

Walker Chandiook & Co LLP

Financial Statements and Auditors' Report

Samay Industries Limited

31 March 2017

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
10 C Hungerford Street
5th Floor, Kolkata 700017
India

T +91 33 4050 8000

Independent Auditor's Report

To the Members of Samay Industries Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Samay Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Walker Chandiook & Co LLP

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

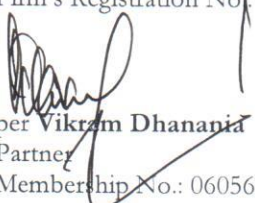
9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The financial statements dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;



Walker Chandiook & Co LLP

- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 26 May 2017 as per Annexure B expresses our unmodified opinion on adequacy and operative effectiveness of internal controls over financial reporting; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. the Company, as detailed in Note 26 to the financial statements, has made requisite disclosures in these financial statements as to holdings as well as dealings in these Specified Bank Notes during the period from 08 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanation given to us, in our opinion, these are in accordance with the books of account maintained by the Company.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013


per Vikram Dhanania
Partner
Membership No.: 060568

Place: Kolkata
Date: 26 May 2017



Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Samay Industries Limited, on the financial statements for the year ended 31 March 2017

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.



Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Samay Industries Limited, on the financial statements for the year ended 31 March 2017

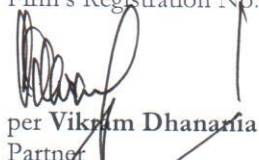
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


per Vikram Dhanania
Partner

Membership No.: 060568

Place: Kolkata

Date: 26 May 2017



Walker ChandioK & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Samay Industries Limited, on the financial statements for the year ended 31 March 2017

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Samay Industries Limited ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that



Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Samay Industries Limited, on the financial statements for the year ended 31 March 2017

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

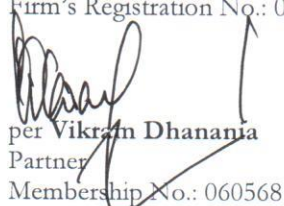
Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


per Vikram Dhanania
Partner
Membership No.: 060568

Place: Kolkata
Date: 26 May 2017



Samay Industries Limited**Balance Sheet as at 31 March 2017**

(All amounts in ₹, unless specified otherwise)

	Notes	As at 31 March 2017	As at 31 March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	4	15,032,500	15,032,500
Reserves and surplus	5	295,328,619	282,109,200
		<u>310,361,119</u>	<u>297,141,700</u>
Non-current liabilities			
Long-term provisions	7	-	2,954,617
		<u>-</u>	<u>2,954,617</u>
Current liabilities			
Other current liabilities	8	344,201	77,373
		<u>344,201</u>	<u>77,373</u>
Total		<u>310,705,320</u>	<u>300,173,690</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	855,488	874,911
Non-current investments	10	260,210,059	251,703,661
Long-term loans and advances	11	859,523	1,219,077
		<u>261,925,070</u>	<u>253,797,649</u>
Current assets			
Current investments	12	47,498,232	44,381,968
Inventories	13	949,336	1,067,199
Trade receivables	14	26,884	72,912
Cash and cash equivalents	15	305,798	845,529
Short-term loans and advances	16	-	8,433
		<u>48,780,250</u>	<u>46,376,041</u>
Total		<u>310,705,320</u>	<u>300,173,690</u>

The accompanying notes 1 to 28 form an integral part of the financial statements.

This is the Balance sheet referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

Chartered Accountants

Vikram Dhanania
per Vikram Dhanania
Partner

Kolkata
26 May 2017



For and on behalf of Board of Directors
Samay Industries Limited

Sheetal Bangur
Sheetal Bangur
Director

Richa Jalan
Richa Jalan
Director



Hyderabad
26 May 2017

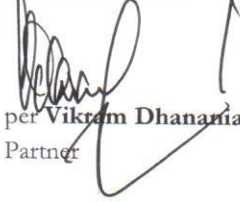
Samay Industries Limited
Statement of profit and loss for the year ended 31 March 2017
(All amounts in ₹, unless specified otherwise)

