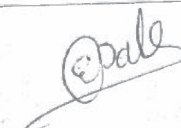
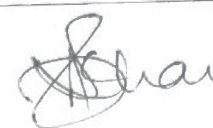
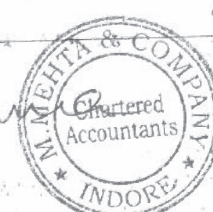



FORM A

(Pursuant to Clause 31(a) of Equity Listing Agreement)

Covering letter of the annual audit report filed with the stock exchanges

1.	Name of the Company:	Sam Industries Limited
2.	Annual financial statements for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Nil
5.	Signed by-	
<input type="checkbox"/>	CEO/Managing Director	
<input type="checkbox"/>	CFO	
<input type="checkbox"/>	Auditor of the company	 
<input type="checkbox"/>	Audit Committee Chairman	



SAM INDUSTRIES LIMITED

20th ANNUAL REPORT

• 2013-2014 •

BOARD OF DIRECTORS

Mr. Ashutosh A. Maheshwari, Chairman
Mrs. Gitanjali A. Maheshwari, Director
Mr. Anil Maloo, Executive Director
Mr. Santosh Muchhal, Independent Director
Mr. Ritesh Kumar Neema, Independent Director
Mr. Yogendra Vyas, Independent Director

COMPANY SECRETARY

Mr. Navin S. Patwa

AUDITORS

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

BANKERS

Indian Overseas Bank
IDBI Bank

REGISTRAR & TRANSFER AGENT

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

Registered Office

401, Dalamal Chambers, 4th Floor, 29, New Marine Lines, Mumbai – 400020

Website: www.sam-industries.com

Email: secretarial@sam-industries.com

SAM INDUSTRIES LIMITED

Notice

Notice is hereby given that the 20th Annual General Meeting of the Members of Sam Industries Limited, will be held at 11:00 A. M. on Monday, the 29th day of September 2014 at the Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai – 400020 to transact the following business: -

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2014 and audited Statement of Profit & Loss Account for the year ended on 31st March 2014, together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Maloo (DIN: 00584131), who retires by rotation and being eligible offers himself for re-appointment
3. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:-

“RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and pursuant to the recommendations of the Audit Committee of the Board of Directors, the retiring auditors, Messrs M. Mehta & Company, Indore, Chartered Accountants (Registration No. 000957C), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors.”

SPECIAL BUSINESS

4. To Appoint Mrs. Gitanjali A. Maheshwari (DIN: 00094596) as a whole time director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:-

“Resolved That in accordance with the provisions of Section 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof), Mrs. Gitanjali A. Maheshwari (DIN: 00094596), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 14th August 2014 effective from 14th August 2014, who holds office up to the date of this Annual General Meeting, as per provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement by rotation.

FURTHER RESOLVED THAT subject to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule V to the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) consent of the Company be and is hereby accorded to the appointment of Mrs. Gitanjali A. Maheshwari (DIN: 00094596) as Whole-time Director of the Company from 14th August, 2014 to 13th August, 2019 on the terms and conditions including remuneration set out in the Statement annexed to the notice convening this Meeting, with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration as it may deem fit and as may be acceptable to Mrs. Gitanjali A. Maheshwari, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

FURTHER RESOLVED THAT the Board of Directors, be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. To Appoint Mr. Santosh Muchhal (DIN: 00645172) as an Independent director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:-

“**RESOLVED that** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Santosh Muchhal (DIN: 00645172), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from 29th September 2014 and that he shall not be liable to retire by rotation.”

SAM INDUSTRIES LIMITED

Notice

NOTES:

1. **A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective the proxy form fully completed and signed and should be deposited at the registered office of the company not less than 48 hours before the time fixed for the commencement of the meeting.**

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

Appointing a proxy does not prevent a member from attending the meeting in person if he wishes.

2. The Register of Members and Share Transfer Register of the Company will remain closed from **Monday, the 22nd day of September 2014 to Monday, the 29th day of September 2014** (both days inclusive).
3. Shareholders desiring any information as regards the accounts are requested to write to the Company at least 10 days before the annual General Meeting to enable the Management to keep the information ready.
4. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will not be distributed again at the Meeting, in view of the increasing cost of Annual Report
5. Members/Proxies should bring the Attendance Slip sent herewith duly filled in and handover at the entrance after affixing their signature for attending the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices etc. from the Company electronically.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
9. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
10. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website at www.sam-industries.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: secretarial@sam-industries.com
11. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the business under item no. 4 & 5 above, is annexed hereto. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, of person seeking appointment / re-appointment as Directors under item no. 2 & 4 to 5 of the notice, are also annexed.
12. **Voting through electronic means**

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

The instructions for members voting electronically are as under:-

The voting period begins on 23rd September, 2014 (9:00 A.M.) and ends on 25th September, 2014 (6:00 P.M.). During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29th August, 2014,

SAM INDUSTRIES LIMITED

Notice

may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) 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 folio number in the PAN field.In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
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 number of shares in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Sam Industries Limited on which you choose to vote.

SAM INDUSTRIES LIMITED

Notice

- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Note for Non – Individual Shareholders and Custodians**
 - a) Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - d) 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.
 - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions –

- 1) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 29th August, 2014.
- 2) Mr. Manish Maheshwari, proprietor M/s M. Maheshwari & Associates, Company Secretaries (Membership No. FCS 5174, CP No. 3860) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 3) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- 4) The Results shall be declared on or after the AGM of the Company. The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website www.sam-industries.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Exchanges.

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

**Indore
14/08/2014**

**Navin S. Patwa
Company Secretary**

SAM INDUSTRIES LIMITED

Notice

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

ITEM NO. 4

The Board of Directors of the Company has appointed Mrs. Gitanjali A. Maheshwari as an additional Director as per Article 115 of the Articles of Association of the Company w. e .f. 14th August 2014, and In terms of the Provisions of Section 161(1) of the Act, she holds office up to the date of this ensuring Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act, proposing the candidature of Mrs. Gitanjali A Maheshwari for the office of the Director of the Company.

Mrs. Gitanjali A. Maheshwari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director.

On recommendation of Remuneration Committee Mrs. Gitanjali A. Maheshwari be appointed as a whole time director on the terms and conditions as set out below:

- 1. Salary/Remuneration:** Rs. 5,00,000/- (Rupees Five Lacs only) per month subject to State and or Central statutory deductions.
- 2. Sitting Fee:** No sitting fee shall be paid to Mrs. Gitanjali A. Maheshwari for attending the Meeting of the Board of Directors of the Company or any committees thereof.
- 3. Minimum Remuneration:** In the event of inadequacy or absence of profit in any financial year during her tenure, Mrs. Gitanjali A. Maheshwari, will be entitled to the above remuneration by way of minimum remuneration

Brief resume and nature of expertise of the aforesaid whole time director is given below:

Mrs. Gitanjali A. Maheshwari is Graduation (Commerce and Economics) from H.R. College of Commerce, Mumbai. She is also Director of M/s J. G. Industries Limited, She is having more than 15 years experiance in Administration & Marketing. She brings with her, experience in diverse areas including Business Development, Human Resource Management, Training & Development, General Administration and Corporate Communications.

The Board commends the Special Resolutions set out at Item No.4 of the Notice for approval by the members.

Mrs. Gitanjali A. Maheshwari and Mr. Ashutosh A. Maheshwari are interested in the resolution set out respectively at Item No. 4 of the Notice with regards to her appointment. And none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

ITEM NO. 5

Mr. Santosh Muchhal (DIN: 00645172), have been acting as Independent Director on the Board of the Company since 1st December 2004 and his appointment was pursuant to Clause 49 of the Equity Listing Agreement is continuing as Independent Director.

Sub-section (10) of Section 149 of the Companies Act, 2013 requires appointment of Independent Directors who shall hold office for a term of up to 5 (five) consecutive years on the Board of the Company and shall be eligible for re-appointment on passing a Special Resolution by the Company. Sub-section (11) of the said Section provides that no Independent Director shall hold office for more than 2 (two) consecutive terms.

In order to comply with the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, It is proposed to formally appoint Mr. Santosh Muchhal to hold office for a term up to five consecutive years commencing from 29th September 2014.

It may be noted that Mr. Santosh Muchhal has given a declaration under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Further, in the opinion of the Board also, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

SAM INDUSTRIES LIMITED

Notice

It may also be mentioned that none of the other Directors (other than Mr. Santosh Muchhal) /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Brief resume and nature of expertise of the aforesaid Independent director is given below:

Mr. Santosh Muchhal is an Independent Director on the Board of the Company since 1st December 2004. He holds a Bachelor's degree in Commerce and is a Fellow Member of the Institute of Chartered Accountants of India. He has over 20 years of experience in Accountancy & Taxation as a profession. Presently he serves as a director of Madhya Pradesh Stock Exchange Limited And Inter-Connected Stock Exchange Of India Limited

The Board commends the Special Resolutions set out at Item No. 5 of the Notice for approval by the members.

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

**Place : Indore
Date : 14/08/2014**

**Navin S. Patwa
Company Secretary**

Details of Directors seeking appointment /re- appointment at the forthcoming Annual General Meeting (In pursuance of Clause 49(IV) (G) (i) of the Listing Agreement)			
Name of Director	Mr. Anil Maloo	Mr. Santosh Muchhal	Mrs. Gitanjali A. Maheshwari
Date of Birth	21st May 1955	31st March, 1964	11th January 1978
Date of Appointment	16th May 1994	1st December 2004	14th August 2014
Expertise in specific functional area	Commercial	Accounts & Taxation	Administration and Marketing
Qualification	M. B. A.	Chartered Accountant	Graduation (Commerce and Economics)
List of outside Directorship held in Public Limited Company	NIL	M.P. Stock Exchange Ltd Inter-Connected Stock Exchange of India Ltd. Ujaas Energy Limited	J G Industries Limited
Chairman / Member of the Committee of the Board of Directors of the Company	Member of Audit Committee, and Share holders Grievances Committee	Member of Audit Committee & Remuneration Committee	
Other information	Executive Director Shares held: 500	Non-Executive Director Shares held: 800	<ul style="list-style-type: none">• Executive Director• Shares held: 6212• Related to Mr. Ashutosh A. Maheshwari, Chairman

SAM INDUSTRIES LIMITED

Report of the Board of Directors

To the Members,

Your Directors have pleasure in presenting the 20th Annual Report together with the Audited Statement of accounts of your Company for the year ended 31st March 2014:

1. FINANCIAL RESULTS :

(Rs. in Lacs)

Particulars	2013-2014	2012-2013
Sales & Other Income	950.15	1384.28
Total Expenditure	650.62	860.36
Earning Before Finance Cost, Tax, Exceptional Items, Depreciation and Amortization Expenses	299.54	523.91
Less: Financial Costs	3.41	8.33
Depreciation and Amortization Expenses	124.91	138.64
Exceptional Items	10.77	0.00
Profit Before Extra-Ordinary Items & Tax	160.45	376.94
Current Tax	90.00	154.28
Deferred Tax	(95.19)	(28.69)
Profit (Loss) for the year	165.65	251.35
Basic & Diluted Earnings Per Equity Share of Face Value of Rs.10 each	1.49	2.27

2. DIVIDEND

The Board of Directors has decided not to declare Dividend for the year ended 31st March 2014, to conserve the resources of the Company & to maintain the liquidity of the Company.

