SAMTEX
FASHIONS LIMITED

25th
ANNUAL REPORT
2017-2018

SAMTEX FASHIONS LIMITED

BOARD OF DIRECTORS

Atul Mittal	*Managing Director*
S. K. Gupta	*Director*
Raman Ohri	*Director*

COMPANY SECRETARY & GM FINANCE

Kamini Gupta

AUDITORS

M/s Kapil Kumar & Co.
Chartered Accountants
Amritsar

INTERNAL AUDITORS

M/s Ashok Aggarwal & Co.
Chartered Accountants
Delhi

BANKERS

STATE BANK OF INDIA
Overseas Branch,
9th Floor, Jawahar Vayapar Bhawan,
Tolstoy Marg, New Delhi - 110 001

CORPORATE IDENTIFICATION NUMBER

L17112UP1993PLC022479

REGISTERED OFFICE & WORKS

Property No. D-100, Phase II,
Hosiery Complex Noida,
Gautam Buddha Nagar,
U.P. - 201305

CORPORATE OFFICE

Unit No. 137, DLF Prime Tower,
F-Block, Okhla, Phase-I,
New Delhi -110020

Contents ..... Page No.

Notice 1
Directors' Report 6
Management Discussion & Analysis Report 30
Corporate Governance Report 32
CEO/CFO Certification 40
Certificate on Corporate Governance 41
Auditors' Report 42
Balance Sheet 48
Statement of Profit & Loss 49
Cash Flow Statement 50
Notes 52
Form AOC-1 73
Form AOC-2 74
Consolidated Accounts 75

SAMTEX FASHIONS LIMITED

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of M/s Samtex Fashions Limited will be held on Friday, the 28th September, 2018 at 9.30 A.M. at the Registered Office of the Company at Property No. D -100, Phase II, Hosiery Complex Noida, Gautam Buddha Nagar UP 201305 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2018 including the Audited Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss for the financial year ended on that date, together with the Director's Report and Auditor's Report thereon and also the consolidated Audited Balance Sheet as at 31st March, 2018 and consolidated Statement of Profit and Loss for the year ended 31st March, 2018.
2. To appoint a Director in place of Mr. Atul Mittal (DIN 00223366), who retires by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment.

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

Sd/-
KAMINI GUPTA
Company Secretary & GM Finance
FCS 5882

Place : New Delhi
Date : 28.08.2018

REGISTERED OFFICE & WORK

Property No.D-100 , Phase II,
Hosiery Complex Noida,
Gautam Buddha Nagar UP 201305
Phone No. : 0120-4209800, 4209900
E-Mail : samtex.compliance@gmail.com
Website : www.samtexfashions.com
CIN : L17112UP1993PLC022479

NOTES :

A). A **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF. A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.**

Proxies in order to be effective must be received by the company not less than 48 hours before the scheduled time of meeting. A blank proxy form is enclosed. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

b) The Register of Member and Share Transfer Books of the Company will remain closed from 22-09-2018 to 28-09-2018 (both days inclusive).

c) Members/Proxies should bring the Attendance Slip send herewith duly filled up for attending the meeting.

d) Members are requested to communicate change in their address/ residential status, if any to the Company, quoting respective folios in case their holdings in physical form, and their Depository Participant (DPs) in respect of their holdings in dematerialized form.

e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least Ten days before the date of meeting, so that any information required by the members may be made available at the meeting.

f) The Notice of the 25th Annual General Meeting and instructions for remote e-voting, along with the attendance Slip, Proxy Form and the Annual Report 2017-18, is being sent by electronic mode to all members whose email addresses are registered with the Registrar and Share Transfer Agent of the Company / Depository Participant(s) unless a member has requested for a hard copy of the same.

g) Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for the year 2017-18 will also be available on the Company's website [www.samtexfashions.com] for their download. The physical copies of the aforesaid documents and documents referred to in the notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection at the Company's Registered Office and Corporate Office during 11:00 A.M. to 1:00 P.M. on all working days up to the date of the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [samtex.compliance@gmail.com].

h) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every applicant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Member holding the shares in physical form their PAN details to the Company.

i) Member are requested to inform the Company's Registrar and Share Transfer Agent i.e Beetal Financial & Computer services (P) Ltd. , Beetal House, 3rd Floor , 99 Madangir , Behind Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110062 about the changes, if any, in their registered address along with the PIN code , quoting their Folio No. and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.

j) Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by Ministry of Corporate Affairs and to avail remote e- voting facility in respect of the resolutions which would be passed at the General Meeting of the Company.

k) Pursuant to the prohibition imposed vide Secretarial Standard on General Meeting (SS-2) issued by the ICSI and MCA circular, no gift /coupons shall be distributed at the Meeting.