	<u>Notes</u>	<u>Year ended 31 March 2017</u>	<u>Year ended 31 March 2016</u>
Revenue			
Revenue from operations	17	11,602,245	3,623,829
Other income	18	4,916,371	12,763,814
Total revenue		<u>16,518,616</u>	<u>16,387,643</u>
Expenses			
Purchase of stock-in-trade (stationery items)		371,308	766,042
Changes in inventories of stock-in-trade	19	117,863	11,065
Employee benefits expense	20	1,720,000	480,000
Depreciation and amortisation expense	9	19,423	19,684
Other expenses	21	157,687	2,194,416
Total expenses		<u>2,386,281</u>	<u>3,471,207</u>
Profit before tax		14,132,335	12,916,436
Tax expense			
Current tax		840,018	2,962,085
Less: MAT credit entitlement		-	(1,137,279)
Deferred tax		-	(169)
Tax for earlier years		72,898	(27,740)
		<u>912,916</u>	<u>1,796,897</u>
Profit for the year		<u>13,219,419</u>	<u>11,119,539</u>
Earnings per equity share of ₹10 each			
Basic	22	50.84	42.77
Diluted		8.79	7.40

The accompanying notes 1 to 28 form an integral part of the financial statements.

This is the Statement of profit and loss referred to in our report of even date.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**
Chartered Accountants


per **Vikram Dhanania**
Partner

For and on behalf of Board of Directors of
Samay Industries Limited


Sheetal Bangur
Director


Richa Jalan
Director



Kolkata
26 May 2017



Hyderabad
26 May 2017

Samay Industries Limited

Cash Flow Statement for the year ended 31 March 2017

(All amounts in ₹, unless otherwise stated)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash flow from operating activities		
Profit before tax	14,132,335	12,916,436
Adjustment for :		
Depreciation and amortisation	19,423	19,684
Share of profit from LLP	(10,690,797)	(6,330)
Dividend income	(394,321)	(510,697)
Profit on sale of investments	(4,522,050)	(11,163,376)
Interest income	-	(1,089,741)
Operating profit/(loss) before working capital changes	(1,455,410)	165,976
Movements in working capital		
Decrease/ (increase) in trade receivables	46,028	(36,625)
Decrease in long-term loans and advances	-	10,000,558
Decrease in short-term loans and advances	8,433	28,486
Decrease in inventories	117,863	11,066
Increase/(decrease) in other current liabilities	266,828	(17,629)
Cash generated from/(used in) operating activities	(1,016,258)	10,151,832
Income tax paid/(net of refunds)	(3,507,980)	(685,132)
Net cash generated from/(used in) operating activities	(A) (4,524,238)	9,466,700
B. Cash flow from investing activities		
Purchase of investments	(22,676,077)	(71,829,163)
Sale of investments	26,266,263	59,795,143
Dividend income	394,321	510,697
Interest received	-	1,970,832
Net cash generated from/(used in) investing activities	(B) 3,984,507	(9,552,491)
C. Cash flow from financing activities		
Net cash generated from financing activities	(C) -	-
Net decrease in cash and cash equivalents	(A+B+C) (539,731)	(85,791)
Cash and cash equivalents as at beginning of the year	845,529	931,320
Cash and cash equivalents as at end of the year	305,798	845,529

This is the Cash flow statement referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

Chartered Accountants

Vikram Dhanania
per Vikram Dhanania
Partner

Kolkata
26 May 2017



For and on behalf of Board of Directors of
Samay Industries Limited



Sheetal Bangur
Sheetal Bangur
Director

Hyderabad
26 May 2017

Richa Jalan
Richa Jalan
Director

Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

1. Background

Samay Industries Limited ("the Company") is a public limited Company domiciled in India and registered under the provisions of the Companies Act, 1956. The Company is engaged in the activity of publishing of books and printing of other materials.

2. Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the mandatory Accounting Standards ("AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act, pronouncements of the Institute of Chartered Accountants of India ("ICAI"). The financial statements have been prepared on an accrual basis. The accounting policies applied by the Company are consistent with those used in the prior period.