3. PERFORMANCE

Company's Overall Performance

During the year under review, your Company has received income from operations amounting to Rs.950.15 Lacs as compared to Rs. 1384.28 Lacs in the previous year. Your Company has earned a profit after tax of Rs. 165.65 Lacs as compared to Rs. 251.35 Lacs in the previous year.

Segment wise Performance

Soya Division

The Company has discontinued soya business activity for Refined Oil & Soya Products at its plants located at Village Dakachya, Tehsil Sanwer, District Indore and company had closed its soya division in financial year 2012-13.

The revenue of your Company's Soya Division Rs. 18.30 Lacs as against Rs. 114.96 Lacs in the previous year and incurred losses Rs.159.13 Lacs as against Rs. 158.65 Lacs during the previous year.

The revenue of the soya division comprises of mainly Profit on Sale of Fixed Assets of the division and loss is attributable mainly to Loss on Sale of fixed assets, diminution on fixed assets and other administrative expenses.

Welding Division

During the year under review, the revenue of your Company's Welding Division was Rs. 611.16 Lacs as against Rs. 673.29 lacs in the previous year. Its profit of Rs. 111.16 Lacs during this period, against Rs. 108.98 Lacs during the previous year,

SAM INDUSTRIES LIMITED

Report of the Board of Directors

Real Estate Division

During the year under review, the revenue of your Company's Real Estate Division was Rs. 219.33 Lacs as against Rs. 479.85 lacs in the previous year. Its profit of Rs.145.21 Lacs during this period, against Rs. 336.66 Lacs during the previous year .

Investment Division

As per segment reporting requirements, your company has identified a segment i.e. Investment division and all the activities relating to investment in shares and loans etc. are carried in its investment division. During the year, under review your company has earned income of Rs. 84.36 Lacs as against Rs. 111.89 Lacs in the previous year from Investment activity.

4. MANAGEMENT DISCUSSIONS AND ANALYSIS

Outlook

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

Welding Industry Scenario:

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

Real Estate:

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

5. INTERNAL CONTROL SYSTEM

Your Company has adequate internal control procedures relating to purchase of raw material, stores, components, etc., commensurating with the size of the Company and the nature of its business.

6. FIXED DEPOSIT

Your Company has not accepted any public deposit under Section 58A of the Companies Act, 1956 during the year.

7. DIRECTORS

Your Board had appointed Mrs. Gitanjali A. Maheshwari as an additional director of the Company and she shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Mrs. Gitanjali A. Maheshwari for appointment as a Director.

In accordance with Section 152 of the Companies Act, 2013, Mr. Anil Maloo will retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Our non-executive (independent) directors were appointed as directors liable to retire by rotation under the provisions of the erstwhile Companies Act, 1956. The Board of Directors has been advised that non-executive (independent) directors so appointed would continue to serve the term that was ascertained at the time of appointment, therefore, it stands to reason that only Mr. Santosh Muchhal non-executive (independent) director who will complete their present term at the ensuing Annual General Meeting of the Company, being eligible and seeking re-appointment be considered by the shareholders for re-appointment for a term as per resolutions.

Mr. Bhanu Prakash Inani, Independent Director of the Company had resigned and his resignation was accepted on 14th August 2014. The Board appreciates his valuable support and guidance to the Company during the tenure of his Directorship.

SAM INDUSTRIES LIMITED

Report of the Board of Directors

8. AUDITORS

Messrs M. Mehta & Company, Indore Chartered Accountants, (Firm Reg. No. 000957C) will retire at the conclusion of the ensuing Annual General Meeting. The Board proposed their re-appointment as Statutory Auditor to audit the accounts of the Company for the financial year 2014-15. You are requested to consider their re-appointment.

9. AUDITORS REPORT

Notes on Accounts, referred to in the Auditor's Report, are self-explanatory and therefore, do not call for any further comments or explanations.

10. CORPORATE GOVERNANCE

Your Company has complied with the requirements of corporate governance as per clause 49 of the Listing Agreements with the Stock Exchanges. A detailed report on Corporate Governance is annexed to this Annual Report. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance has been obtained and is enclosed with this Report.

11. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that –

- (i) in the preparation of Annual Accounts, the applicable accounting standards have been followed;
- (ii) the Directors have selected such accounting policies as mentioned in Note 1 of the Annual Accounts 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 of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the aforesaid Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on the going concern basis.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in annexure `A` forming part of this report.

13. PARTICULARS OF EMPLOYEES

None of the Employees of the Company are in receipt of Remuneration in excess of limits specified under section 217 (2A) of the Companies Act, 1956, whether employed through out or part of the year.

14. INDUSTRIAL RELATIONS

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

15. ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Place : Indore

Date : 14/08/2014

Ashutosh A. Maheshwari
Chairman

SAM INDUSTRIES LIMITED

ANNEXURE "A"

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

I DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY (in Rs.)

A. POWER AND FUEL CONSUMPTION

	2013-14	2012-13
Electricity		
(a) Purchased Unit	19,73,734	24,95,203
Total Amount	1,56,82,431	2,08,97,019
Rate /Unit	7.95	8.37
(b) Own Generation		
Through Diesel Generator		
Units	Nil	Nil
Units Per Liter	Nil	Nil
Cost /Unit (Rs.)	Nil	Nil

B. CONSUMPTION PER UNIT OF PRODUCTION

Products (Welding Electrodes)		
Electricity (Unit / M.T.)	320.93	304.96

II. RESEARCH AND DEVELOPMENT

The Company Manufactures standard product for which technology has already been established and therefore, no further research is being carried out.

III. TECHNOLOGY & ABSORPTION

The Company has adopted indigenous technology for manufacturing of welding electrodes for Leading Electrodes manufacturing Company.

No foreign technology has been imported by the Company.

IV. FOREIGN EXCHANGE EARNING AND OUT GO

Foreign exchange used (Rs.)	Nil	36,754
Foreign exchange earned (Rs.)	Nil	Nil

SAM INDUSTRIES LIMITED

Auditor's Certificate Regarding Compliance of Conditions of Corporate Governance

To
The Members of
Sam Industries Limited
Mumbai

We have examined the compliance of conditions of Corporate Governance by M/s Sam Industries Limited (the company), for the year ended on 31st March 2014, as stipulated in clause 49 of the Listing agreement of the said company entered into with stock exchange(s).

The compliance of conditions of Corporate Governance is responsibility of the Company's management. Our examination was limited to review of the procedure and implementation thereof, adopted by Sam Industries Limited for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of Sam Industries Limited.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned the Listing Agreement.

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.

For M. Mehta and company
Chartered Accountants
Firm Reg. No. 000957C

Place: Indore
Date: 30/05/2014

CA Atul Sharma
Partner
Membership No. 075615

SAM INDUSTRIES LIMITED

Annexure to the Directors' Report on Corporate Governance

I. Company's Philosophy

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

II Board of Directors

As per Listing Agreement, the Board should have an optimum combination of executive and non-executive Directors. In case of a non-executive Chairman, at least one-third of the Board should consist of Independent Directors and in the case of an executive Chairman at least half of the Board should be Independent Directors.

The Board of Directors of company has a combination of Executive and Non Executive Directors. The Chairman of the Board of your Company is a non-executive promoter director. The Board of Directors of the Company consists of 6 Directors, of which 5 are non-executive as on 31st March 2014. During the year, 4 Meetings of the Board of Directors of the Company were held on 30.05.2013, 14.08.2013, 12.11.2013, and 13.02.2014. The maximum interval between any two meetings was 92 days.

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

Name of Director	Category	No. of Board Meetings attended	Attendance in last AGM	No. of other Directorship	Committee Membership	
					Chairman	Members
Mr. Ashutosh A. Maheshwari	Promoter Non –Executive	3	No	9	-	-
Mr. Anil Maloo	Executive	4	Yes	5	1	2
Mr. Santosh Muchhal	Independent	4	Yes	3	1	2
Mr. Bhanuprakash R. Inani*	Independent	4	No	3	1	2
Mrs. Gitanjali A. Maheshwari**	Executive	-	-	6	-	-
Mr. Ritesh Kumar Neema	Independent	2	No	2	-	3
Mr. Yogendra Vyas	Independent	2	Yes	4	-	3

* Mr. Bhanuprakash R. Inani, Resignation accepted on 14th August, 2014.

** Mrs. Gitanjali A. Maheshwari appointed on 14th August 2014.

III Code of Conduct

- The code of conduct for all Board members and senior management personnel i.e. Core Management Team comprising Chief General Manager & all General Managers, has been approved by the Board of Directors in compliance of Clause 49 of the Listing Agreement with Stock Exchanges. The said code of conduct is posted on the website of the company's website at www.sam-industries.com
- All Board members and senior management personnel have since affirmed compliance with the code.

