

SAMTEL COLOR LIMITED

Regd. Office: 501, Copia Corporate Suites,
District Centre – Jasola, New Delhi – 110025
PHONES: 011-42424000
FAX: 011-42424099
www.samtel-color.com
CIN No.: L51909DL1986PLC024222

By Courier / Fax

May 29th 2017.

Head- Listing,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051.

The General Manager,
Department of Corporate Services
The B S E Limited.,
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai – 400 001.

Dear Sir,

Sub: Submission of Audited Financial results for the Quarter/Year ended 31st March, 2017.

Please find we enclosed herewith ***Audited Financial Results for the quarter/year ended 31st March, 2017*** alongwith audit report issued by the statutory auditor (observations/qualification) and the replied of the management thereon duly approved by the Board of Directors of the Company in their meeting held on Monday, the 29th May, 2017 at registered Office of the Company at 501, 5th Floor, Copia Corporate Suits, District Centre, Jasola, New Delhi – 110 025. We are arranging to publish the same in the Newspaper(s).

Kindly arrange to take on record the compliance and acknowledge the same.

Thanking you,
Yours faithfully,
For SAMTEL COLOR LIMITED

For SAMTEL COLOR LIMITED


Prabhat Nanda
COMPANY SECRETARY

Encl.: as above

SAMTEL COLOR LIMITED Regd. Office : 501, Copia Corporate Suites, District Centre - Jasola, New Delhi - 110025 CIN : L51909DL1986PLC024222 AUDITED FINANCIAL RESULTS FOR THE QUARTER and YEAR ENDED 31ST MARCH, 2017									
(Rs. in Lacs)									
PART - I	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Year Ended		Year Ended	
		31-03-2017 Audited	31-12-2016 Unaudited	31-03-2016 Audited	31-03-2017 Audited	31-03-2016 Audited	31-03-2017 Audited	31-03-2016 Audited	31-03-2017 Audited
1	Income from Operations								
	(a) Net Sales / Income from Operations	-	-	-	-	-	-	-	-
	(b) Other Operating Income	-	-	-	-	-	-	-	-
2	Expenses								
	a. Cost of Materials Consumed	-	-	-	-	-	-	-	-
	b. Purchases of Stock in Trade	-	-	-	-	-	-	-	-
	c. Changes in Inventories (Increase)/Decrease of Finished Goods, Work in Progress and Stock in Trade	9	8	1,189	37	2,032	37	2,032	2,032
	d. Employee Benefits Expense	143	143	257	591	1,039	591	1,039	1,039
	e. Depreciation Expense	18	48	56	124	169	124	169	169
	f. Other Expenses	170	199	1,502	752	3,240	753	3,240	3,240
	g. Total Expenses	(170)	(199)	(1,502)	(752)	(3,240)	(753)	(3,240)	(3,240)
3	Profit (+)/Loss (-) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	61	-	2	69	18	69	18	18
4	Other Income	(109)	(109)	(1,500)	(683)	(3,222)	(684)	(3,222)	(3,222)
5	Profit (+)/Loss (-) from Ordinary Activities before Finance Cost and Exceptional Items (3 + 4)	0	(0)	253	1	1,007	1	1,007	1,007
6	Finance Costs (Net)	(109)	(109)	(1,753)	(684)	(4,229)	(685)	(4,229)	(4,229)
7	Profit (+)/Loss (-) from Ordinary Activities after Finance Cost but before Exceptional Items (5-6)	-	-	-	-	-	-	-	-
8	Exceptional Items	(109)	(109)	(1,753)	(684)	(4,229)	(685)	(4,229)	(4,229)
9	Profit (+)/Loss (-) from Ordinary Activities before tax (7+8)	(109)	(109)	(1,753)	(684)	(4,229)	(685)	(4,229)	(4,229)
10	Tax Expense	-	-	-	-	-	-	-	-
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax (9 - 10)	(109)	(109)	(1,753)	(684)	(4,229)	(685)	(4,229)	(4,229)
12	Extraordinary items (net of tax)	-	-	-	-	-	-	-	-
13	Net Profit (+)/Loss (-) for the period (11 - 12)	(109)	(109)	(1,753)	(684)	(4,229)	(685)	(4,229)	(4,229)
14	Share of Profit / (Loss) of Associates	-	-	-	-	-	(77)	(52)	(52)
15	Minority Interest	-	-	-	-	-	-	-	-
16	Net Profit (+)/Loss (-) after taxes, minority interest and share of profit/(loss) of associates (13+14+15)	(109)	(109)	(1,753)	(684)	(4,229)	(761)	(4,281)	(4,281)
17	Paid-up Equity Share Capital (Face value Rs.10 each share)	8,550	8,550	8,550	8,550	8,550	8,460	8,460	8,460
18	Reserves (excluding revaluation reserves) as per Balance Sheet of previous accounting year	-	-	-	-	-	-	-	-
19	Earnings Per Share before and after Extraordinary items	(2.23)	(2.33)	(3.92)	(2.90)	(6.82)	(3.02)	(6.89)	(6.89)
	Basic Earnings / (loss) Per Share (not annualised)	(2.23)	(2.33)	(3.92)	(2.90)	(6.82)	(3.02)	(6.89)	(6.89)
	Diluted Earnings / (loss) Per Share (not annualised)	(2.23)	(2.33)	(3.92)	(2.90)	(6.82)	(3.02)	(6.89)	(6.89)