All 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 III to the Act. Based on the nature of the work, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

3. Significant accounting policies

(a) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful loans and advances, useful lives of fixed assets, income taxes, classification of assets and liabilities into current and non-current and the permanent diminution in the value of the long term investments.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

(b) Tangible Fixed assets

Tangible Fixed assets are stated at cost, net of accumulated depreciation and impairment, if any. The cost of an asset comprises its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use. Subsequent expenditures, if any, related to an item of fixed assets are added to its book value only if they increase the future benefits from existing asset beyond its previously assessed standard of performance.



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

(c) Depreciation

Depreciation on tangible assets is provided on written down value method over the useful lives of assets prescribed under Schedule II of the Act. In respect of additions, depreciation is provided on pro-rata basis from the date of acquisition/installation.

(d) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(e) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. Provision for diminution in value is made to recognize a decline other than temporary in the value of the long-term investments.

(f) Inventories

Inventories of traded goods are carried at lower of cost and net realizable value.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably estimated and collectability is reasonably assured.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the Company's right to receive dividend is established.

Profit/Loss on sale of investments is recognized on sale/redemption of respective investments.

Share of profit/loss from investments in partnership firms/limited liability partnerships (LLP) are recognized on accrual basis on the basis of profit sharing percentage held in the respective firm/LLP.



SB



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

(h) Employee retirement benefits

The employees of the Company are eligible for gratuity and compensated absences. Liability for gratuity is recognized for eligible employees in accordance with The Payment of Gratuity Act, 1972, for every completed year of service with the Company. Liability for compensated absences is recognized in accordance with the leave policy of the Company for the accumulated leave balance based on last drawn salary.

(i) Tax expense

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 ("IT Act"). The Company accounts for tax credit in respect of Minimum Alternate Tax ("MAT") in situations where the MAT payable is higher than tax payable under normal provisions of the IT Act. The credit so availed is adjusted in future years when the tax under normal provisions is higher than MAT payable to the extent of the said difference.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each balance sheet date.

The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.



SB



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

(j) Provisions, Contingent liabilities and Contingent Assets

- a. A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.
- b. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.
- c. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments at the time of purchase with a remaining maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(l) Earnings per equity share

Basic earnings per equity share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purposes of diluted earnings per equity share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

SB



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

	As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount
4 Share capital				
Authorized share capital				
Equity shares of ₹ 10 each	2,500,000	25,000,000	2,500,000	25,000,000
Preference shares of ₹ 100 each	2,500,000	250,000,000	2,500,000	250,000,000
	5,000,000	275,000,000	5,000,000	275,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	260,000	2,600,000	260,000	2,600,000
Non Cumulative Participating Compulsorily Convertible Preference Shares of ₹ 100 each	124,325	12,432,500	124,325	12,432,500
		15,032,500		15,032,500
a) Reconciliation of equity share capital	Number	Amount	Number	Amount
Equity Shares				
Balance at the beginning of the year	260,000	2,600,000	260,000	2,600,000
Balance at the end of the year	260,000	2,600,000	260,000	2,600,000
Preference Shares				
Balance at the beginning of the year	124,325	12,432,500	124,325	12,432,500
Balance at the end of the year	124,325	12,432,500	124,325	12,432,500

b) Terms and rights attached

Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share and confer similar right as to dividend and voting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive 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.

Preference Shares

The Company has only one class of Non-cumulative participating compulsorily convertible preference shares having a face value of ₹ 100 per share. The preference shares carries a preferential right to receive a dividend of 8% in case of payment of dividend to equity shareholders and shall stand increase to the rate of dividend paid to equity share holders subject to a maximum of 12%. The preference shares shall be compulsorily convertible at par after a period of 20 years from the date of allotment being 22 August 2013 or earlier on such date as may be fixed by the Board of Directors. The preference shares shall have, on winding up, a preferential right to the repayment of capital paid up there on in preference to the equity share, but shall not have any such right to participate in the surplus, if remaining, after payment of entire capital.

c) Shareholding pattern

Shareholders holding more than 5% of the shares

	As at 31 March 2017		As at 31 March 2016	
	Number	%	Number	%
Equity shares of ₹10 each				
Sheetal Bangur	239,300	92.04%	239,300	92.04%
Anju Poddar	19,800	7.62%	19,800	7.62%
Preference shares of ₹100 each				
Kiran Vyapar Limited (Holding Company)	124,325	100%	124,325	100%