IV Committees of the Board

A. Audit Committee

SAM INDUSTRIES LIMITED

Annexure to the Directors' Report on Corporate Governance

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

Your Company has an Audit Committee consisting of four independent Directors and one Executive Director, and the Audit Committee Meetings were held on 30.05.2013, 14.08.2013, 12.11.2013, and 13.02.2014. The details of the meetings held and attended are as given below:

Name of Director	Meetings held	Meetings Attended
Mr. Anil Maloo	4	4
Mr. Bhanuprakash R. Inani	4	4
Mr. Ritesh Kumar Neema	2	2
Mr. Yogendra Vyas	2	2
Mr. Santosh Muchhal (Chairman)	4	4

B. Remuneration Committee

The Remuneration Committee has approved the terms of remuneration of the Whole Time Directors. One meeting on 30th May 2013 of the members of the Remuneration Committee was held in the year 2013-2014. The composition of the remuneration committee is as follows:

Mr. Anil Maloo, Mr. Santosh Muchhal, member and Mr. Bhanuprakash R. Inani (Chairman) .

During the year under review, the Remuneration paid to the whole time Director of the Company Mr. Anil Maloo is Rs. 5,42,400/- (Rupees Five Lacs Forty Two Thousand and Four Hundred only)

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

Details of equity shares of the company held by the Directors as on March, 2014, are given below:

S. No.	Name of Directors	Number of equity shares
1	Mr. Ashutosh A. Maheshwari	8877
2	Mr. Anil Maloo	500
3	Mr. Santosh Muchhal	800
4	Mr. Bhanuprakash R. Inani	7000
5	Mr. Ritesh Kumar Neema	Nil
6	Mr. Yogendra Vyas	Nil

C. Shareholders and Investor's Grievance Committee

The Board has constituted the shareholders and Investors Grievance Committee to look into the redress of investors' complaints. There were no complaints pending for reply as on 31st March 2014 and no share transfers pending for registration as on the said date. The Committee had met on the 30th day of May 2013, during the year 2013-2014.

V. General Body Meetings

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

SAM INDUSTRIES LIMITED

Annexure to the Directors' Report on Corporate Governance

Financial Year	Date	Time	Venue
2009-2010	15.09.2010	2.00 P.M.	Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai – 400020
2010-2011	09.09.2011	2.00 P.M.	
2011-2012	03.09.2012	10.00 A.M.	
2012-2013	27.09.2013	10.00 A.M.	

The shareholders passed all the resolutions including the special resolutions set out in the respective notices.

VI Disclosure

- During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related parties' transaction viz., Promoters, Directors or the Management, their subsidiaries or relatives that had a potential conflict with the interest of the Company at large.
- No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review.

VII Means of Communication

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

VIII General Shareholders Information

i. Annual General Meeting

Date : 29.09.2014,

Day : Monday,

Time : 11.00 A.M.

Venue : Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai-400020

ii. Date of Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 22nd September, 2014 to Monday, 29th September, 2014 (both days inclusive).

iii. Tentative Financial Calendar 2014-2015

1	First Quarter Results	Early August, 2014
2	Second Quarter & Half Yearly Results	Early October, 2014
3	Third Quarter Results	Early January, 2015
4	Fourth Quarter Results & Annual Report	May, 2015

iv. Listing of Securities

Name of the Stock Exchanges

Madhya Pradesh Stock Exchange, 201, Palika Plaza M.T.H. Compound Indore - 452001.	The Stock Exchange Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code 532005
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SAM INDUSTRIES LIMITED

Annexure to the Directors' Report on Corporate Governance

Your Company confirms that it has paid annual listing fees to the Stock Exchange Mumbai, for the year 2014-15 and as such there are no arrears.

v. **Stock Codes BSE : 532005**

vi. **Company's : Corporate Identification Number (CIN): L15143MH1994PLC164344**

vii. **Market Price Data**

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

Month	Quotation at Mumbai Stock Exchange	
2013-14	High (Rs.)	Low (Rs.)
April, 2013	19.00	19.00
May, 2013	19.90	19.90
June, 2013	-	-
July, 2013	-	-
August, 2013	20.80	19.80
September, 2013	27.40	21.70
October, 2013	31.95	28.00
November, 2013	34.00	33.00
December, 2013	-	-
January, 2014	32.20	29.10
February, 2014	27.65	18.55
March, 2014	18.55	14.50

viii. **Registrar & Transfer Agent**

Name & Address	M/s. Ankit Consultancy Private Limited,
	Plot No. 60, Electronic Complex,
	Pardeshipura, Indore – 452010, M. P.
Telephone	0731-3198601-602, 2551745-46
Fax	0731-4065798
Email	ankit_4321@yahoo.com

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

ix. **Share Transfer Systems**

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

x. **Shareholding as on 31st March 2014:**

a. Distribution of Shareholding of Equity Shares of Rs. 10/- each as on 31st March 2014:

SAM INDUSTRIES LIMITED

Annexure to the Directors' Report on Corporate Governance

Shareholding of nominal value of	No. of Share holders	% of Share holders	No. of Ordinary shares	% of Share holding
Rs. Rs.				
Up to 1000	171	19.48%	7114	0.06%
1001 – 2000	49	5.58%	8,712	0.08%
2001 – 3000	28	3.19%	7,742	0.07%
3001 – 4000	203	23.12%	81,056	0.73%
4001 – 5000	114	12.98%	56,513	0.51%
5001 – 10000	168	19.13%	1,56,948	1.42%
10001 – 20000	54	6.15%	84,203	0.76%
20001 – 30000	24	2.73%	56,117	0.51%
30001 – 40000	7	0.80%	24,956	0.23%
40001 – 50000	12	1.37%	52,541	0.47%
50001 – 100000	14	1.59%	99,995	0.90%
100001 & above	34	3.87%	1,04,52,573	94.27%
Grand Total	878	100.00%	1,10,88,470	100.00%

b. Category of equity shareholders as on 31st March 2014:

S.No	Category	No. of equity Shares held	Percentage of Shareholding
1	Promoters	73,91,799	66.66
2	Govt. Co. / Fin. Institutions	59,000	0.53
3	Private Corporate Bodies	27,91,863	25.18
4	Indian public	8,45,298	7.62
5	NRI's & OCBs (Foreign holding)	510	0.00
	Grand Total	1,10,88,470	100.00

i. **Dematerialization of Shares and Liquidity**

The company's shares are traded in dematerialized form and are available for trading on both the depositories in India, viz. NSDL and CDSL. Equity shares of the company representing 96.86% of the Company's total equity shares capital representing 1,07,40,735 equity shares are dematerialized on March 31, 2014 and the balance 3.14% representing 3,47,735 were in physical form.

xii. **Plant Location**

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

xiii. **Address for Correspondence**

The Shareholders may address their communications to.

Mr. Navin S. Patwa,

Company Secretary & Compliance Officer,

Sam Industries Limited,

Village: Dakachya, Tehsil: Sanwer, A. B. Road, Indore – 453771, Madhya Pradesh

Designated Email address for Investor Services:

Email: secretarial@sam-industries.com

Company's Website: www.sam-industries.com

SAM INDUSTRIES LIMITED

Chief Executive Officer (CEO) And Chief Financial Officer (CFO) Certification

To,
The Board of Directors,
Sam Industries Limited

We, the undersigned, in our respective capacities as Executive Director and Chief Financial Officer of Sam Industries Limited ('the Company') to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2014 and based on our knowledge and belief, we state that:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii.) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of conduct as adopted by the Company.
- d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and 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 purpose to take to rectify these deficiencies.
- e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - i) significant changes, if any, in internal control over financial reporting during the year;
 - ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Indore
Date : 14/08/2014

Gopal P. Shrivastava
Chief Financial Officer

Anil Maloo
Executive Director

SAM INDUSTRIES LIMITED

Independent Auditor's Report

To the Members of Sam Industries Limited

We have audited the accompanying financial statements of Sam Industries Limited which comprises of the Balance Sheet as at March 31, 2014, 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's Responsibility

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014 and
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

SAM INDUSTRIES LIMITED

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - c. The Balance Sheet, 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 Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M. Mehta and company
Chartered Accountants
Firm Reg. No.000957C

Place: Indore
Date: 30 /05/2014

CA Atul Sharma
(Partner)
M. No.075615

SAM INDUSTRIES LIMITED

Annexure To The Auditors' Report

Annexure Referred to in paragraph 1 of our Audit report of even date on the accounts for the year ended 31st March 2014 of Sam Industries Limited

As required by the companies (Auditors report) order 2003 issued by the Company law Board in the terms of section 227(4A) of the Companies Act 1956, we have further to report that: -

1.
 - (a) In respect of fixed assets; the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) These Fixed Assets have been physically verified by the management, in accordance with the programme of verification adopted by the company. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
 - (c) The fixed assets disposed off/discarded of Soya Division during the year, in our opinion, do not constitute a substantial part of the fixed assets of the company and such disposal has, in our opinion, not affected the going concern status of the company.
2.
 - (a) As explained to us, the inventory of the Company has been physically verified during the year by the management. In our opinion the frequency of the verification is reasonable.
 - (b) According to the information and explanation given to us, in our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation of the size of the Company and the nature of its business.
 - (c) In our opinion and information and explanation given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and book records.
3.
 - (a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company and hence not commented upon.
 - (b) According to the information and explanations given to us, the company has not taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company and hence not commented upon.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5.
 - (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements or transactions referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under Section 301 of the companies Act, 1956.
 - (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the companies Act, 1956 have been made at prices which are prima facie reasonable, having regard to prevailing market prices at the relevant time where such market prices are available.