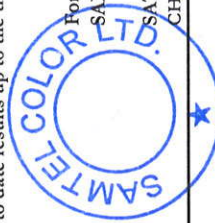
NOTES :

- The above financial results were reviewed and recommended by the Audit Committee of Directors at their respective meetings held on May 29, 2017.
- The reference of the Company under the provisions of Section 15 of SICA was abated vide order dated 08.06.2016 of Board for Industrial and Financial Reconstruction (BIFR). The appeal preferred by the Company at Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the abatement order was disallowed by Hon'ble AAIFR in its hearing held on 08.11.2016. Consequent to the repeal of Sick Industrial Company (Special Provisions) Act, 1985 (SICA), Board for Industrial and Financial Reconstruction (BIFR) has been wound up.
- Pursuant to receipt of notice u/s 13(4) of The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act 2002) in the earlier years, interest on loans from CDR lenders has not been provided from October, 2013 onwards.
Interest on loans from other unsecured lenders / creditors has also not been provided from April, 2016 onwards due to no operations in the Company.
- Secured Lenders have taken physical possession of Guest house situated at R-9/10, Raj Nagar, Ghaziabad (U.P.) and DY and B&W Electron Gun plant at Plot no-6, Sector II, Parwanoo Industrial Area, Parwanoo (H.P.) under section 13(4) of SARFAESI Act, 2002 as per the directions dated 14.07.2014 of District Magistrate, Ghaziabad and directions dated 23.08.2014 by Tahsildar of District Solan (H.P.) respectively. District Magistrate, Gautam Budh Nagar (U.P.) has also issued order dated 05.07.2016 / 18.02.2017 in favour of the Secured Lenders to take over the physical possession of the moveable and immovable properties of CPT plants at Chappraula, Gautam Budh Nagar. However, the Secured Lenders have not taken physical possession of the assets as yet.