5 Reserves and surplus

General reserve

	As at 31 March 2017	As at 31 March 2016
Balance at the beginning of the year	44,040,919	44,040,919
Balance at the end of the year	44,040,919	44,040,919

Securities premium reserve

	As at 31 March 2017	As at 31 March 2016
Balance at the beginning of the year	217,568,750	217,568,750
Balance at the end of the year	217,568,750	217,568,750

Surplus in the statement of profit and loss

	As at 31 March 2017	As at 31 March 2016
Balance at the beginning of the year	20,499,531	9,379,992
Add : Transferred from Statement of profit and loss	13,219,419	11,119,539
Balance at the end of the year	33,718,950	20,499,531
	295,328,619	282,109,200

7 Long-term provisions

	As at 31 March 2017	As at 31 March 2016
Provision for taxes (net of advance tax)	-	2,954,617
	-	2,954,617

8 Other current liabilities

	As at 31 March 2017	As at 31 March 2016
Other current liabilities	344,201	77,373
	344,201	77,373



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

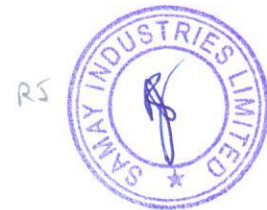
(All amounts in ₹, unless specified otherwise)

9 Fixed Assets

Asset Category	Gross Block				Depreciation/Amortisation				Net Block
	As at 01 April 2016	Additions during the year	Deductions during the year	As at 31 March 2017	As at 01 April 2016	Charge during the year	Deductions during the year	As at 31 March 2017	As at 31 March 2017
Tangible Assets									
Freehold Land	800,000	-	-	800,000	-	-	-	-	800,000
Plant & Machinery	5,200	-	-	5,200	3,702	412	-	4,114	1,086
Building	100,000	-	-	100,000	28,382	19,011	-	47,393	52,607
Furniture & Fixtures	4,700	-	-	4,700	4,465	-	-	4,465	235
Computer	31,200	-	-	31,200	29,640	-	-	29,640	1,560
	941,100	-	-	941,100	66,189	19,423	-	85,612	855,488

Asset Category	Gross Block				Depreciation/Amortisation				Net Block
	As at 01 April 2015	Additions during the year	Deductions during the year	As at 31 March 2016	As at 01 April 2015	Charge during the year	Deductions during the year	As at 31 March 2016	As at 31 March 2016
Tangible Assets									
Freehold Land	800,000	-	-	800,000	-	-	-	-	800,000
Plant & Machinery	5,200	-	-	5,200	3,082	620	-	3,702	1,498
Building	100,000	-	-	100,000	9,318	19,064	-	28,382	71,618
Furniture & Fixtures	4,700	-	-	4,700	4,465	-	-	4,465	235
Computer	31,200	-	-	31,200	29,640	-	-	29,640	1,560
	941,100	-	-	941,100	46,505	19,684	-	66,189	874,911

(This space has been intentionally left blank)