SAM INDUSTRIES LIMITED

Annexure To The Auditors' Report

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from public in contravention with the provisions of Section 58-A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of any deposits.
7. The Company has an Internal Audit System, which in our opinion is adequate and commensurate with the size of the Company and nature of its business.
8. Accordingly to the information and explanation given to us, as the company has discontinued its Soya manufacturing activities during the year, hence cost records as prescribed u/s 209 1(d) of the Companies Act 1956 does not require to be maintained by the Company.
9. (a) According to the information and explanations given to us, the Company is generally regular in depositing provident fund and employees state insurance with appropriate authorities during the year.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of income-tax, sales tax, wealth-tax, service-tax customs duty, excise duty, cess as on 31.3.2014 were outstanding for a period of more than six months from the date they became payable except land diversion tax of Rs. 632334/- (Previous Year Rs. 6,32,334/-). However, service tax has been deposited with slight delays and there is no amount outstanding as on 31.3.2014 on account of Service Tax.
- (c) As on 31st March 2014, According to the records of the company and the information and explanations given to us, the following are the particulars of dues on account of Income tax, Excise Duty, Cess, Sales Tax Service Tax Custom duty and wealth Tax matters that have not been deposited on account of disputes:-

Sr. No.	Name of the Statute	Nature of Dues Disputed	Amount (in Rs.)	Forum where pending
1	M.P. Commercial tax Act 1994	Sales tax Demand	6,89,000/-	Deputy Commissioner Appeal
2	M.P. Entry Tax Act	Entry Tax demand	96,000/-	Deputy Commissioner Appeal

10. The Company has made cash profit during the financial year covered by our audit and also in the immediately preceding financial year. The company has no accumulated losses at the end of the financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks during the year.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the other provisions of clause 4 (xii) of the companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the company in its own name.

SAM INDUSTRIES LIMITED

Annexure To The Auditors' Report

15. In our opinion, according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
16. According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions during the year.
17. According to the information and explanation given to us, the company has not taken any term loans during the year.
18. According to the information and explanations given to us and an overall examination of the Balance Sheet of the company, we report that funds raised on short-term basis, have been used for short term purpose only.
19. The Company has not made preferential allotment of share to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year covered by our audit.
20. The company has not issued any debentures during the year under review.
21. The company has not raised any money by public issues during the year under review.
22. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For M. Mehta and company
Chartered Accountants
Firm Reg. No.000957C

Place: Indore
Date: 30/05/2014

CA Atul Sharma
(Partner)
M. No.075615

SAM INDUSTRIES LIMITED

Balance Sheet as at 31st March, 2014

Particulars		Note No.	31st March 2014	(Amount in Rs.) 31st March 2013
I.	EQUITY AND LIABILITIES			
(1)	Shareholder's Funds			
(a)	Share Capital	2	111,998,200	111,998,200
(b)	Reserves and Surplus	3	304,874,395	288,309,748
(2)	Non-Current Liabilities			
(a)	Long-term borrowings	4	18,015,000	18,141,344
(b)	Deferred tax liabilities (Net)	5	16,596,674	26,115,480
(c)	Long term provisions	6	144,903	130,348
(3)	Current Liabilities			
(a)	Short-term borrowings	7	-	899,982
(b)	Trade payables	8	8,488,761	3,236,406
(c)	Other current liabilities	9	15,216,823	19,893,999
(d)	Short-term provisions	10	1,259,837	1,746,775
	Total		476,594,593	470,472,281
II.	ASSETS			
(1)	Non-current assets			
(a)	Fixed assets	11		
	(i) Tangible assets		95,417,023	136,886,550
	(ii) Intangible assets		-	-
(b)	Non-current investments	12	160,970,813	136,938,563
(c)	Long term loans and advances	13	59,724,069	48,630,464
(d)	Other non-current assets	14	10,000	10,000
(2)	Current assets			
(a)	Current Investment	15	4,084,685	-
(b)	Inventories	16	41,811,688	44,797,454
(c)	Trade receivables	17	5,366,335	5,585,058
(d)	Cash and Bank Balances	18	3,705,080	3,417,190
(e)	Short-term loans and advances	19	71,608,936	89,063,980
(f)	Other current assets	20	33,895,965	5,143,022
	Total		476,594,593	470,472,281

Significant Accounting Policies

1

The Accompanying Notes are integral part of the Financial Statement 2 to 44

As per our report of Even Date attached

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

CA Atul Sharma
Partner
M.No. 075615

Place: Indore
Date: 30/05/2014

For and on Behalf of the Board

Anil Maloo, Executive Director
Santosh Muchhal, Director
Bhanu Prakash Inani, Director
Ritesh Neema, Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note No.	31st March 2014	(Amount in Rs.) 31st March 2013
Income:			
Revenue from operations	21	82,780,354	120,000,524
Other Income	22	12,235,097	18,427,026
Total Revenue		<u>95,015,451</u>	<u>138,427,550</u>
Expenditure:			
Cost of materials consumed	23	-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	2,482,286	5,741,187
Employee benefit expense	25	9,983,370	14,981,235
Other expenses	26	52,596,203	65,313,550
Financial costs	27	340,632	833,412
Depreciation and amortization expense	11	12,490,590	13,864,437
Total Expenses		<u>77,893,082</u>	<u>100,733,821</u>
Profit Before Tax and exceptional Items		17,122,369	37,693,728
Exceptional Items	28	1,077,018	-
Profit before tax		16,045,351	37,693,728
Tax expense:	29		
(1) Current tax		8,999,510	15,428,256
(2) Deferred tax		(9,518,806)	(2,869,699)
Profit for the year		<u>16,564,647</u>	<u>25,135,171</u>
Earning per equity share of face value of Rs. 10 each	30		
(1) Basic		1.49	2.27
(2) Diluted		1.49	2.27

Significant Accounting Policies 1
The Accompanying Notes are integral part of the Financial Statement 2 to 44

As per our report of Even Date attached

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

CA Atul Sharma
Partner
M .No. 075615

Place: Indore
Date: 30/05/2014

For and on Behalf of the Board

Anil Maloo, Executive Director
Santosh Muchhal, Director
Bhanu Prakash Inani, Director
Ritesh Neema, Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

Cash Flow Statement For The Year 2013-14

CASH FLOW FROM OPERATING ACTIVITIES	31st March 2014	31st March 2013
Net Profit before taxation and extraordinary item	17,122,369	37,693,728
Adjustment for:		
Depreciation	12,490,590	13,864,437
Interest Paid	331,494	820,251
Interest received	(8,562,733)	(9,681,731)
Dividend Received	(358,582)	(419,435)
Profit/Loss on Sale of assets	(176,308)	(4,837,856)
Profit/Loss on Sale of investments	(200,100)	(890,832)
Profit/Loss on Sale of inventory	6,833	2,388,513
Provision for leave encashment and gratuity	(93,494)	(144,352)
Assets written off	-	302,239
Impairment Loss	2,554,373	3,640,853
Diminution of Shares	(1,255,249)	(1,080,800)
Operating Profit before Working Capital Changes	21,859,193	41,655,015
Increase/Decrease in Inventory	2,978,933	6,309,875
Increase/Decrease in Trade and Other Receivables	104,649	(25,337,469)
Increase/Decrease in Trade Payables	(1,269,651)	(30,558,084)
Cash generated from Operations	23,673,124	(7,930,664)
Income Tax	(9,913,149)	(16,640,194)
NET CASH FLOW FROM OPERATING ACTIVITIES	13,759,975	(24,570,858)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investment	4,016,379	12,453,478
Interest received	8,562,733	9,681,731
Dividend received	358,582	419,435
Purchase of Fixed Assets	(1,300,126)	(58,308)
Purchase of Investment	(31,754,983)	(5,762,364)
Sale of Asset	6,181,963	17,745,550
Advance received for Sale of Assets	1,821,186	-
NET CASH FLOW FROM INVESTING ACTIVITIES	(12,114,266)	34,479,522
CASH FLOW FROM FINANCING ACTIVITIES		
Amount of Secured Loan raised/repaid	(899,982)	(8,780,177)
Unsecured Loan Repaid/Raised	(126,344)	(2,621,454)
Interest Paid	(331,494)	(820,251)
NET CASH FLOW FROM FINANCING ACTIVITIES	(1,357,820)	(12,221,883)
NET INCREASE IN CASH AND CASH EQUIVALENTS	287, 889	(2 313 218)
Cash and Cash Equivalents at the beginning of the period	3,417,190	5,730,408
Cash and Cash Equivalents at the end of the period	3,705,079	3,417,190

1. Figures in minus represents Cash outflows

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

As per our report of Even Date attached

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

CA Atul Sharma
Partner
M .No. 075615

Place: Indore

Date: 30/05/2014

For and on Behalf of the Board

Anil Maloo, Executive Director
Santosh Muchhal, Director
Bhanu Prakash Inani, Director
Ritesh Neema, Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

NOTE - "1" : SIGNIFICANT ACCOUNTING POLICIES

I. **BACKGROUND:**

SAM INDUSTRIES LIMITED was incorporated on 7th February 1994 and commenced its business operation on 5th October 1994. The Company is presently doing the business of operating lease of Welding Electrodes, Real estate & Investment business. However the company has discontinued the business of Soya.

II. **SIGNIFICANT ACCOUNTING POLICIES:**

A. **System of Accounting**

- a. The financial statements have been prepared and presented under the historical cost conventions using the accrual basis of accounting and complied with all the mandatory accounting standards as specified in Companies (Accounting Standard) Rules 2006, pronouncements of ICAI as applicable and the relevant provisions of the Companies Act, 1956, and guidelines issued by the Securities and Exchange Board of India.
- b. All the assets and liabilities have been classified as current or non - current as per the company's normal operating cycle and other criteria set out in schedule VI to the Companies Act, 1956. Based on the nature of the product and time between the acquisition of assets for processing and their realization in cash & cash equivalent, the company has ascertained its operating cycle to be less than 12 months.

B. **Revenue Recognition**

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

C. **Fixed Assets and Intangible Assets**

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

Intangible assets are recorded at the consideration paid for acquisition.

D. **Depreciation and Amortization**

- a. Depreciation on fixed assets has been provided for under straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis.
- b. Intangible assets are amortized over their estimated useful lives on a straight line basis, commencing from the date the assets are available to the company for its use.

E. **Valuation of Inventories**

- a. Raw material, stores and spares, fuel and packing materials are valued at cost (FIFO), including freight.
- b. Finished goods are valued at market value or cost whichever is less. The by - Products are valued at net realizable value.
- c. Stock of land of Real Estate division is valued on cost after capitalizing the expenses incurred on development of land.

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

- d. The excise duty in respect of closing stock of finished goods is included as part of inventory. The amount of CENVAT Credit in respect of material consumed for sale is deducted from the cost of material.

F. Investment

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

G. Preliminary & Public Issue Expenses

Preliminary and public issue expenses are to be written off over a period of ten years.