- 5 Manufacturing facilities, at present, at all location of the Company have been suspended due to severe financial constraints. In view of the current market scenario, the management is of the opinion that demand for color picture tube (CPT) based televisions is still there amongst rural populations and the same can be catered by entering into the business of refurbishing of CPT of old televisions. The Company is reviewing the situation and will approach the lenders for restructuring of its debts. Meanwhile, Edelweiss Assets Reconstruction Company Limited (EARC) has acquired debt to the extent of 45.57% of total principal debts of the Company. The Company is working with EARC, being lead lender, for settlement / restructuring of the bank dues from realisation of assets.
The Company intends to enter into the said business after approval of restructuring scheme by lenders. The Company is hopeful that lenders will approve the restructuring scheme which would entail part sale of its assets to discharge some of its financial obligations, improve cash flow and to do other requisite financial restructuring in consultation with various stake holders to improve the financial position including net worth.
- In view of the above, the Company is hopeful that it would be in position to realise its assets and discharge its liabilities by successfully implementing the proposed restructuring scheme and in the normal course of its business. Accordingly, the financial statements have been prepared on a going concern basis.
- 6 Based on the prudent accounting, the Company has provided estimated liability in respect to the dues of workmen of all the units. As per the legal opinion taken, all the manufacturing facilities except DY / Gun plants at Parwanoo of the Company are under deemed closure. Plants at Parwanoo are closed as per Shimla High Court Order. The Company has provided for the workmen dues in terms of various labour laws till the date of deemed closure or closure, as the case may be. The necessary adjustments, if any further required, will be made in the financial books as and when the same is decided.
- 7 The useful life of those assets / salvage value which are at variance with the useful life / salvage value in terms of schedule II of the Companies Act, 2013 have been worked out as per the technical assessment in October, 2010 by an independent professional valuer.
- 8 During the quarter, Zero Coupon Bonds amounting to Rs. 211.00 lacs were due for redemption, which have not been redeemed due to liquidity constraints.
- 9 The Consolidation of Samtel Color Limited and its subsidiaries / associates (unaudited) have been done in accordance with the applicable Accounting Standards.
- 10 Response to Auditor's comments in the report on the audited financial statements as at March 31, 2017 :
 - a The Company is taking necessary steps to streamline the restructured operations of some of the manufacturing facilities. Thus, the Company feels that it can operate as "Going Concern" in foreseeable future.
 - b The Company has impaired the plant & machinery and its related stores & spares of some of its manufacturing facilities and provided for diminution in value of long term investments on the basis of applicable accounting standards. In respect of investment in Samtel Glass Ltd. (SGL), the management has the opinion that the realisation value of immovable properties of SGL will be higher than the liabilities. Thus the long term value of the equity shares of SGL are expected to be higher and further diminution of value at this stage is not called for.
 - c The Company will obtain the balance confirmation and reconciliation thereof from banks / creditors / debtors in due course.
 - d During the year, the fixed assets of the Company could not be verified by the management due to closure of plants. However, the management does not expect any major discrepancy.
 - e Due to suspension / closure of operations in all the locations the physical verification of inventory could not be done on March 31, 2017. However, the management is of the view that there are not any major discrepancies in inventory.
 - f The Company has not booked the statutory liabilities on the provision for expenses made during the year as the quantum of exact statutory liability can not be ascertained in the present scenario.
 - g The other qualifications given by the auditors with regard to outstanding dues / payments to respective statutory authorities can be serviced by operating some of the manufacturing facilities of the Company after approval of restructuring scheme of lenders.
 - h In the view of the management the share application money of Rs. 30 crs. is not refundable and doesn't fall in the category of deposit in pursuant to section 73 to 76 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules 2014 and relevant amendment Rules 2014. The warrants/shares have not been allotted to the applicant due to absence of requisite approval of the stock exchanges for which application had submitted.
 - i The Company does not have any manufacturing activities and was earlier declared sick industrial unit. However, search for whole time CFO is continuing and the company is hopeful of appointing the CFO during this year.
 - j Interest on loans from other unsecured lenders / creditors has also not been provided from April, 2016 onwards due to no operations in the Company.
- 11 The Deferred Tax Assets, in accordance with AS - 22 "Accounting for Taxes on Income" on account of carried forward unabsorbed losses / depreciation as per the Income Tax Act, 1961 have not been recognised since there is no certainty of future taxable income.
- 12 The Company is engaged in the business of TV Picture Tubes & Parts and there are no separate reportable segments as per AS - 17 on Segment reporting.
- 13 Figures of current quarter are the balancing figures between audited figures in respect of full financial year and the published year to date results up to the third quarter of the current financial year.
- 14 Previous year/period figures have been regrouped/recast, wherever necessary, to conform to the current period's classification.

Place : New Delhi
Dated : May 29, 2017

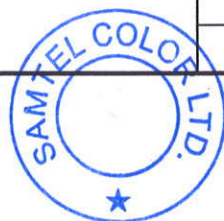

 For and on behalf of the Board of Directors of
SAMTEL COLOR LIMITED
Satish K. Kaura
SATISH K. KAURA
 CHAIRMAN AND MANAGING DIRECTOR

SAMTEL COLOR LIMITED

STATEMENT OF ASSETS AND LIABILITIES

Rs. in Lacs

Particulars	As At 31-03-2017 Audited	As At 31-03-2016 Audited
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	11,629	11,629
(b) Reserves and Surplus	(80,970)	(80,287)
(c) Money Received against Share Warrants	3,000	3,000
Sub - Total - Shareholder's Funds	(66,341)	(65,658)
(2) Non-Current Liabilities		
(a) Long-Term Borrowings	664	3,581
(b) Long Term Provisions	2,185	2,185
Sub - Total - Non Current Liabilities	2,849	5,766
(3) Current Liabilities		
(a) Short Term Borrowings	16,057	16,057
(b) Trade Payables	15,743	15,744
(c) Other Current Liabilities	51,133	48,175
(d) Short Term Provisions	363	363
Sub - Total - Current Liabilities	83,296	80,339
TOTAL EQUITY AND LIABILITIES	19,804	20,447
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed Assets	10,535	11,128
(b) Non-Current Investments	538	538
(c) Long Term Loans and Advances	320	320
Sub - Total - Non Current Assets	11,393	11,986
(2) Current Assets		
(a) Inventories	1,182	1,182
(b) Trade Receivables	5,951	5,951
(c) Cash And Cash Equivalents	53	51
(d) Short Term Loans and Advances	1,225	1,276
(e) Other Current Assets	-	1
Sub - Total - Current Assets	8,411	8,461
TOTAL ASSETS	19,804	20,447



S S KOTHARI MEHTA & CO

CHARTERED ACCOUNTANTS

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E-mail: delhi@sskmin.com

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Samtel Color Limited
New Delhi