Remote E-voting

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

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 21, 2018, i.e. Cutoff Date, are entitled to vote on the Resolutions set forth in this Notice. Remote e-voting is optional. The remote e-voting period will commence on Tuesday, September 25, 2018 at 10.00 A.M. (IST) and ends on Thursday, September 27, 2018 at 5.00 P.M. (IST).The facility for voting by ballot/polling paper shall also be made available at the Annual General Meeting (AGM) and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. A person who is not a member as on the cutoff date should treat this Notice for information purposes only.

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

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

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

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

l) Members are requested to bring their copy of the Annual Report to the meeting.

m) The Complete details of the instruction for e- voting is annexed to this Notice.

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

In compliance with provisions of Section 108 of the Companies Act,2013 and Rule 20 of the Companies (Management and Administration) Rule, 2014, the Company is pleased to provide Members facility to exercise their right to vote at the 25thAnnual General Meeting by electronic means and the business may be transacted through E- Voting Services provided by Central Depository Services (India) Limited (CDSL):

1. Instruction for Remote E-Voting:-

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

(i) The remote e- voting period begins on Tues**day, September 25, 2018 at 10.00 A.M. (IST) and ends on Thursday September 27, 2018 at 5.00 P.M. (IST).** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Friday, September 21, 2018 may cast their vote electronically. The remote e- voting module shall be disabled by CDSL for voting thereafter.

(ii) Log on to the (remote) e- voting website www.evotingindia.com/www.evoting .nsdl.com during the voting period.

(iii) Click on "Shareholders" tab.

(iv) Now select "SAMTEX FASHIONS LIMITED" from the drop down menu and click on "SUBMIT"

(v) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company an which they are eligible to vote, provided that Company opts for remote e- voting through CDSL platform, It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for remote e- voting or the resolutions contained in this Notice.

(xii) Click on the EVSN for "Samtex Fashions Limited" on which you choose to vote

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT", a confirmation box will be displayed. If you wish to confirm your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system

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

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

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

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

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

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

Poll at the Meeting

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

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

For **SAMTEX FASHIONS LIMITED**

Sd/-
KAMINI GUPTA
Company Secretary & GM Finance
FCS 5882

Place : New Delhi
Date : 28.08.2018

REGISTERED OFFICE & WORK
Property No. D-100 , Phase II,
Hosiery Complex Noida,
Gautam Buddha Nagar UP 201305
Phone No. : 0120-4209800, 4209900
E-Mail : samtex.compliance@gmail.com
Website : www.samtexfashions.com
CIN : L17112UP1993PLC022479

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

Name of the Director	Mr. Atul Mittal
Date of Birth	25-04-1977
Date of Appointment	29-07-2002
Qualification	Graduate
Expertise in specific functional areas	General Management
List of Directorship held in other Companies as on 31st March, 2018	ARLIN Foods Limited and ARLIN Exim Pvt. Limited
Chairman/Member of the Committees of the Board of Public Companies on which he is a Director as on 31st March, 2018	Chairman- NIL Membership-3
Shareholding in the Company as on 31st March, 2018:- Equity Shares in Numbers	2600000
Relationship with other Directors	None

BOARD'S REPORT

To,

The Members,

The Board of Directors hereby submit the 25th Annual Report of your Company together with the Audited Accounts of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS

Rs. In Lakhs

PARTICULARS	2017-2018	2016-2017
Sales and other Income	**3089.34**	4728.32
Profit before tax, interest, depreciation and write offs	**(298.69)**	(1767.36)
Interest & Financial Expenses	**19.90**	171.14
Depreciation	**58.83**	98.16
Profits	**(377.42)**	(2036.66)
Exceptional Expenses/income (Net)	**0.00**	(2500.93)
Profit Before Tax	**(377.42)**	(4537.59)
Provision for Taxation	**(7.33)**	(23.29)
Other Comprehensive Income/ Expenses (Net)	**(1.96)**	(29.63)
Profit after Tax	**(372.05)**	(4543.93)
Balance of Profit from Previous Years	**(1865.09)**	2678.84
Balance of Profit carried forward	**(2237.14)**	(1865.09)

*The Company does not propose any transfer to General Reserve.