H. Retirement benefits

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

I. Lease Rent / Operating Lease

- (i) The payment of lease rent for office premises taken on leave and license basis are recognized as expenditure in the profit and loss account on a Straight Line basis.
- (ii) Lease Rental Income is accounted on accrual basis.

J. Impairment of Assets

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

K. Foreign currency transaction

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

L. Segment Accounting

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

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

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

- a) Segment revenue includes sales and other income directly identifiable with or allocable to a particular segment.
- b) Segment expenses that are directly identifiable with \allocable to a segment are considered for determining the segment results. The expenses, which relates to the company as a whole and not allocable to a particular segment are included under un-allocable expenses.

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

- c) Income, which relates to the company, as a whole and not allocable to a segment is included under un-allocable income.
- d) i) Segment assets include those assets which are directly identifiable with respective segments and employed by a segment in its operating activities but does not include income tax assets.
ii) Segment liabilities include those liabilities directly identifiable to a segment and operating liability that result from operating activities of a segment, but does not include income tax liabilities and financial tax liabilities.

M. Taxation

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

N. Borrowing Cost

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

O. Provision Contingent Liability & Contingent Assets

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

P. Earnings per Share

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

Q. Cash Flows

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

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)	
Particulars	31.03.2014	31.03.2013	
Note -2 SHARE CAPITAL			
a Particulars			
<u>Authorized</u>			
1,15,00,000 Equity Shares (Prev. Year 1,15,00,000) of Rs. 10 Each	115,000,000	115,000,000	
10,50,000 Preference Shares (Prev. Year 10,50,000) of Rs. 100 Each	105,000,000	105,000,000	
	220,000,000	220,000,000	
<u>Issued and Subscribed</u>			
1,13,04,270 Equity Shares (Prev. Year 1,13,04,270) of Rs. 10 Each	113,042,700	113,042,700	
<u>Paid Up</u>			
1,10,88,470 Equity Shares Prev. Year 1,10,88,470) of Rs. 10 Each	110,884,700	110,884,700	
Forfeited 2,15,800 Shares originally paid	1,113,500	1,113,500	
	111,998,200	111,998,200	
b. Reconciliation of Shares outstanding at the beginning and at the end of the year			
Equity Shares			
	Nos.	Amount	
At the Beginning of the Year	11,088,470	11,088,470	
Issued during the year			
Outstanding at the end of the year	11,088,470	11,088,470	
c. Terms / Rights Attached to Shares			
Equity Shares			
The Company has only one class of Equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share.			
The Company declares and pays dividends in Indian rupees if any			
During the Year Ended 31st March 2014 the amount per share dividend recognized as distributions to equity shareholders was Rs. NIL(For 31st March 2013 was Rs NIL).			
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
d. Shares held by holding / ultimate holding and or their subsidiaries / associates			
	31.03.2014	31.03.2013	
Equity Shares	No. of Shares	Amount	No. of Shares
Holding Company (Sam Exim Ltd.)	6,388,000	63,880,000	6,388,000
			63,880,000

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)		
PARTICULARS		31.03.2014	31.03.2013	
e. Details of Shareholders holding more than 5% shares in the Company				(In Nos.)
		31.03.2014	31.03.2013	
Name of the Equity Share holders	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Sam Exim Ltd	6,388,000	57.61	6,388,000	57.61
f Shares Forfeited				
Amount Originally Paid up		1,113,500	1,113,500	
Note - 3 RESERVE & SURPLUS				
a Capital Reserve				
Opening Balance		105,000,000	105,000,000	
Addition during the year		-	-	
Closing Balance		105,000,000	105,000,000	
b Securities Premium Reserve				
Opening Balance		55,442,000	55,442,000	
Closing Balance		55,442,000	55,442,000	
c Profit & Loss Account				
Balance as per last Balance Sheet		127,867,748	102,732,575	
Add Profit For the Year		16,564,647	25,135,171	
Less: Appropriation				
Dividend on Preference Shares		-	-	
Tax on Dividend		-	-	
Transfer to Capital redemption Reserve		-	-	
		144,432,395	127,867,747	
Total Reserve & Surplus		304,874,395	288,309,747	
Note - 4 LONG TERM BORROWINGS				
a Particulars				
Term Loans (Unsecured)				
From Bank				
HDFC Bank		-	126,344	
Deposits (Unsecured)		18,015,000	18,015,000	
Total of Long Term Borrowings		18,015,000	18,141,344	
b Out of the Above				
Total Secured		-	-	
Total Unsecured		18,015,000	18,141,344	
		18,015,000	18,141,344	
c Out of the Above Loans Guaranteed by Directors & Others				

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

(Amount in Rs.)

Particulars	31.03.2014	31.03.2013
d Terms and Conditions of Borrowings		
Car Loan from HDFC Bank was taken against purchase of Volkswagen Vento and is not secured. The Interest on the loan is payable @ 11.5% p.a. The Loan is repayable in 36 Installments starting from September 2011.		
Deposits are interest free and repayable on completion of agreement and is unsecured.		
Note - 5 DEFERRED TAX LIABILITY		
a Particulars		
Deferred Tax Assets		
Disallowances under 43B	338,850	226,646
Employee Related	-	-
	338,850	226,646
Deferred Tax Liabilities		
Depreciation	16,935,524	26,342,126
	16,935,524	26,342,126
Net Deferred Tax Liabilities	16,596,674	26,115,480
Note - 6 LONG TERM PROVISIONS		
a Particulars		
Provision for Employee Benefits		
Gratuity	17,537	17,537
Leave Encashment	127,366	112,811
Total of Provisions	144,903	130,348
Note - 7 SHORT TERM BORROWINGS		
a Particulars		
From Banks (Secured)		
Rupee Working Capital Loan	-	899,982
Total of Short Term Borrowings	-	899,982
b Out of the Above		
Total Secured	-	899,982
Total Unsecured	-	-
	-	899,982
Out of the Above Loans Guaranteed by Directors & Others	-	899,982
c Terms and Conditions of Borrowings		
Working Capital Loan from bank was repayable on demand and the same was secured against hypothecation of present and future inventory and trade receivables of the company and was also personally guaranteed by one of the directors of the company.		
e Default in payment of Borrowings		
There was no default in repayment of Loan from Bank.		
Note - 8 TRADE PAYABLES		
a Trade Payables	8,488,761	3,236,406
Note - 9. OTHER CURRENT LIABILITIES		
a Advance against Sales of Assets	1,821,186	-
b Advance against Sales of Goods	9,032,500	10,324,330

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)	
Particulars	31.03.2014	31.03.2013	
c Current maturities of Long Term Debt	126,344	307,090	
d Other Payables	4,236,792	9,262,579	
Total of Other Current Liabilities	15,216,823	19,893,999	
Note - 10 SHORT TERM PROVISIONS			
Provision for Employee Benefits			
Gratuity	40,733	125,282	
Leave Encashment	84,826	108,326	
Bonus	29,717	53,361	
	155,276	286,969	
Other Provisions			
Provision for Income Tax (Net of Advance Tax)	1,104,561	1,459,806	
	1,104,561	1,459,806	
Total of Provisions	1,259,837	1,746,775	
Note - 11 FIXED ASSETS			
As per Attached Sheet (Pl. see page No. 34)	95,417,023	136,886,550	
Note - 12 NON CURRENT INVESTMENTS			
Particulars			
a Investment Property (At Cost)			
Lands (Purchased for Investment)	99,440,436	99,440,436	
b Trade Investments	99,440,436	99,440,436	
(i) Long Term Investment			
(a) In Quoted Equity Instruments (At Cost) (Fully Paid Up)			
7 (7) Shares of Agre Developers Limited of Rs. 10 each	-	-	
921 (921) Shares of Andhra Sugar Limited of Rs. 10 each	140,951	140,951	
200 (200) Shares of Ang Auto Limited of Rs. 10 each	65,392	65,392	
2500 (25000) Shares of Arvind Remedies Limited of Rs. 10 (1) each	51,060	51,060	
50 (50) Shares of B.F. Investment Limited of Rs. 5 each	-	-	
5 (5) Shares of Cairn India Limited of Rs. 10 each	686	686	
21 (21) Shares of Cipla Limited of Rs. 2 each	31,546	31,546	
386 (386) Shares of EIH EQ 2 Limited of Rs. 2 each	41,343	41,343	
200 (200) Shares of EIH Associated Hotels Limited of Rs. 10 each	18,603	18,603	
1500 (1500) Shares of Engineers India Limited of Rs. 10 each	478,996	478,996	
5 (0) Shares of Future Lifestyle of Rs. 2 each	-	-	
500 (500) Shares of Govind Rubber Limited of Rs. 10 each	14,726	14,726	
336 (336) Shares of Gujarat Nre Coke Limited of Rs. 10 each	-	-	
2400 (2400) Shares of Gujarat Telephone Cable Limited of Rs. 10 each	35,935	35,935	
100 (100) Shares of Halonix Limited of Rs. 10 each	9,453	9,453	
100 (100) Shares of Himatsingka Saide Limited of Rs. 5 each	10,361	10,361	
0 (59320) Shares of Hind Syntex Limited of Rs. 10 each	-	424,819	
2500 (0) Shares of Hinduja Global Solutions Ltd. of Rs. 10 each	687,668	-	

SAM INDUSTRIES LIMITED

FIXED ASSETS (NOTE No. - 11)

(Amount in Rupees)

Particulars	Original cost			Depreciation and amortization					Net Book Value	
	01.04.2013	Additions during the period	Deductions during the period	31.03.2014	01.04.2013	Additions during the period	Impairment	Deductions during the period	31.03.2014	31.03.2013
A. Tangible assets :										
Land Free-hold	7,296,978	-	-	7,296,978	-	-	-	-	7,296,978	7,296,978
Buildings	102,360,442	-	344,130	102,016,312	32,236,118	2,328,028	-	284,230	67,736,395	70,124,324
Plant and equipment	188,840,684	-	145,916,851	42,923,833	132,851,488	9,460,570	2,554,373	118,393,252	16,450,654	55,989,196
Office equipment	1,058,595	10,990	24,000	1,045,585	612,061	48,257	-	19,073	404,339	446,534
Computer equipment	2,882,573	-	87,126	2,795,447	2,556,865	173,210	-	75,005	140,377	325,708
Furniture and fixtures	2,496,720	1,289,136	20,174	3,765,682	1,242,769	183,460	-	7,278	2,346,731	1,253,952
Vehicles	3,253,163	-	1,662,426	1,590,737	1,803,304	297,064	-	1,551,180	1,041,548	1,449,858
	308,189,155	1,300,126	148,054,707	161,434,574	171,302,605	12,490,590	2,554,373	120,330,018	95,417,023	136,886,550
B. Intangible assets:										
Total	308,189,155	1,300,126	148,054,707	161,434,574	171,302,605	12,490,590	2,554,373	120,330,018	95,417,023	136,886,550
Previous year	338,502,404	324,973	30,638,221	308,189,155	175,738,399	14,107,370	-	18,543,164	136,886,550	162,764,006

Notes:

1 Deduction in Plant & Machinery includes the net WDV as on 31/3/2014 of Rs. 2,17,20,031 (Gross Block Rs. 12,60,64,915 and depreciation to date 10,43,44,884) represents 800 & 400 TPD Plant, Boiler, Bag Filter Plant, Electric Installation and Factory Equipment of Soya Division transferred to Assets held for sale under Other Current Assets.