We have audited the quarterly financial results of **Samtel Color Limited** for the quarter ended 31st March 2017 and the year to date/ yearly results for the year ended 31st March 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim / annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the prescribed accounting standards under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, we state that *except the following, including our observation which were also reported in financial statement for the year ended on 31st March, 2012, 31st March 2013, 31st March 2014, 31st March, 2015, 31st March, 2016 and 31st March, 2017* nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in Accounting Standard AS – 25 (Interim Financial Reporting [notified under the Companies (Accounting Standard) Rules, 2006(as amended)] which continue to apply as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies(Accounts) Rules, 2014, and other recognised accounting practices and policies, generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 including the manner in which it is to be disclosed, or that it contains any material



misstatement. We also draw attention on note no. (2), (4), (5), (7) and (8) of accompanying financial statement regarding

- (i) The reference of the Company under the provisions of Section 15 of SICA was abated vide order dated 08.06.2016 of Board for Industrial and Financial Reconstruction (BIFR). The appeal preferred by the Company at Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the abetment order was disallowed by Hon'ble AAIFR in its hearing held on 8.11.2016. Consequent to repeal of Sick Industrial Company (Special Provisions) Act, 1985 (SICA), Board for Industrial and Financial Reconstruction (BIFR) has been wound up and accordingly, nomination of the Special Director nominated by BIFR stands withdrawn. Meanwhile the Company is exploring further legal recourse in the above matter.
- (ii) Secured Lenders have taken physical possession of Guest house situated at R-9/10, Raj Nagar, Ghaziabad (U.P.) and DY and B&W Electron Gun plant at Plot no-6, Sector II, Parwanoo Industrial Area, Parwanoo (H.P.) under section 13(4) of SARFAESI Act, 2002 as per the directions dated 14.7. 2014 of District Magistrate Ghaziabad and directions dated 23.8. 2014 by Tahsildar of District Solan (H.P) respectively. District Magistrate, Gautam Budh Nagar (U.P.) has issued the order dated 05.07.2016 in favour of the Secured Lenders to take over the physical possession of moveable and immoveable properties of CPT plants at Chappraula, Gautam Budh Nagar.
- (iii) Manufacturing facilities, at present, at all location of the Company have been suspended due to severe financial constraints. In view of the current market scenario, the management is of the opinion that demand for color picture tube (CPT) based televisions is still there amongst rural populations and the same can be catered by entering into the business of refurbishing of CPT of old televisions. The Company is reviewing the situation arising out of the rejection of the Company's appeal by Hon'ble AAIFR and will approach the lenders for restructuring of its debts meanwhile Edelweiss Assets Reconstruction Company Limited (EARC) has acquired debt to the extent of 45.57% of total principal debts of the Company. The Company is working with EARC, being lead lender, for settlement / restructuring of the bank dues from realisation of assets.

However, Company intends to enter into the said business after approval of restructuring scheme by lenders. The Company is hopeful that lenders will approve the restructuring scheme which would entail part sale of its assets to discharge some of its financial obligations, improve cash flow and to do other requisite financial restructuring in consultation with various stake holders to improve the financial position including net worth.
- (iv) The depreciation where useful life and salvage value of assets is in variance with the useful life and salvage value given in Schedule II of Companies Act, 2013 as per the technical assessment by an independent professional valuer.
- (i) As per terms Zero Coupon Bond of Rs 211 lakhs being redeemed quarter the year has not been paid by the company due to financial liquidity problem.

A. We had reported in our audit report for the year ended 31st March 2012 as under:-

- (i) The entire net worth of the Company has eroded completely;



- (ii) the Company has initiated the bidding process for the disposal of production lines 1 and 4 (non-core assets) out of 4 production lines at plant situated at Gautam Budh Nagar (Uttar Pradesh) after obtaining approval of CDR lenders and consequently impaired those production lines by Rs. 3,866.91 Lacs and related stores & spares by Rs. 512.28 Lacs;
 - (iii) the manufacturing operations at other production lines at plants situated at Ghaziabad (Uttar Pradesh) & Parwanoo (Himachal Pradesh) could not be resumed in the financial year due to non-participation of labour in production process reasoning to their over-dues;
 - (iv) the Company has defaulted in repayment of loans as per CDR scheme and borrowings of other lenders, as elaborated in note no. 38 of the financial statements;
 - (v) there is diminution in the value of long term investments;
 - (vi) reconciliation and confirmations of balances of certain major creditors and acceptances are pending;
 - (vii) non-redemption of 969,163, 0% redeemable preference shares of Rs100 each amounting to Rs. 969.16 lacs already due for redemption; and
 - (viii) non-payment of preference dividend for the period from 31st March 2008 to 31st March 2012 aggregating to Rs. 773.61 Lacs on 21,10,116 8% Non-Convertible Cumulative Redeemable Preference Shares.
- B. In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2013:
- (i) the year, in view of the continued failure of the Company to disburse the legitimate dues of the workmen, Hon'ble High Court of Himachal Pradesh (Shimla) has settled the dispute by passing an order for the closure of Deflection Yoke unit at Parwanoo (H.P) and thereby, pay off the corresponding outstanding dues by selling the industrial undertaking/ Company assets etc.,
 - (ii) the operations have been suspended in all locations by the mid of November 12, & have not been resumed till date and consequently, management has impaired the production lines 3 & 5, located at Gautam Budh Nagar (UP) & Deflection Yoke unit located at Parwanoo (HP) by Rs.27,977.06 lacs and related stores & spares by Rs. 410.35 lacs etc.;
 - (iii) the impairment of assets of production line 2, located at Gautam Budh Nagar (U.P.), and gun division at Meerut has not been considered by the