REVIEW OF OPERATIONS & FUTURE PROSPECTS:

The Gross Sales and other Income for the year ended 31st March, 2018 stood at Rs. 30.89 crores as compared to Rs. 47.28 crores in the previous year. During the year under report Company has incurred Net Loss after the exceptional items amounting to Rs. 3.72 crores as compared to Rs. 45.44 crore in the previous year.

Your Company's Wholly Owned Subsidiary namely SSA International Limited has achieved a Turnover of Rs. 87.55 crores and losses amounting to Rs. 53.89 crores. During the year under report there were no any manufacturing activities in the plants. The Company been declared as Non Performing Asset NPA by the lenders/ banks.

As you are already aware that Company's other wholly owned Subsidiary namely Arlin Foods Limited (formerly known as Sam Buildcon Limited) is not operational. Your Board is exploring new avenues to revive the Company.

MATERIAL CHANGES

No material change and commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, which may affect the financial position of the Company.

DIVIDEND

In order to conserve and strengthen the financial resources of the Company, the Directors regret their inability to recommend any dividend for the year 2017-18.

DIRECTORS

Mrs. Shubra Bhambri (DIN 01167504), independent women director, due to personal reasons, resigned from directorship wef 11th April, 2018. Our Board would like to place on record its appreciation for the valuabale services rendered by Mrs. Shubhra Bhambri during her tenure. The Board of Directors, at its meeting held on 30thMay, 2018, on the recommendation of Nomination and Remuneration committee has appointed Mrs. Malini Mehra, (DIN 08148385) as an Additional Director (Independent) of the Company. But due to her personal inconvenience, she resigned from the post of Additional Director w.e.f 10.08.2018.

In accordance with the requirements of the Companies Act, 2013 and the Company's Articles of Association, Mr. Atul Mittal (DIN : 00223366), Managing Director of the Company, retires by rotation and being eligible offers himself for re-appointment. Mr. Atul Mittal was appointed as CFO of the Company during the financial year 2017-18.

BOARD OF DIRECTORS MEETINGS

During the year 6 (Six) Board Meetings and 6 (Six) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

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

iii) Mr. S.K. Gupta

iv) Mr. Atul Mittal

iii) Mr. Raman Ohri

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s Kapil Kumar & Co. Chartered Accountants, (Firm Registration No. 006241N) appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 24th Annual General Meeting until the conclusion of 29th Annual General Meeting of the Company to be held in the calendar year 2022.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. DMK, Associates, Company Secretaries, as Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2017-18.

The Secretarial Audit Report for the Financial Year 2017-18 submitted by them in prescribed form MR-3 has been annexed hereto marked as **ANNEXURE -4** and forms an integral part of this Report. The Secretarial Auditor has made certain observations. The observations and reply thereto are as under:

OBSERVATIONS

1. ***As per regulation 33(2) (a) of SEBI (LODR),the Chief Executive Officer(CEO) and Chief Financial Officer (CFO)of the company shall certify that the financial results do not contain any false or misleading statement, however it is observed that the said certificate has been obtained from Mr. Atul Mittal as Managing Director and Chief Financial Officer of the Company.***

   Mr. Atul Mittal is holding the position of Managing Director and CFO of the company as your company has appointed Mr. Atul Mittal as Managing Director therefore your company is not required to appointment Chief Executive Officer as prescribed under section 203 of the Companies Act, 2013 hence the said certificate was obtained from the Mr. Atul Mittal.

2. ***As per Regulation 30(6) of Part A of Schedule III of the SEBI(LODR) the company is required to disclose to the Stock Exchange about the appointment of Key Managerial Personnel. During the financial year the company has appointed Mr. Atul Mittal as Chief Financial Officer on July 27, 2017 and no disclosure was made to the Stock Exchange in this regard.***

   Due to inadvertent mistake, no any separate disclosure was given to the Stock Exchange with regard to appointment of Chief Financial Officer but in the same Board Meeting Mr. Atul Mittal has signed the documents and Financial statements in the capacity of Chief Financial Officer of the company and the same submitted with the Stock Exchange.