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Particulars	(Amount in Rs.)	
	31.03.2014	31.03.2013
3819(0) Shares of Hinduja Venture Ltd. of Rs. 10 each	1,227,521	-
5000 (5000) Shares of IB Power Limited of Rs. 10 each	84,078	84,078
1500 (1500) Shares of Icfai Bank Limited of Rs. 10 each	155,217	155,217
5000 (5000) Shares of Ifci Limited of Rs. 10 each	318,019	318,019
2500 (2500) Shares of Ifk Techno Limited of Rs. 1 each	14,068	14,068
75000 (25000) Shares of IL& FS Investment Limited of Rs. 10 each	1,762,309	1,306,966
5800 (5800) Shares of Indian Bank of Rs. 10 each	1,210,000	1,210,000
0 (5500) Shares of Infotech Limited of Rs. 5 each	-	1,077,018
100 (100) Shares of Inox Leisure Limited of Rs. 10 each	17,798	17,798
429 (429) Shares of Jagran Prakashan Ltd. of Rs. 10 each	-	-
1200 (1200) Shares of Jai Corp Limited of Rs. 1 each	149,150	149,150
5000 (5000) Shares of Jayashwal Neco ind. Limited of Rs. 10 each	234,806	234,806
5000 (5000) Shares of Jhunjhunwala vanaspati. Limited of Rs. 1 each	35,801	35,801
500 (500) Shares of J.M.Finance Limited of Rs. 1 each	9,472	9,472
5000 (5000) Shares of KCP Sugar Limited of Rs. 1 each	70,311	70,311
10000 (10000) Shares of Kirloskar Electric Limited of Rs. 10 each	854,101	854,101
3145 (3145) Shares of Krishna Filament Limited of Rs. 10 each	22,985	22,985
40 (40) Shares of MRF Limited of Rs. 10 each	389,835	389,835
150 (150) Shares of Moser Bear Limited of Rs. 10 each	25,335	25,335
775 (775) Shares of Nation Perox Limited of Rs. 10 each	313,799	313,799
500 (500) Shares of Neyveli lignite Limited of Rs. 10 each	86,912	86,912
900 (900) Shares of Nifty Benchmark Limited of Rs. 10 each	496,767	496,767
5000 (5000) Shares of Orient Abrasives Limited of Rs. 1 each	39,813	39,813
5000 (5000) Shares of Orient Refractories Limited of Rs. 10 each	-	-
3 (0) Shares of Pantaloon Fashion & Retail Limited of Rs. 10 each	-	-
15 (15) Shares of Future Retail Limited of Rs. 2 each	-	-
5000 (5000) Shares of Penner Industries Limited of Rs. 5 each	205,320	205,320
50(0) Shares of Pfizer Ltd. of Rs. 10 each	82,238	-
10000 (10000) Shares of Power Grid Corp Limited of Rs. 10 each	1,066,033	1,066,033
5337 (5337) Shares of Rajratan Global Wire Limited of Rs. 10 each	717,280	717,280
8500 (8500) Shares of Rama New Print Limited of Rs. 10 each	133,507	133,507
2500 (2500) Shares of SAIL of Rs. 10 each	527,135	527,135
100 (100) Shares of Sangam india Limited. of Rs. 10 each	8,236	8,236
0 (100) Shares of Satyam Computer Limited. of Rs. 2 each	-	43,954
750 (750) Shares of Sesa Goa Limited.of Rs. 1 each	241,715	241,715
1798 (1798) Shares of Shipping Corp of india Limited. of Rs. 10 each	296,597	296,597
2500 (2500) Shares of Steel tube of india Limited. of Rs. 10 each	11,096	11,096
4000 (4000) Shares of Sterlite technologies Limited. of Rs. 2 each	421,613	421,613
525 (350) Shares of Sutlaj industries Limited. of Rs. 10 each	100,445	100,445
100 (100) Shares of Syndicate bank.of Rs. 10 each	1,541	1,541

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

(Amount in Rs.)		
Particulars	31.03.2014	31.03.2013
11 (0) Shares of Tech Mahindra Ltd. of Rs. 10 each	43,954	-
250 (0) Shares of Technocraft Ltd. of Rs. 10 each	29,086	-
100 (100) Shares of Timken India Ltd. of Rs. 10 each	-	-
100 (100) Shares of Torrent cable Limited of Rs. 10 each	22,476	22,476
200 (200) Shares of Transgene bixtek Limited of Rs. 10 each	30,444	30,444
3000 (3000) Shares of Unitech Limited of Rs. 2 each	244,562	244,562
176 (176) Shares of Union bank of india of Rs. 10 each	4,789	4,789
250 (250) Shares of Viceroy Hotel Ltd. of Rs. 10 each	22,832	22,832
500 (500) Shares of Varun Lab. Ltd. of Rs. 10 each	60,612	60,612
15000 (15000) Shares of Willard India Ltd. of Rs. 10 each	233,170	233,170
10 (10) Shares of Wipro Ltd. of Rs. 2 each	20,952	20,952
500 (500) Shares of Zee Tele Ltd. of Rs. 1 each	42,328	42,328
50 (0) Shares of Wyeth Ltd. of Rs. 10 each	46,982	-
(B) In Unquoted Equity Instruments (At Cost) (Fully Paid Up)		
900000 (0) Shares of D&H Secheron Industries Pvt. Ltd. of Rs. 10 each	9,000,000	-
15500 (15500) Shares of Sam Hoteliers & Holdings Pvt. Ltd. of Rs. 10 each	620,000	620,000
536300 (286300) Shares of D&H Secheron Infrastructure P. Ltd. of Rs. 10 each	41,130,000	28,630,000
(C) In Bonds (At Cost) (Fully Paid Up) (Non- Convertible)(Unquoted)	250,000	-
250 (0) bonds of HUDCO Ltd. of Rs. 1000 each		
	64,719,756	41,942,755
Gross Total of Investments	164,160,192	141,383,191
Less : Provision for Dimination in value of Investments	3,189,379	4,444,628
Total Value of Investments	160,970,813	136,938,563
Aggregate amount of Quoted Investment	13,719,756	12,692,755
Aggregate amount of Market Value of Quoted Investment	12,364,299	9,767,046
Aggregate amount of Un-Quoted Investment	51,000,000	29,250,000
Note - 13 LONG TERM LOANS & ADVANCES		
(Unsecured Considered Good)		
(a) Balances with Statutory / Govt. Authorities	2,910,924	3,266,500
(b) Advance against purchase of Land	56,813,145	45,363,964
Total	59,724,069	48,630,464
Loans & Advances given in the nature of Loans to Related Parties	NIL	NIL
Gross Total of Investments		
Note -14 OTHER NON CURRENT ASSETS		
(a) Non Current Bank Balances (Refer Note 17)	10,000	10,000
Total	10,000	10,000

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)	
Particulars	31.03.2014	31.03.2013	
Note - 15 CURRENT INVESTMENTS			
(i) In Quoted Equity Instruments (At Lower of Cost or Fair Value) (Fully Paid Up)			
16000 (0) Shares of Idbi Bank Limited of Rs. 10 each	950,072	-	
14500 (0) Shares of Ifci Limited of Rs. 10 each	374,218	-	
4500 (0) Shares of India Bulls Real Estate Limited of Rs. 2 each	257,965	-	
555(0) Shares of JSW Steel Ltd. of Rs. 10 each	526,224	-	
100 (0) Shares of Nestle India Ltd. of Rs. 10 each	499,172	-	
10000 (0) Shares of Neyveli lignite Limited of Rs. 10 each	590,211	-	
750 (0) Shares of Tata Cofee Ltd. of Rs. 10 each	636, 637	-	
1000 (0) Shares of Titan Industries Ltd.of Rs. 1 each	250,186	-	
	4,084,685	-	
Aggregate amount of Quoted Investment			
Aggregate amount of Market Value of Quoted Investment	4,084,685		
Aggregate amount of Un-Quoted Investment	4,342,532		
Note -16 INVENTORIES			
a Particulars			
Stock in Trade (Trading Activity)	38,700,168	41,182,454	
Stores & Spares	3,044,005	3,502,075	
Others	67,515	112,925	
Total	41,811,688	44,797,454	
b Stores & spares, fuel and packing materials are valued at cost(FIFO) including freight Stock of land of real estate division is valued on cost after capitalizing the expenses incurred on development of land.			
Note -17 TRADE RECEIEVABLES			
		Current	
a Outstanding for a period exceeding 6 months from the due date			
Unsecured Considered Good	-	15,097	
	-	15,097	
b Other			
Unsecured Considered Good	5,366,335	5,569,961	
	5,366,335	5,569,961	
Total	5,366,335	5,585,058	
Note -18 CASH & BANK BALANCES			
Cash In Hand	840,423	744,465	
Balances with Bank	2,657,625	2,465,693	

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Particulars	(Amount in Rs.)	
	31.03.2014	31.03.2013
Deposits with Bank		
Maturity up to 12 months	207,032	207,032
Maturity above 12 months	10,000	10,000
Total	3,715,080	3,427,190
Less: Amount Disclosed under Non Current Assets	10,000	10,000
Total	3,705,080	3,417,190