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

10 Non-current investments (non-trade)

Particulars	Face Value	As at 31 March 2017		As at 31 March 2016	
		Number	Amount	Number	Amount
a. Investment in Equity Instruments (Quoted)					
Amara Raja Batteries Ltd.	1	1,000	851,822	1,000	851,822
Bharat Forge Ltd.	2	2,000	2,392,709	2,000	2,392,709
Bosch Ltd.	10	50	994,658	-	-
Century Plyboards (India) Ltd.	1	5,000	1,022,255	-	-
Coal India Ltd.	10	9,000	3,155,940	9,000	3,155,940
Eicher Motors Ltd.	10	150	3,188,131	150	2,692,984
Future Lifestyle Ltd.	2	14,667	-	14,667	-
Havells India Ltd.	1	5,000	1,778,341	-	-
Hindustan Zinc Ltd.	2	-	-	5,000	538,288
ICICI Bank Ltd.	2	3,000	980,111	3,000	980,111
Igrarashi Motors India Ltd.	10	1,000	716,626	-	-
Indoco Remedies Ltd.	2	5,669	223,047	6,500	255,743
IndusInd Bank Ltd.	10	-	-	1,000	836,830
KSB Pumps Ltd.	10	1,000	596,349	-	-
LG Balakrishnan & Bros Ltd.	10	2,000	1,248,748	-	-
LIC Housing Finance Ltd.	2	400	177,191	1,000	442,967
Lupin Ltd.	2	1,000	1,451,621	1,000	1,451,621
Marico Ltd.	1	4,000	794,781	4,000	794,781
Max Financial Services Ltd.	2	-	-	2,000	750,683
Max India Ltd.	2	1,000	-	-	-
Max Ventures and Industries Ltd.	10	200	-	-	-
Motherson Sumi Systems Ltd.	1	3,750	1,252,957	3,750	1,252,957
Omkar Speciality Chemicals Ltd.	10	5,000	826,866	-	-
Pidilite Industries Ltd.	1	1,500	879,411	1,500	879,411
Piramal Enterprises Ltd.	2	300	148,470	300	148,470
Sintex Industries Ltd.	1	10,000	721,600	-	-
Sun Pharmaceuticals Industries Ltd.	1	2,500	1,694,150	500	479,460
Supreme Industries Ltd.	2	2,500	1,710,760	2,500	1,710,760
Suven Life Sciences Ltd.	1	5,000	977,187	5,000	977,187
Thermax Ltd.	2	1,000	1,078,330	1,000	1,078,330
UltraTech Cement Ltd.	10	150	412,548	300	859,137
Universal Office Automation Ltd.	10	1,000	16,970	1,000	16,970
VRL Logistics Ltd.	10	6,000	1,761,980	-	-
Total			31,053,559		22,547,161
b. Investment in Equity Instruments (Unquoted)					
Apurva Export Private Ltd.	10	50,000	19,156,500	50,000	19,156,500
			19,156,500		19,156,500
c. Investment in Mutual Funds (Unquoted)					
IDFC Premier Equity Fund (Growth)	10	138,172	10,000,000	138,172	10,000,000
			10,000,000		10,000,000
d. Investment in Limited Liability Partnership (LLP)					
Soul Beauty & Wellness Centre LLP - Capital			200,000,000		200,000,000
			200,000,000		200,000,000
Aggregate amount of quoted investments			31,053,559		22,547,161
Aggregate amount of unquoted investments			229,156,500		229,156,500
			260,210,059		251,703,661
Aggregate market value of quoted investments			51,226,490		80,490,729



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

	<u>As at 31 March 2017</u>	<u>As at 31 March 2016</u>
11 Long term loans and advances		
<i>(unsecured considered good, unless otherwise stated)</i>		
Security Deposits	25,790	25,790
MAT credit entitlement	738,207	1,193,287
Advance taxes (net of provision)	95,526	-
	<u>859,523</u>	<u>1,219,077</u>
12 Current investments		
Investment in Mutual Fund (Unquoted)		
1,581,848 (Previous Year: 1,966,195) units of ₹ 10 each of IDFC Money Manager Fund - Treasury Plan (Growth)	36,801,105	44,375,638
	<u>36,801,105</u>	<u>44,375,638</u>
Investment in LLP - share of profit		
Soul Beauty & Wellness Centre LLP	10,697,127	6,330
	<u>10,697,127</u>	<u>6,330</u>
	<u>47,498,232</u>	<u>44,381,968</u>
13 Inventories		
<i>(valued at lower of cost or net realisable value)</i>		
Stock-in-trade	949,336	1,067,199
	<u>949,336</u>	<u>1,067,199</u>
14 Trade receivables		
<i>(unsecured considered good, unless otherwise stated)</i>		
Other debts	26,884	72,912
	<u>26,884</u>	<u>72,912</u>
15 Cash and cash equivalents		
Cash on hand	49,552	48,492
Balances with banks		
- in current accounts	256,246	797,037
	<u>305,798</u>	<u>845,529</u>
16 Short term loans and advances		
Other loans and advances	-	8,433
	<u>-</u>	<u>8,433</u>