3. ***As per regulation 17(8) of SEBI (LODR), the Company is required to obtain certificate from CEO and CFO of the company, however it is observed that the said certificate has been obtained from the Mr. Atul Mittal as Managing Director and Chief Financial Officer of the Company***

   There is no requirement to appoint Chief Executive Officer in the Company therefore the said certificate was obtained from the Mr. Atul Mittal who is holding the position of Managing Director and CFO in the company.

4. ***As per Regulation 33(3)(d) SEBI (LODR) the company was required to submit to the stock exchange, the audited standalone and consolidated financial results for the financial year ended March 31, 2017 within sixty days from the end of the financial year along with the audit report thereon. It is observed that the company has deferred the matter of approval of audited Financial Statements sine die at its Board meeting held on May 30, 2017and later on the Board of Directors at its meeting held on July 27, 2017 approved the financial results & submitted to stock exchange on the same date, which is beyond the prescribed time limit of 60 days.***

   In company's Wholly owned Subsidiary ie SSA international Limited, there were some developments after the close of the Financial year 31.03.2017, which were having material effect on the Financial statements of the company for the said period. The agenda item of approval of Audited annual accounts was deferred and the same was informed to the Stock Exchange.

5. ***The financial statements of the company for the financial year ended March 31, 2018 was required to be signed by the chairperson of the Company where he is authorized by the Board or two directors out of which one shall be Managing Director & CEO, if he is a director, the Company Secretary and Chief Financial Officer of the Company, wherever they are appointed whereas it has been signed by Mr. Atul Mittal in the capacity of Managing Director as well Chief Financial Officer along with one more director & Company Secretary of the Company. As per Regulation 78 of Table F in schedule I to the Companies Act, 2013 a person can't sign in two capacities. Therefore the financial statements were not signed in terms of the provision of law.***

   Your management shall take necessary steps to strictly comply the provision of the Companies Act with respect to signing of Financial Statements.

INTERNAL AUDIT

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

AUDITORS' REPORT

The Statutory Auditors of the Company has submitted their reports on the standalone and consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2018. The Auditor has made certain observations. The observations and reply thereto are as under:

EMPHASIS OF MATTER

1. ***The company has ceased its business operations at NSEZ plant during the last year and transferred its premises at NSEZ. However the company has shifted its manufacturing activities to a new premises outside NSEZ and has commenced the production during the year.***

   The financial transaction for transferring the premises has been accounted for in the audited Financial statements for the year ended 31.03.2017. The manufacturing operations have been started at the new premises, which has also been setup as the company's Registered office.

2. ***The company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee.***

   The Company has received a notice u/s 13(2) of the SARFAESI Act, 2002 from consortium of banks for revocation of its Corporate Guarantee. SSA is taking care for the same.

3. ***Balance of unsecured loans, sundry creditors, debtors and advances are subject to confirmation and consequential effect if any on the financial statements remains uncertain.***

   As per the information provided by the management the balance of Unsecured Loans, sundry creditors, debtors and advances have been accounted for correctly in the financial statements for the year ended 31.03.2018 and been relied upon by the Auditors.

COMPLIANCE CERTIFICATE FROM COST AUDITOR FOR MAINTENANCE OF COST RECORDS

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

BOARD EVALUATION

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board and as collated by Nomination and Remuneration Committee and the Board expressed its satisfaction.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

As per the policy objective, the Company encourages its employees who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment. A vigil mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism

provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Managing Director/Chairman of the Audit Committee in exceptional cases. Such policy is made available on the website of the Company.

CREDIT RATING

The credit rating was get suspended in the Financial Year 2016-17.

SUBSIDIARIES

The Company has two subsidiaries namely, **SSA International Limited** and **Arlin Foods Limited.** During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. As per Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a Consolidated Financial Statement of the Company and its subsidiary has been prepared and attached to the Standalone Financial Statement of the Company. The **Consolidated Financial Statements** have been prepared in accordance with the relevant accounting standards.