Note - 19 SHORT TERM LOANS & ADVANCES

(Unsecured Considered Good)

a	Loans at Interest	69,593,513	88,508,739
		69,593,513	88,508,739
b	Advances Recoverable in cash	1,180,000	181,250
		1,180,000	181,250
c	Other Loans & Advances		
	Refund Receivable (A.Y. 11-12)	6,126	6,126
	Refund Receivable (A.Y. 12-13)	-	41,800
	Refund Receivable (A.Y. 13-14)	600,194	-
	Prepaid Expenses	229,103	326,065
		835,423	373,991
	Total	71,608,936	89,063,980
	Loans & Advances given in the nature of Loans to Related Parties	NIL	NIL

Note - 20 OTHER CURRENT ASSETS

(Unsecured Considered Good)

a	Assets Held for Sale(including assets lying with third parties)	21,719,035	-
b	Interest Accrued on Deposits	79,657	58,894
c	Interest Accrued on Loans	9,465,102	2,726,698
d	Others	2,632,171	2,357,430
	Total	33,895,965	5,143,022

Note - 21 REVENUE FROM OPERATIONS

a	Sale of Products	-	-
b	Traded Goods	21,894,400	47,800,890
c	Sale of Services	60,885,954	71,734,431
d	Other Operating Revenues	-	465,203
		82,780,354	120,000,524

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Particulars	(Amount in Rs.)	
	31.03.2014	31.03.2013
Details of product sold		
Traded Goods		
Plot	21,894,400	47,800,890
Others	-	-
	<u>21,894,400</u>	<u>47,800,890</u>
Details of Services		
Lease Rent	60,885,954	46,884,000
Incentives	-	20,184,434
Commitment Charges	-	4,665,997
	<u>60,885,954</u>	<u>71,734,431</u>
Note - 22 OTHER INCOME		
Interest:		
From Current Investment		
From Long Term Investment	8,801	-
From Others	8,562,733	9,681,731
Dividend:		
From Current Investment	18,000	-
From Long Term Investment	340,582	419,435
Net Profit on Sale of Investments :		
From Current Investment	-	-
From Long Term Investment	200,100	890,832
Profit on Sale of Fixed Assets	1,586,141	5,262,049
Profit on Sale of Stores	14,466	25,668
Excess Provision for leave encashment written back	8,945	125,889
Excess Provision for diminution written back	1,255,249	1,080,800
Agricultural Income	37,500	-
Other Non Operating Income	202,578	940,621
	<u>12,235,097</u>	<u>18,427,026</u>

Note - 23 COST OF MATERIAL CONSUMED

Opening Stock of Raw Material	-	2,774,596
Add: Purchases	-	-
	<u>-</u>	<u>2,774,596</u>

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)	
Particulars	31.03.2014	31.03.2013	
Less: Cost of goods sold	-	1,585,826	
Less : Shortage of Hexane		1,188,770	
Less: Closing Stock of Raw Material	-	-	
	-	(0)	
Note- 24 CHANGES IN INVENTORY OF FINISHED GOODS & STOCK IN TRADE			
a (Increase) / Decrease in Inventories			
Finished Goods	-	901	
Stock in Trade (Trading Activity)	41,182,454	46,922,740	
	41,182,454	46,923,641	
Less: Closing Stock of Inventory			
Finished Goods	-	-	
Stock in Trade (Trading Activity)	38,700,168	41,182,454	
	38,700,168	41,182,454	
Net (Increase) / Decrease	2,482,286	5,741,187	
b Details of Inventories			
Traded Goods			
Plot	38,700,168	41,182,454	
	38,700,168	41,182,454	
Note - 25 EMPLOYEE BENEFIT EXPENSES			
Salaries & Wages	9,367,978	13,553,696	
Bonus	29,717	53,361	
Contribution to Provident & Other Funds	191,138	250,383	
Staff Welfare Expenses	328,183	618,904	
Gratuity Expenses	65,733	439,514	
Leave Encashment Expenses	-	64,248	
Medical reimbursements	621	1,129	
	9,983,370	14,981,235	
Note - 26 OTHER EXPENSES			
a Manufacturing Expenses			
Consumption of Stores & Spares	-	1,100	
Power & Fuel	15,044,893	20,897,019	
Factory Expenses	24,539,112	27,775,773	
Repairs to Buildings	-	8,000	
Repairs to Machinery	51,848	2,353,356	
Insurance	136,391	628,290	

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)
Particulars	31.03.2014	31.03.2013
Freight & Cartage	-	4,640
	<u>39,772,244</u>	<u>51,668,179</u>
Selling Expenses		
Brokerage	202,597	445,198
Advertisement Expenses	8,850	200,484
	<u>211,447</u>	<u>645,682</u>
b Establishment Expenses		
Rent	568,945	488,412
Repairs-Others	286,523	74,582
Rates & Taxes	1,214,117	1,089,352
Director Remuneration	542,400	812,400
Auditor Remuneration	101,124	94,383
Legal & Professional Charges	1,136,703	915,158
Office & General Expenses	1,497,551	1,203,038
Telephone & Fax	179,005	220,784
Power & Fuel	682,948	-
Printing & Stationery	59,464	107,688
Postage & Telegram	13,333	20,601
Travelling Expenses	399,408	759,486
Business Development Expenses	-	148,709
Director Sitting Fees	60,000	30,000
C Other		
Loss on Sale of Assets	1,409,833	424,193
Assets written off	-	302,239
Impairment Loss	2,554,373	3,640,853
Loss on shortage of Hexane	-	1,188,770
Loss on sale of Hexane	-	1,177,726
Loss on sale of Spares	21,300	-
Loss on sale of Coal	-	47,684
Interest on Late Payment	41,706	253,631
Insurance Others	39,731	-
Freight on Others	48,500	-
Speculation Loss in Shares	320,226	-
Vat/Excise/Service Tax on completed cases	1,338,472	-
Prior Period Expenses	96,850	-
	<u>12,612,512</u>	<u>12,999,690</u>
	<u>52,596,203</u>	<u>65,313,550</u>

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

		(Amount in Rs.)
Particulars	31.03.2014	31.03.2013
Details of Payment to Auditors		
As Auditor		
Audit Fee	50,000	50,000
Tax Audit Fee	25,000	25,000
Limited Review	15,000	9,000
Service Tax	11,124	10,383
	<u>101,124</u>	<u>94,383</u>
Note - 27 FINANCIAL COST		
Interest on Working Capital Loans	22,088	515,654
Interest on Unsecured Loans	32,906	70,317
Other Interest	276,500	234,280
Bank Charges	9,138	13,161
	<u>340,632</u>	<u>833,412</u>
Note - 28 EXCEPTIONAL ITEMS		
Investment Written off	1,077,018	-
	<u>1,077,018</u>	<u>-</u>
Note: Exceptional Items represents Rs. 1,077,018 being the cost of Investment in Shares remained unadjusted at the time of sale of such shares in earlier years.		
Note - 29 TAX EXPENSES		
a Income Tax		
Current Year	9,000,000	14,600,000
Excess / Short Provision of Previous Year	(490)	828,256
	<u>8,999,510</u>	<u>15,428,256</u>
b Deferred Tax	(9,518,806)	(2,869,699)
	<u>(519,296)</u>	<u>12,558,557</u>
Note - 30 EARNING PER SHARE		
Earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year.		
Particulars		
Profit/ Loss After Tax	16,564,647	25,135,171
Net Profit attributable to equity shareholders	16,564,647	25,135,171
No of Shares Basic & diluted	11,088,470	11,088,470
Earning Per Share Basic & diluted	1.49	2.27

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

(Amount in Rs.)

Particulars	31.03.2014	31.03.2013
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Note - 31 EMPLOYEE BENEFIT

As required by Revised AS 15, Provident fund and gratuity are defined contribution scheme and the contributions made are charged to profit & loss account. Leave encashment liability is a defined benefit obligation and is provided for on the basis of actuarial valuation done using projected unit credit method at the end of the financial year.

Defined Benefit Plans/ Long Term Compensated Absence as per Actuarial Valuation on 31st March 2014:-

Leave Encashment

A Expense recognized in the statement on profit & Loss Account for the year ended March 31' 2014

Particulars

Current Service Cost	25,749	33,352
Interest Cost (On PBO as of 31.03.2013)	19,902	27,762
Employee Contributions	-	-
Expected return on Plan Assets	-	-
Actuarial (Gains)/ Losses	(54,596)	(1,22,755)
Plant Service Cost	-	-
Settlement Cost	-	-
Total Expense	(8,945)	(61,641)

B Net Asset/(Liability) recognized in the Balance Sheet as at March 31st 2014

Particulars

Present Value of Defined benefit obligation as at March 31' 2014	212,192	221,137
Fair Value of Plan Assets as at March 31' 2014	NIL	NIL
Funded status Surplus (Deficit)	(-)2,12,192	(-)2,21,137
Net Asset/(Liability) as at March 31' 2014	(-)2,21,137	(-)3,47,026

C Change in obligation during the year ended March 31' 2014

Particulars

Present Value of Defined benefit obligation at the beginning of the year	221,137	347,026
Current Service Cost	25,749	33,352
Interest Cost(On PBO as of 31.03.2013)	19,902	27,762
Settlement Cost	-	-
Past Service Cost	-	-
Employee Contributions	-	-
Actuarial (Gains) / Losses	(-)54,596	(-)1,22,755
Benefits Payments	-	-
Present Value of Defined benefit obligation at the end of the year	(-)8,945	(-)61,641

D Change in Assets during the year ended March 31' 2014

Particulars

Plan Assets at the beginning of the year 01.04.2013	-	-
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SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Particulars	(Amount in Rs.)	
	31.03.2014	31.03.2013
Assets acquired in amalgamation in previous year	-	-
Settlements	-	-
Expected return on plan assets	-	-
Contributions by employees	-	-
Actual benefits paid	-	-
Actuarial gains/ (Losses)	-	-
Plan Assets at the end of the year	-	-
Actual return on plan assets	-	-

E The major categories of plan assets as a percentage of total plan

Particulars

Qualifying insurance policy

F Actuarial Assumption

Particulars

Discount Rate	8%	8%
Future Salary Increase	5.50%	5.50%

The Liability relating to current year has been debited to profit & loss account.