management on the rationale of its revival plan of running the operations by restructuring them even though in our opinion considering the liquidity crunch, the probability of running these lines seems remote;

- (iv) the balances outstanding as on 31st March, 2013 of receivables & inventory are subject to confirmation & physical verification respectively due to temporary suspension of operations & non-access to inventories,*
- (v) raw material & finished goods inventory amounting to Rs. 311.90 lacs and Rs. 55 lacs respectively have been seized by the excise authorities due to non-payment of excise dues;*
- (vi) there is non-submission of various statutory returns acknowledged by the respective authorities, non-provision /deposition of various overdue statutory liabilities like PF/ Service Tax/ TDS/ Excise/ Vat & CST/ WCT/ TCS/ ESI/ Gratuity/ Bonus/ Preference dividend & related over dues (interest and penalty), non-deduction of TDS on provisional expenses; and as explained by management, exact amount of which could not be ascertained in present scenario;*
- (vii) there is increase in diminution of investments in current year of Rs.841.48 lacs,*
- (viii) Assets lying with the Provident Fund trust have been transferred to Regional Provident Fund Commissioner and those related to Gratuity Trust have been settled by adjustment of employee's dues. However, as per the management, related liability has been accounted for completely and there will be no demand over and above the same;*
- (ix) Company has accounted for its gratuity and leave encashment liability on actual basis rather than on actuarial valuation method which has been prescribed in Accounting Standard AS-15, "Employee Benefits".*

C. In continuation to aforesaid observations for the financial year 2012 and 2013, we reported the following in our audit report for the year ended on 31st March, 2014:

There is no change in above matters except that in respect of compliance with the clause 35 of the listing agreement and requirement of SEBI circular no. D&CC/FITTC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report for the quarter ended December, 2013,

Above default was made good on 23 June, 2014. However due to delay NSE has imposed a penalty of Rs. 9.32 lacs vide notice no. FINES/ 2013-14/230721-T dated 17 February, 2014. However the same has been compounded by SEBI via order no. CA NO. 16/175/2014- CLB dated 10/11/2014. The company has requested for waiver of penalty/ fine citing that company has been registered with BIFR & as per provisions of that and due to liquidity problem, is not in a position to repay.



D. In continuation to aforesaid observations , we reported the following in our audit report for the year ended on 31st March, 2015:

- (i) the Company has not appointed any Chief financial officer as per the requirement of section 203 of the Companies Act 2013, in respect of the key managerial personnel;
- (ii) the balances outstanding in banks (except one operative bank) are subject to confirmation;
- (iii) during the financial year 2013-14, the Company had provided further diminution in long term investment in Samtel Glass Limited of Rs. 937.87 lacs, diminution of investment in current year has not been considered by the management since, as explained to us, the realisation value of land during disposal of Samtel Glass Limited will be higher after setting off all liabilities [refer note no. 37(g)];
- (iv) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company may be in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015

E. In continuation to aforesaid observations, during the quarter ended June 2015, we report that:

- (i) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company is in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015.

F. During the quarter ending June, 2016

- (i) The Company has not provided Interest on loans from unsecured lenders / creditors other than CDR Lenders on account of no operations & hence no revenue is recognised.
- (ii) ICICI Bank (AO) has assigned its debts to Edelweiss Assets Reconstruction Company Limited (EARC) for recovery.
- (iii) From Financial year 2012-13 the Company has provided the estimated liability in respect of dues to workers for all its units based on deemed



closure/ closure as per various laws on date of deemed closure . The necessary adjustment due to any liability in future will be recognised in financial books as & when the same arises or decided.