Pursuant to the provisions of the rule 8 of Companies (Accounts) Rules, 2014, Form AOC-1 annexed to the Financial Statements**.**

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

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of Business of the Company during the year. The Company has two owned subsidiaries namely SSA International Limited and M/s. Arlin Foods Limited Limited.There was no change in the nature of business in SSA International Limited as well as Arlin Foods Limited. \

SHIFTING OF REGISTERED OFFICE OF THE COMPANY

The Registered Office of the Company shifted from Plot no.134-135, Noida Special Economic Zone (NSEZ), Phase-II, Noida-201305, Distt.-Gautam Budh Nagar, Uttar Pradesh to Property No. D-100, Phase -2, Hosiery Complex, Noida 201305, Uttar Pradesh with effect from 23rd May, 2017.

PUBLIC DEPOSIT

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

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

RELATED PARTY TRANSACTIONS

During the year under review, there are transaction with related parties on arm length basis falling under the purview of Section 188 of the Act. All transactions with related parties were duly reviewed by the Audit Committee of the Board. Particulars of such transactions are mentioned in the prescribed Form AOC-2 annexed to the Financial Statements**.**

LOANS, GUARANTEES AND INVESTMENT

During the year under report the company has not made any fresh investments nor have provided any new Guarantee .

INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO

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

EXTRACT OF THE ANNUAL RETURN

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

POLICIES

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

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

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

A Order dated 11.12.2017 & 24.07.2018 has been received from Employees Provident Fund Organisation under section 7-A of the Employees Provident Funds & Miscellaneous Provisions Act, 1952 was received . An Appeal before the Employees Provident Fund Appellate Tribunal , New Delhi have been filed .The notice issued to the company was settled and set aside by the concerned authority.

Another Prohibitory order dated 01.01.2018 has been received from Employees State Insurance Corporation was received directing to pay amount of Rs. 4,30,008/-. The company has paid the outstanding dues.The notice issued to the company was settled and set aside by the concerned authority.

On 1.08.2018, SSA International Limited, wholly owned subsidiary of the company, received a demand notice from State Bank of India, Stressed Assets Management Branch-I .Demand Notice stated that SBI, the Lead bank has initiated action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of powers conferred under section 13(2) read Rule 3 of Security Interest (Enforcement) Rules,2002 called upon the borrower /guarantors/ Mortgagors to repay the debt amounting to Rs. 632,05,29,655/- with in sixty days from the receipt of the notice. If SSA International Limited fails to pay the said amount in the stipulated time, the bank will take the possession of the property mortgaged as mention in the said Notice.

The said action of SBI, the lead bank initiated under SARFASSI Act 2002 to repay the debt has been challenged by SSA International Ltd, in the concerned court, and matter is still under dispute.

The Company (Samtex Fashions Limited) had given corporate guarantee in respect of this loan to SSA international Limited

The Company did not receive any other order passed by any Court or Tribunal or Regulator.

DEMATERIALIZATION OF SHARES

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

STOCK EXCHANGE LISTING

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

CORPORATE SOCIAL RESPONSIBILITY

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

CODE OF CONDUCT

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

The Board Members have affirmed compliance with the Code of Conduct for the period ended March 31, 2018.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED
Sd/-
Atul Mittal
Chairman & Managing Director
DIN 00223366

Place : New Delhi
Dated : 28.08.2018

ANNEXURE-1

NOMINATION AND REMUNERATION POLICY

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

1. OBJECTIVE:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

2. ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

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

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

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

4. EVALUATION

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

5. REMOVAL

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

6. RETIREMENT

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

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

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

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors [excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013] shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of pay structure as per the Company's Policy, in compliance with the provisions of the Companies Act, 2013.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

c) Any performance based pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

8. AMENDMENTS

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

For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED
Sd/-
Atul Mittal
Chairman & Managing Director
DIN 00223366

Place : New Delhi
Dated : 28.08.2018

ANNEXURE-2

A. **CONSERVATION OF ENERGY:**

a) Energy Conservation measures taken: Company's operations involve low energy consumption. The Company has always been taking steps towards conservation of energy. The Company continues to envisage and implement energy conservation measures in its manufacturing operations and leading to savings in consumption of power and fuel.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of Energy: Introduced energy saving features in the systems by which the user saves power consumption to a considerable extent.

c) Impact of the measures of (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods: The impact of the measures taken above is that the same would result in reduction in energy consumption in future years and increase in productivity.

d) Total energy consumptions, energy consumption per unit of production:

		Current Year	Previous Year
1.	**POWER AND FUEL COSUMPTION**		
a)	Purchased		
	Unit	**193754**	202519
	Total Amount (Rs. Lakhs)	**17.28**	18.39
	Rate/Unit (Rs.)	**8.92**	9.08
b)	Own Generation Through Diesel Generator		
	Unit	**10440**	9263
	Total Amount (Rs. Lakhs)	**1.33**	1.16
	Cost/Unit (Rs.)	**12.75**	12.56

B. RESEARCH AND DEVELOPMENT

(i) RESEARCH AND DEVELOPMENT

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

(ii) TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNING AND OUTGO

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

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

Rs. In Lakhs

		Current Year	Previous Year
i.	**Earnings for the year**		
	(FOB value of Exports)	**238.12**	**484.15**
ii.	**Outgo for the year: :**		
	Raw Material	**0**	0

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

For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED
Sd/-
Atul Mittal
Chairman & Managing Director
DIN 00223366

Place : New Delhi
Dated : 28.08.2018

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

1 The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

S. No.	Name of Director, KMP & Designation	Remuneration of Director/KMP for financial year 2015-16 (in Rs.)	Remuneration of Director/KMP for financial year 2016-17 (in Rs.)	% increase in Remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director/ to median remuneration of employees (times)
1	Atul Mittal Chairman & Managing Director	38,56,000	22,16,000	-42.52%	4.00
2	Mr. Surendra Kumar Gupta-Independent Director	Nil			
3	Ms. Shubhra Bhambri Independent Director				
4	Mr. Raman Ohri Independent Director				
5	Ms. Kamini Gupta Company Secretary	6,50,400	6,50,400	NIL	NIL

2. The median remuneration of employees of the Company during the financial year 2016-17 was Rs. 243672/- p.a. whereas in 2017-18 it is Rs. p.a. Therefore in the financial year 2017-18, there is an increase of % in the median remuneration of employees.

3. Number of Permanent Employees on the rolls of Company as on 31.03.2018: 8

4. The Average percentile increase/decrease in the salaries of the employees (other than Managerial Personnel) for FY 2017-18 was Nil % whereas the average percentile decrease in the managerial remuneration for the FY 2017-18 is 42.52%. The Company's variable compensation philosophy for its managerial personnel is to ensure its competitive in the global markets in which it operates, for attracting & retaining the best talent.

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

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

1. The details of Employees who were employed throughout the FY- 2017-18 and were in receipt of minimum aggregate Remuneration of Rs.1.2 Cr.: Nil

2. The details of Employees who were employed for the part of FY 2017-18 and for that part they received minimum aggregate remuneration of Rs. 8.5 lakh per month. NIL

3. The details of Employees who were employed during FY 2017-18 (whether for full year or part thereof) and were drawing remuneration which is in excess of the remuneration drawn by MD or WTD or Manager and along with this, he is holding minimum 2% of the equity shares of the company together with his wife & dependent children.:

PARTICULARS OF REMUNERATION (RELATIVE) EMPLOYEES

Statement pursuant to Section 197 and 188 the Companies Act, 2013 the particulars employees drawing remuneration for the year ended 31st March' 2018

Sl. No	*NAME*	*Designation/ Duties*	*Qualification*	*Remuneration Rs.in Lakhs*	*Experience In Years*	*Date of Commencement of Employment*	*Age in Years*	*Last Employment held*
1	Mr. Anubhav Mittal	Vice President Overseas Marketing	Diploma in G.M.T. (F.I.T New York)	*58.54*	*22*	01.10.96	*43*	-

***Resigned From post of President Overseas Maketingw.e.f 1st January, 2018**

Note :

1. Nature of employment of Mr. Anubhav Mittal is contractual .
2. Nature of Duties of the appointee includes Development & Promotion of Export Marketing of the Company's Products in USA and other Western Countries.
3. Mr. Anubhav Mittal is related to Mr. Atul Mittal, Chairman & Managing Director of the Company.
4. The remuneration specified above includes salary, allowances, bonus and value of perquisites.
5. Mr. Anubhav Mittal , the above named employee along with his spouse hold 7.64 % of Equity Shares of the Company, on the date of this report.