Note - 32 LEASES

(i) The company has not taken so far any asset on finance lease during the year. In respect of operating lease of office premises the leasing arrangements which are not non cancelable range between 11 months and 39 months generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate of lease rental payable are charged as rent under the head "office and administrative expenses Rs.5,68,945 (Previous Year Rs.4,88,412) has been charged to revenue accordance with the terms and conditions of respective lease agreement.

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

The minimum future lease payment as on 31/03/2014 are as under:	31-03-2014	31-03-2013
(a) Receivable within one year	46,800,000	46,800,000
(b) Receivable within one to five years	187,200,000	187,200,000
(c) Receivable after five years	Nil	Nil

In addition to above variable lease rent will also be received as a percentage of Sales of Welding electrodes.

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Note - 33 Segment Reporting:

33.1 Business Segments:-

In the opinion of the management and as per the explanation given to us, there are four reportable segments of the company

- 1) Soya Division (Up to August 2013)
- 2) Welding Division
- 3) Real Estate Division
- 4) Investment Division

a. Segmental revenue includes sales and other income directly identifiable with \ allocable to the Particular segment.

b. Segmental expenses that are directly identifiable with allocable to particular segment are considered for determining the segment result.

(Amount in Rupees)

S. No.	Particulars	Soya Division		Welding Division		Real Estate Division		Investment Division		Total	
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
1	Segmental Revenue	1,830,571	11,495,703	61,116,921	67,329,053	21,932,783	47,985,493	10,135,176	11,617,300	95,015,451	138,427,549
2	Segmental Expenses	17,743,920	27,361,173	50,000,895	56,430,960	7,411,119	14,319,589	1,698,725	428,788	76,854,659	98,540,510
3	Segmental Profit/(Loss) (before tax & deferred tax)	(15,913,349)	(15,865,470)	11,116,026	10,898,093	14,521,664	33,665,904	8,436,451	11,188,512	18,160,792	39,887,039
4	Unallocable Expenses									2,115,441	2,193,311
5	Profit before tax & deferred tax									16,045,351	37,693,729
6	Segmental Assets[A]	86,312,248	117,619,681	114,156,913	96,026,673	40,439,152	42,010,586	235,686,280	214,815,342	476,594,592	470,472,281
7	Segmental Liability [B]	3,058,107	2,872,357	24,159,470	32,133,352	10,686,183	14,467,506	5,221,564	-54,24,361	43,125,324	44,048,854
8	Capital Employed [A-B]	83,254,141	114,747,324	89,997,443	63,893,321	29,752,969	27,543,080	230,464,717	220,239,704	433,469,270	426,423,429

33.2 Geographical Segments:-

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

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Note - 34. Related Parties Disclosure

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

(a) Holding Company - Sam Exim Limited.

(b) Associated Companies– Dwekam Electrodes Private Limited, Dwekam Weld- Tech Private Limited, AAM Venture Pvt. Ltd., Anisha Realty Pvt. Ltd., Dwekam Realty Pvt. Ltd., D&H Secheron Realty Pvt. Ltd., D&H Secheron Impex Pvt. Ltd., Indore Aeromatics Pvt. Ltd., Swan Finance Ltd., NSB Securities Pvt. Ltd., DKG Finvest Pvt. Ltd.

(c) Key Managerial Person –Mr. Ashutosh A Maheshwari, Chairman, Mr. Anil Maloo, Executive Director & Mr. Ashish Dave, Technical Director (Up to December 2012).

(d) Relative – Mr. Arvind A. Maheshwari, Arvind A. Maheshwari-HUF and Mrs. Seema A. Maheshwari, Suman A Maheshwari.

		(Amount in Rs.)	
S.No.	Nature of Transaction	2014	2013
1	Sale of goods		
	Dwekam Weldtech Pvt. Ltd. (Associate Co.)	-	32,42,400
2	Remuneration		
	Anil Maloo (Key managerial Person)	5,42,400	5,42,400
	Ashish Dave (Key Managerial Person)	-	2,70,000
	Seema A. Maheshwari (Relative)	3,00,000	3,00,000
3	Payable		
	Dwekam Electrodes P. Ltd. (Associate co.)	12,00,000	12,00,000
	Arvind A. Maheshwari (Relative)	2,92,723	2,14,943
	Arvind A. Maheshwari- HUF (Relative)	2,51,627	1,74,791
	Suman A. Maheshwari (Relative)	1,84,762	-
4	Lease Rent Paid		
	Arvind A. Maheshwari (Relative)	95,928	1,66,500
	Arvind A. Maheshwari- HUF (Relative)	85,375	1,87,080
	Suman A. Maheshwari (Relative)	2,19,102	-

Note - 35 Capital & Other Commitments

1.	Estimated amount of Contracts remaining to be executed on Capital (Net of Advance)	6,36,24,860	6,80,00,503
2.	Estimated amount of Contracts remaining to be executed on Revenue (Net of Advance)	-	-

Note - 36 Contingent Liabilities

Contingent Liabilities not provided for

36.1	Sales tax demands (in appeal/revision)	7,85,000	7,85,000
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SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Note - 37 Derivative Instruments

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

Note - 38 Disclosure required under section 22 for Micro, Small & Medium Enterprises:

- a. Trade payable includes Rs. NIL (Previous year Rs. 3,14,003/-) due to Micro & Small Enterprises registered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED, Act 2006) .
- b. No interest is paid / payable during the year to any enterprise registered under the MSME.
- c. The above information has been determined to the extent such parties could be identified on the basis of the information available to the company, regarding the status of the supplier under the MSME.

Note - 39 Transactions in Foreign Currency

	31.03.2014	31.03.2013
Remittances in Foreign Currency	NIL	NIL
CIF value of Import	NIL	NIL
Expenditure in Foreign Currency (Travelling Expenses)	NIL	3,83,947
Earnings in Foreign Exchange	NIL	NIL

Note- 40 Value of Consumption of Raw Material & Stores Consumed:

RAW MATERIAL CONSUMPTION

Particulars	31.03.2014	%	31.03.2013	%
Raw Material				
Imported	0	0%	0	0%
Indigenous	0	0%	0	0%
Total	0	0%	0	0%
Spare Parts				
Imported	0	0%	0	0%
Indigenous	0	0%	1,100	100%
Total	0	0%	1,100	100%

Note - 41

- (a) The business activities of Soya Division have been discontinued during the year and the management has decided to close the operation of the said division by selling out its Plant & Machineries etc. However the building & Other assets are being used by the other divisions of the company. In view of the above the company has impaired the assets of this division in 2012-13 also and booked a loss of Rs. 36,40,853/- considering the realizable value of Plant. Again the company got further valuation of the remaining Plant & Machinery which were lying as on 31.03.2014 and provided further impairment loss of Rs. 25,54,373 in this year.
- (b) Certain Plant & Machinery of Soya Division retired from the Active use of the business and the company has decided to sell out the same have been stated as "Assets held for disposal" and shown under "Other Current Assets"

SAM INDUSTRIES LIMITED

Notes Forming part of the Financial Statements for the Financial Year ended 31.03.2014

Note - 42

Assets held for disposal includes certain part of Assets that are lying with third Parties on our behalf.

Note - 43

In the opinion of the Board, the current assets, loans and advances have a value on realization on the ordinary course of business, at least equal to the amount at which the same is stated in the Balance Sheet. There are no contingent liabilities other than those stated above.

Note - 44

The Company has reclassified and regrouped the Previous Year Figures to confirm the current classification.

As per our report of Even Date attached

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

CA Atul Sharma
Partner
M .No. 075615

Place: Indore
Date: 30/05/2014

For and on Behalf of the Board

Anil Maloo, Executive Director
Santosh Muchhal, Director
Bhanu Prakash Inani, Director
Ritesh Neema, Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

CIN: L15143MH1994PLC164344

Regd. Off. 401, Dalamal Chambers, 29, New Marine Lines, Mumbai-20

Email:secretarial@sam-industries.com

PROXY FORM (MGT-11)

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

Name of the member(s)

Registered address

E-mail ID

Folio No.

Client ID/DP ID.....

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

1. Name: Address:

E-mail ID:

Signature

Or failing him.

2. Name: Address:

E-mail ID:

Signature

Or failing him.

3. Name: Address:

E-mail ID:

Signature

Or failing him.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on the Monday, 29th September, 2014 at 11.00 A.M. at the Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai – 400020 and at any adjournment thereof in respect of such resolutions as are indicated in the box below.

Resolution No.	RESOLUTION NO.		
	Ordinary Business	For	Against
1	Adoption of Financial Statements for the year ended March 31, 2014.		
2	Re-appointment of Mr. Anil Maloo who retires by rotation.		
3	Appointment of Auditors and fixing their remuneration.		
	Special Business		
4	Appointment of Mrs. Gitanjali A. Maheshwari as a Whole Time Director		
5	Appointment of Mr. Santosh Muchhal as an Independent Director		

Signed this.....day of, 2014.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: The Proxy must be returned so as to reach the Registered Office of the company at 401, Dalamal Chambers, 29, New Marine Lines, Mumbai - 400020 not less than (48) **Forty Eight Hours** before the time for holding the aforesaid meeting.

SAM INDUSTRIES LIMITED

CIN: L15143MH1994PLC164344

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Email:secretarial@sam-industries.com

ATTENDANCE SLIP

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

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

*Applicable in case of Shares held in Physical Form

I /We hereby record my presence at the 20th Annual General Meeting of the Company held on Monday 29th day of September, 2014 at 11.00 A. M. at Basement, Dalamal Chambers, 29, New Marine Lines, Mumbai – 400020.

Signature of Shareholder or Proxy

BOOK - POST

If undelivered, Please return to :

SAM INDUSTRIES LIMITED

CIN : L15143MH1994PLC164344

Regd. Office : 401, Dalamal Chambers, 4th Floor, 29, New Marine Lines, MUMBAI - 400 020 INDIA

Ph.: 0091-22-40409191, 40409113 Fax : 0091-22-22038629 E-mail : secretarial@sam-industries.com Website : www.sam-industries.com