G. During the quarter ending September, 2016

- (i) Company continues for not provided Interest on loans from unsecured lenders /creditors other than CDR Lenders on account of no operations & hence no revenue is recognised.*
- (ii) The reference of the Company under the provisions of Section 15 of SICA was abated vide order dated 08.06.2016 of Board for Industrial and Financial Reconstruction (BIFR). The appeal preferred by the Company at Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the abetment order was disallowed by Hon'ble AAIFR in its hearing held on 8.11.2016.*
- (iii) AXIS bank has assigned its debts to Edelweiss Assets Reconstruction Company Limited (EARC) for recovery.*

H. During the quarter ending December, 2016

- (i) Company continues for not provided Interest on loans from unsecured lenders /creditors other than CDR Lenders on account of no operations & hence no revenue is recognised.*
- (ii) Exim Bank, ICICI Bank and State Bank of India have assigned its debts to Edelweiss Assets Reconstruction Company Limited (EARC) for recovery aggregating to 45.57% of total principal debts of the Company. The Company is working with EARC, being lead lender, for settlement / restructuring of the bank dues from realisation of assets.*
- (iii) Consequent to repeal of Sick Industrial Company (Special Provisions) Act, 1985 (SICA), during the quarter the Board for Industrial and Financial Reconstruction (BIFR) has been wound up and accordingly, nomination of the Special Director nominated by BIFR stands withdrawn.*

I. During the Quarter Ending March, 2017

- (i) As per terms Zero Coupon Bond of Rs 211 lakhs being redeemed quarter the year has not been paid by the company due to financial liquidity problem.*

Considering these factors & new development of rejection by AAIFR, raise substantial doubts as to the Company's ability to continue as going concern and therefore, the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustment relating to the recoverability and classification of recorded assets amounts.



Based on the above facts we are of the opinion that going concern assumption has been significantly affected and the financials should have been stated at net realisable value.

Further, the quarterly financial results for the quarter ended 31st March 2017 are the derived figures between the audited figures in respect of the year ended 31st March 2017 and the published year-to-date figures for the period 1st April 2016 to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review in accordance with Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' as issued by the Institute of Chartered Accountants of India.

For **S. S. KOTHARI MEHTA & CO.**
(Chartered Accountants)
Firm Registration Number-000756N



Place: New Delhi

Date: 29.05.2017

A handwritten signature in black ink, appearing to read "Neeraj Bansal".

(Neeraj Bansal)
Partner
Membership No. : 095960

S S KOTHARI MEHTA & CO

CHARTERED ACCOUNTANTS

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Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of
Samtel Color Limited

We have audited the yearly financial results of **Samtel Color Limited** (the "Holding Company") and its subsidiaries (the Holding Company, its subsidiaries together referred to as the "Group") and its Associates for the year to date / yearly results for the year ended 31st March, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These year to date financial results have been prepared on the basis of financial statement, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down as per accounting standards mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We also draw attention on note no. (2),(4) , (7) and (8) of accompanying Results regarding

- (i) The declaration of the company as a sick industrial company under section 3(1) of Sick Industrial Companies Act, 1985 via order of BIFR bench dated 3rd December, 2014 against case no. 58/2012. During the previous quarter the draft rehabilitation scheme in line with prescribed procedure & rules under SICA was filed and during the quarter :
 - a. as per direction of BIFR dated 6th October, 2015, the Company has to submit the updated DRS after incorporation of all the observations made by ICICI (OA) and the Company has replied/ clarified observation of OA on 16th December, 2015. Meanwhile OA has applied on behalf all the applicant under third proviso to the section 15 of SICA for abatement of reference filed by the Company on account of action taken by the OA under Section 13 (4) of SARFAESI Act, 2002.
 - b. ICICI Bank being authorised by other lender Banks/ financial Institutions has taken physical possession of immovable properties situated at R-9/10 Raj Nagar Ghaziabad (U.P.) and Plot no-6, Sector II Parwanoo Industrial Area , Parwanoo (H.P.) under section 13(4) of SARFAESI



Act, 2002 as per the direction dated 14th July , 2014 of District Magistrate Ghaziabad for Rajnagar Property and direction dated 23rd August 2014 by Tahsildar of district Solan (H.P) for Parwanoo property on the basis of symbolic possession of all the immovable properties of the Company pursuant to letter dated 16th April 2014

- (ii) The depreciation where useful life and salvage value of assets is in variance with the useful life and salvage value given in Schedule II of Companies Act, 2013 as per the technical assessment by an independent professional valuer.
- (iii) As per terms Zero Coupon Bond of Rs 211 lakhs being redeemed during the year has not been paid by the company due to financial liquidity problem.

