SAMTEL COLOR LIMITED

Regd. Office : 501, Copia Corporate Suites, District Centre - Jasola, New Delhi - 110025

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2015 ( Rs. in Lacs )

'ART - I

| | Particulars | Quarter Ended | | | Year Ended |
|---|---|---|---|---|---|
| | | 30-06-2015 Unaudited | 31-03-2015 Audited | 30-06-2014 Unaudited | 31-03-2015 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 Tra | - | 33 | 308 | 357 |
| | d. Employee Benefits Expense | 284 | 292 | 282 | 1,127 |
| | e. Depreciation Expense | 259 | 269 | 257 | 1,044 |
| | f. Other Expenses | 15 | 30 | 39 | 134 |
| | g. Total Expenses | 558 | 624 | 886 | 2,662 |
| 3 | Profit (+)/Loss (-) from Operations before Other Income, Finance Cost and Exceptional Items (1 - 2) | (558) | (624) | (886) | (2,662) |
| 4 | Other Income | 14 | - | 340 | 378 |
| 5 | Profit (+)/Loss (-) before Finance Cost and Exceptional Items (3 + 4) | (544) | (624) | (546) | (2,284) |
| 6 | Finance Costs ( Net ) | 270 | 241 | 249 | 1,053 |
| 7 | Profit (+)/Loss (-) after Finance Cost but before Exceptional Items (5 - 6) | (814) | (865) | (795) | (3,337) |
| 8 | Exceptional Items | - | - | - | - |
| 9 | Profit (+)/Loss (-) from Ordinary Activities before tax (7+8) | (814) | (865) | (795) | (3,337) |
| 10 | Tax expense of earlier years | - | - | - | - |
| 11 | Net Profit (+) / Loss (-) from Ordinary Activities after tax (9 - 10) | (814) | (865) | (795) | (3,337) |
| 12 | Extraordinary items | - | - | - | - |
| 13 | Net Profit (+)/Loss (-) for the period (11 - 12) | (814) | (865) | (795) | (3,337) |
| 14 | Paid-up Equity Share Capital (Face value Rs.10 each share) | 8,550 | 8,550 | 8,550 | 8,550 |
| 15 | Reserves (excluding revaluation reserves) as per balance sheet of previous accounting year | | | | 7,080 |
| 16 | Earnings Per Share before and after Extraordinary items | | | | |
| | Basic Earnings / (loss) Per Share (not annualised) | (2.82) | (2.65) | (2.57) | (5.54) |
| | Diluted Earnings / (loss) Per Share (not annualised) | (2.82) | (2.65) | (2.57) | (5.54) |

SAMTEL COLOR LIMITED NEW DELHI

ART II

| | | | | | |
|---|---|---|---|---|---|
| A | PARTICULARS OF SHAREHOLDING | | | | |
| 1 | Public Shareholding | | | | |
| | - Number of Shares | 60,826,707 | 60,826,707 | 60,816,907 | 60,826,707 |
| | - Percentage of Shareholding | 71.15 | 71.15 | 71.14 | 71.15 |
| 2 | Promoters and Promoter Group Shareholding | | | | |
| | a. Pledged / Encumbered | | | | |
| | - Number of Shares | 24,477,186 | 24,477,186 | 24,477,186 | 24,477,186 |
| | - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 99.23 | 99.23 | 99.20 | 99.23 |
| | - Percentage of Shares (as a % of the total share capital of the Company) | 28.63 | 28.63 | 28.63 | 28.63 |
| | b. Non - encumbered | | | | |
| | - Number of Shares | 188,704 | 188,704 | 198,504 | 188,704 |
| | - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 0.77 | 0.77 | 0.80 | 0.77 |
| | - Percentage of Shares (as a % of the total share capital of the Company) | 0.22 | 0.22 | 0.23 | 0.22 |
| B | INVESTOR COMPLAINTS | | | | |
| | Pending at the beginning of the quarter | Nil | | | |
| | Received during the quarter | Nil | | | |
| | Disposed off during the quarter | Nil | | | |
| | Remaining unresolved at the end of the quarter | Nil | | | |

NOTES :

1 The above financial results were reviewed and recommended by the Audit Committee of Directors and approved by the Board of Directors in their respective meetings held on August 13, 2015.