SB



RS



Samay Industries Limited**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹, unless specified otherwise)

	Year ended 31 March 2017	Year ended 31 March 2016
17 Revenue from operations		
Sale of products	911,448	1,624,505
Share of profit from LLP	10,690,797	-
Prior period income (share of profit from LLP)	-	1,999,324
	<u>11,602,245</u>	<u>3,623,829</u>
18 Other income		
Interest income	-	1,089,741
Dividend income from long-term investments	394,321	509,901
Dividend income from current investments	-	796
Profit on sale of long-term investments	2,346,484	10,471,495
Profit on sale of current investments	2,175,566	691,881
	<u>4,916,371</u>	<u>12,763,814</u>
19 Changes in Inventories of stock-in-trade		
Inventories at the beginning of the year	1,067,199	1,078,264
Inventories at the end of the year	949,336	1,067,199
	<u>117,863</u>	<u>11,065</u>
20 Employee benefits expense		
Salaries, wages and allowances	1,720,000	480,000
	<u>1,720,000</u>	<u>480,000</u>
21 Other expenses		
Communication expenses	29,332	26,243
Legal and professional fees	48,426	7,750
Miscellaneous expenses	9,272	23,138
Director's sitting fees	21,000	30,000
Processing charges	12,005	59,610
Rates and taxes	3,152	20,331
Auditor's remuneration - statutory audit	34,500	34,350
Share of loss from LLP	-	1,992,994
	<u>157,687</u>	<u>2,194,416</u>
22 Earning per equity share		
Net profit after tax for the year	13,219,419	11,119,539
Weighted average number of equity shares	260,000	260,000
Par value per share	10	10
Basic and Diluted Earnings per share	50.84	42.77
Weighted average number of equity shares outstanding during the year	260,000	260,000
Add: Weighted number of potential equity shares for diluted EPS	1,243,250	1,243,250
Weighted number of potential equity shares for diluted EPS	1,503,250	1,503,250
Diluted earning per share	8.79	7.40



SB



RS



Samay Industries Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless specified otherwise)

c) Balances with related parties at year end

Particulars	As at 31 March 2017	As at 31 March 2016
<u>Balance receivable</u>		
Apurva Export Pvt. Ltd.	945	-
Maharaja Shree Umaid Mills Ltd.	2,363	-
Navijyoti Commodity Management Services Ltd.	20,741	40,846
Dakshay Greeneries Pvt. Ltd.	-	473
Palimarwar Solar Project Pvt. Ltd.	-	473
Rawaye Greenpark Pvt. Ltd.	945	-
Subhprada Greeneries Pvt. Ltd.	945	-
The Kishore Trading Co. Ltd.	945	-
<u>Year-end investments</u>		
Soul Beauty & Wellness Centre LLP	210,697,127	200,006,330
Apurva Export Pvt. Ltd.	19,156,500	19,156,500

25 Details of Investment in LLP

Name of the Partners	Share of Profit (%)	Capital balance as on 31 March 2017
<u>Soul Beauty & Wellness Centre LLP</u>		
Mrs. Sheetal Bangur	8%	25,000,000
Samay Industries Ltd.	70%	200,000,000
Surbhi Bangur	1%	200,000
Apurva Export Pvt. Ltd.	21%	80,000,000

26 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.16	341,500	48,492	389,992
(+) Permitted receipts	-	40,000	40,000
(-) Permitted payments	-	40,000	40,000
(-) Amount deposited in Banks	341,500	-	341,500
Closing cash in hand as on 30.12.16	-	48,492	48,492

* SBN means old INR 1,000 and INR 500 notes which got discarded as legal tender w.e.f. 8th November, 2016

27 There are no reported Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes due.

28 Previous year figures have been regrouped/reclassified to confirm to current years' presentation, wherever considered necessary.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Vikram Ohanania
per Vikram Ohanania
Partner

Kolkata
26 May 2017



For and on behalf of Board of Directors of
Samay Industries Limited



Sheetal Bangur
Sheetal Bangur
Director

Hyderabad
26 May 2017

Richa Jalan
Richa Jalan
Director