(A) We had reported in our audit report for the year ended 31st March 2012 as under:-

- (i) The entire net worth of the Company has eroded completely;
- (ii) the Company has initiated the bidding process for the disposal of production lines 1 and 4 (non-core assets) out of 4 production lines at plant situated at Gautam Budh Nagar (Uttar Pradesh) after obtaining approval of CDR lenders and consequently impaired those production lines by Rs. 3,866.91 Lacs and related stores & spares by Rs. 512.28 Lacs;
- (iii) the manufacturing operations at other production lines at plants situated at Ghaziabad (Uttar Pradesh) & Parwanoo (Himachal Pradesh) could not be resumed in the financial year due to non-participation of labour in production process reasoning to their over-dues;
- (iv) the Company has defaulted in repayment of loans as per CDR scheme and borrowings of other lenders, as elaborated in note no. 38 of the financial statements;
- (v) there is diminution in the value of long term investments;
- (vi) reconciliation and confirmations of balances of certain major creditors and acceptances are pending;
- (vii) non-redemption of 969,163, 0% redeemable preference shares of Rs100 each amounting to Rs. 969.16 lacs already due for redemption; and
- (viii) non-payment of preference dividend for the period from 31st March 2008 to 31st March 2012 aggregating to Rs. 773.61 Lacs on 21,10,116 8% Non-Convertible Cumulative Redeemable Preference Shares.

(B) In continuation to aforesaid observations, we reported the following in our audit report for the year ended on 31st March, 2013:

- (i) During the year, in view of the continued failure of the Company to disburse the legitimate dues of the workmen, Hon'ble High Court of Himachal Pradesh (Shimla) has settled the dispute by passing an order for the closure of Deflection Yoke unit at Parwanoo (H.P) and



thereby, pay off the corresponding outstanding dues by selling the industrial undertaking/Company assets etc.,

- (ii) the operations have been suspended in all locations by the mid of November 12, & have not been resumed till date and consequently, management has impaired the production lines 3 & 5, located at Gautam Budh Nagar (UP) & Deflection Yoke unit located at Parwanoo (HP) by Rs.27,977.06 lacs and related stores & spares by Rs. 410.35 lacs etc.;
 - (iii) the impairment of assets of production line 2, located at Gautam Budh Nagar (U.P.), and gun division at Meerut has not been considered by the management on the rationale of its revival plan of running the operations by restructuring them even though in our opinion considering the liquidity crunch, the probability of running these lines seems remote;
 - (iv) the balances outstanding as on 31st March, 2013 of receivables & inventory are subject to confirmation & physical verification respectively due to temporary suspension of operations & non access to inventories,
 - (v) raw material & finished goods inventory amounting to Rs. 311.90 lacs and Rs. 55 lacs respectively have been seized by the excise authorities due to non-payment of excise dues;
 - (vi) there is non-submission of various statutory returns acknowledged by the respective authorities, non provision/deposition of various overdue statutory liabilities like PF/Service Tax/TDS/Excise/Vat & CST/WCT/TCS/ESI/Gratuity/Bonus/ Preference dividend& related over dues (interest and penalty), non deduction of TDS on provisional expenses; and as explained by management exact amount of which could not be ascertained in present scenario;
 - (vii) there is increase in diminution of investments in current year of Rs.841.48 lacs,
 - (viii) Assets lying with the Provident Fund trust have been transferred to Regional Provident Fund Commissioner and those related to Gratuity Trust have been settled by adjustment of employee's dues. However, as per the management, related liability has been accounted for completely and there will be no demand over and above the same;
 - (ix) Company has accounted for its gratuity and leave encashment liability on actual basis rather than on actuarial valuation method which has been prescribed in Accounting Standard AS-15, "Employee Benefits".
- (C) In continuation to aforesaid observations for the financial year 2012 and 2013, we reported the following in our audit report for the year ended on 31st March, 2014:
- (i) There is no change in above matters except that in respect of compliance with the clause 35 of the listing agreement and requirement of SEBI circular no. D&CC/FITTC/CIR-16/2002 dated 31.12.2002 regarding Reconciliation of Share Capital Audit Report for the quarter ended December, 2013,