2 The Company got registered with Board for Industrial and Financial Reconstruction (BIFR) on 17th October, 2012 under the provisions of section 15 (1) of Sick Industrial Company (Spectial Provisions) Act, 1985 (SICA). The process of revival / rehabilitation of the Company is under way in line with the prescribed procedures and rules under SICA.

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 mamagement is of the opinion that demand for color picture tube (CPT) based televisions is still there amongest rural populations and the same can be catered by entering into the business of refurbishing of CPT of old televisions. The Company intends to enter into the said business after approval of rehabilitation / revival scheme by BIFR. The Company is hopeful that BIFR will approve the rehabilitation 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 rehabilitation scheme and in the normal course of its business. Accordingly, the financial statements have been prepared on a going concern basis.

3 Based on the prudent accounting, the Company has provided estimated liability from the financial year 2012-13 onwards in respect to the dues of workmen of all the units. However, in view of the ongoing lock out / lay off in various units of the Company, the Company is further seeking opinions for the dues payable as per the Provident Fund and various labour laws. The necessary further adjustments , if required, will be made in the financial books as an when the same is decided.

4 Pursuant to receipt of notice u/s 13(4) of The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in the previous year , interest on loans from CDR lenders has not been provided from quarter ended December, 2013.

5 The useful life of those assets / salvage value which are at variance with the useful life / salvage value given in schedule II of the Companies Act, 2013 are as per the technical assessment in October, 2010 by an independent professional valuer.

6 Response to Auditor's comments in the report on the audited financial statements as at March 31, 2015 :

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 much higher than the admitted liabilities. Thus the long term value of the equity shares of SGL are expected to be higher and 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 were not verified by the management. However, the management does not expect any major discrepancy.

e Due to suspension of operations in all the locations the physical verification of inventory could not be done on March 31, 2015. 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 rehabilitation / revival scheme of BIFR.

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.

7 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.

8 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.

9 Previous year/period figures have been regrouped/recast, wherever necessary, to conform to the current period's classification.

For and on behalf of the Board of Directors of
SAMTEL COLOR LIMITED

SAMTEL COLOR LIMITED NEW DELHI

Satish Kaura

Place : New Delhi
Dated : August 13, 2015

SATISH K. KAURA
CHAIRMAN AND MANAGING DIRECTOR

S S KOTHARI MEHTA & CO
CHARTERED ACCOUNTANTS

146-148 Tribhuvan Complex
Ishwar Nagar
Mathura Road
New Delhi-110065
Phones : +91-11-4670 8888
Fax : +91-11-6662 8889
E-mail : delhi@sskmin.com

**Independent Auditor's Limited Review Report**

To
The Board of Direcors
Samtel Color Limited
New Delhi

We have reviewed the accompanying statement of unaudited financial results of **Samtel Color Limited** for the quarter ended on June 30, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

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 is 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.

We have only verified the disclosures regarding the 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from Clause 35 of Listing Agreement with the Stock Exchanges.

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 and 31st March, 2015, 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 which continue to apply as per section 133 of the Companies Act, 2013, read with rule 7of 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 Clause 41 of the Listing Agreements with the Stock Exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement. We also draw attention on note no. (4) and (6) of accompanying financial statement 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.

(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.

*(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 1and 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 Buddh 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 Buddh 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 isnon-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 employees 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

(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) of the financial statements for the year ended on 31st March,2015]*

*(E ) In continuation to aforesaid observations during the current quarter June 30,2015, we report that:*

*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*

*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.*

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

**(K.K. Tulshan)**
Partner
Membership No.085033

Place: New Delhi
Date : 13th August, 2015