- (ii) Above default was made good on 23 June, 2014. However due to delay NSE has imposed a penalty of Rs. 9.32 lacs vide notice no. FINES/ 2013-14/230721-T dated 17 February, 2014. However the same has been compounded by SEBI via order no. CA NO. 16/175/2014- CLB dated 10/11/2014. The company has requested for waiver of penalty/fine citing that company has been registered with BIFR & as per provisions of that and due to liquidity problem, is not in a position to repay.
- (D) In continuation to aforesaid observations , we reported the following in our audit report for the year ended on 31st March, 2015:
- (i) the Company has not appointed any Chief financial officer as per the requirement of section 203 of the Companies Act 2013, in respect of the key managerial personnel;
 - (ii) the balances outstanding in banks (except one operative bank) are subject to confirmation;
 - (iii) during the financial year 2013-14, the Company had provided further diminution in long term investment in Samtel Glass Limited of Rs. 937.87 lacs, diminution of investment in current year has not been considered by the management since, as explained to us, the realisation value of land during disposal of Samtel Glass Limited will be higher after setting off all liabilities [refer note no. 37(g)];
 - (iv) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company may be in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015
- (E) In continuation to aforesaid observations , we reported the following in our audit report for the year ended on 31st March, 2016:
- (i) the shares against subscription money received from Promoters Group Company of Rs. 3000 lacs, in terms of CDR Scheme, could not be issued due to non-approval from Stock Exchange. After the lapse of extended period as provided in MCA Notification the Company is in default of provision of section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and relevant Amendment Rules 2015
 - (ii) ICICI Bank as lead lender acting on behalf of other lender Banks/ financial Institutions has taken physical possession of immovable properties situated at R-9/10, Raj Nagar, Ghaziabad (U.P.) and Plot no-6, Sector II, Parwanoo Industrial Area , Parwanoo (H.P.) under section 13(4) of SARFAESI Act, 2002 as per the directions dated 14th July , 2014 of District Magistrate Ghaziabad for Rajnagar Property and directions dated 23rd August 2014 by Tahsildar of District Solan (H.P) for Parwanoo property on the basis of symbolic possession of all the immovable properties of the Company pursuant to letter dated 16th April 2014.
- (F) In continuation to aforesaid observations for the year ended March, 2017, we reported the following



- (i) *The Company has not provided Interest on loans from unsecured lenders / creditors other than CDR Lenders on account of no operations & hence no revenue is recognised.*
- (ii) *ICICI Bank (AO) has assigned its debts to Edelweiss Assets Reconstruction Company Limited (EARC) for recovery.*
- (iii) *From Financial year 2012-13 the Company has provided the estimated liability in respect of dues to workers for all its units based on deemed closure/ closure as per various laws on date of deemed closure . The necessary adjustment due to any liability in future will be recognised in financial books as & when the same arises or decided.*
- (iv) *Company continues for not provided Interest on loans from unsecured lenders /creditors other than CDR Lenders on account of no operations & hence no revenue is recognised.*
- (v) *The reference of the Company under the provisions of Section 15 of SICA was abated vide order dated 08.06.2016 of Board for Industrial and Financial Reconstruction (BIFR). The appeal preferred by the Company at Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the abetment order was disallowed by Hon'ble AAIFR in its hearing held on 8.11.2016.*
- (vi) *AXIS bank has assigned its debts to Edelweiss Assets Reconstruction Company Limited (EARC) for recovery.*
- (vii) *Company continues for not provided Interest on loans from unsecured lenders /creditors other than CDR Lenders on account of no operations & hence no revenue is recognised.*
- (viii) *Exim Bank, ICICI Bank and State Bank of India have assigned its debts to Edelweiss Assets Reconstruction Company Limited (EARC) for recovery aggregating to 45.57% of total principal debts of the Company. The Company is working with EARC, being lead lender, for settlement / restructuring of the bank dues from realisation of assets.*
- (ix) *Consequent to repeal of Sick Industrial Company (Special Provisions) Act, 1985 (SICA), during the quarter the Board for Industrial and Financial Reconstruction (BIFR) has been wound up and accordingly, nomination of the Special Director nominated by BIFR stands withdrawn.*
- (x) *As per terms Zero Coupon Bond of Rs 211 lakhs being redeemed during the year has not been paid by the company due to financial liquidity problem.*

These factors raise substantial doubts as to the Company's ability to continue as going concern and therefore, the Company may not be able to realise its assets and discharge its liabilities in the normal



course of business. The financial statements do not include any adjustment relating to the recoverability and classification of recorded assets amounts.

Based on the above facts we are of the opinion that going concern assumption has been affected and the financials should have been stated at net realisable value.

We did not audit the financial statements of two subsidiaries included in these consolidated financial results, whose financial statements reflect total assets of Rs. 373.53 lakhs as at 31st March, 2017 as well as the total revenue of Rs. 0.27 lakhs and net cash outflow is Rs (0.51) for the year ended 31st March, 2017. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us, and our opinion on the financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

These consolidated financial results also include the Company's share of net loss of Rs. 275.12 lakhs for the year ended 31st March, 2017, in respect of one Associate, whose financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements / results, in so far as it relates to the amounts and disclosures included in respect of this Associate is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:

- (i) include the financial results of the following entities:
 - a. Paramount Capfin Lease Pvt Ltd - Subsidiary
 - b. Blue Bell Trade Links Pvt Ltd- Subsidiary
 - c. Samtel Glass Limited – Associate.
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard;
- (iii) give a true and fair view of the consolidated net loss and other financial information for the year ended 31st March, 2017.

Place: New Delhi

Dated: 29.05.2017



For S S Kothari Mehta & Co.
(Chartered Accountants)
Firm Registration No. 000756N


(Neeraj Bansal)
Partner
Membership No.: 095960