Detail of top employees (having less than 10 employees for period under report) in terms of remuneration drawn:-

S. No	Name	Designation	Salary Received (2017-18)	Permanent	D.O.B.	D.O.J.	Qualification	**Last Employment before Joining the company**	**Equity Share held by the Employee**	**Relation with Director**
1	Ms. Kamini Gupta	GM-Finance & CS	710000	On Roll	19.07.1965	01.03.1995	Company Secretaries,ICWA	Metro Appliances Ltd.	NA	No
2	Mr. Vijender K Rai	Manager-Accounts	555000	On Roll	10.07.1986	21.04.2014	Post Graduation-MBA Finance, B Com	West Coast Fine F Pvt Ltd	NA	No
3	Mr. Digamber Singh	Electrician	236500	On Roll	10.01.1973	01.05.2017	12th Pass & ITI-Electrician Trade	Surya Vanaspati Ltd	NA	No
4	Mr. Shiv Kumar	Q A	500000	On Roll	08.08.1967	04.05.2017	BA Pass	Mira Overseas	NA	No
5	Mr. Mahesh Chan	Line Incharge	300000	On Roll	01.07.1970	01.07.2017	10th	Meenu Creations	NA	No
6	Mr. Sanjeev Srivastav	H R	319258	On Roll	03.07.1975	19.05.2017	Graduation	General creation	NA	No

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

Sd/-
Atul Mittal
Chairman & Managing Director
DIN 00223366

Place : New Delhi
Dated : 28.08.2018

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on Financial Year ended on 31.03.2018

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L17112UP1993PLC022479
ii	Registration Date	26.04.1993
iii	Name of the Company	Samtex Fashions Limited
iv	Category/Sub-category of the Company	Public Company
v	Address of the Registered office & contact details	Property No. D-100, Phase II, Hosiery Complex Noida, Gautam Budha Nagar, Uttar Pradesh, Pin-201305
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind Local Shoping Centre, Near Dada Harsukdas Mandir, New Delhi-110062, Contact No. 011-29961281

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No.	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Garments- Apparels	62034300	2991.53 Lakhs (100%)

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	SSA International Ltd.	U15122DL1995PLC068186	Subsidiary	100%	2(87)(ii)
2	Arlin Foods Ltd.	U15209DL2008PLC173566	Subsidiary	100%	2(87)(ii)

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

Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No.	%
A. Promoters										
(1) Indian										
a) Individual/HUF	31168440	0	31168440	41.84	31168440	0	31168440	41.84	0	0.0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0	0.0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0	0.0
d) Bank/FI	0	0	0	0	0	0	0	0	0	0.0
e) Any other	0	0	0	0	0	0	0	0	0	0.0
SUB TOTAL:(A) (1)	31168440	0	31168440	41.84	31168440	0	31168440	41.84	0	0.0

Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No.	%
(2) Foreign										
a) NRI- Individuals	5697500	0	5697500	7.65	5697500	0	5697500	7.65	0	0.0
b) Other Individuals	0	0	0		0	0	0			
c) Bodies Corp.	0	0	0		0	0	0		0	0.0
d) Banks/FI	0	0	0		0	0	0			
e) Any other…	0	0	0		0	0	0			
SUB TOTAL (A) (2)	**5697500**	**0**	**5697500**	**7.65**	**5697500**	**0**	**5697500**	**7.65**	**0**	**0.0**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**36865940**	**0**	**36865940**	**49.48**	**36865940**	**0**	**36865940**	**49.48**	**0**	**0.0**
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	53000	53000	0.07	0	53000	53000	0.07	0	0.0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0.0
C) Cenntral govt	0	0	0	0	0	0	0	0	0	0.0
d) State Govt.	0	0	0	0	0	0	0	0	0	0.0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0.0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0.0
g) FIIS	0	0	0	0	0	0	0	0	0	0.0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0.0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0.0
Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00		0.0
SUB TOTAL (B) (1):	**0**	**53000**	**53000**	**0.07**	**0**	**53000**	**53000**	**0.07**	**0**	**0.0**
(2) Non Institutions										
a) Bodies corporates									0	0.0
i) Indian	9197508	14505	9212013	12.37	9258372	14505	9272877	12.45	60864	0.1
ii) Overseas		1550000	1550000	2.08	0	1550000	1550000	2.08	0	0.0
b) Individuals	0	0	0		0	0	0			
i)Individuals shareholders holding nominal share capital upto of Rs. 1 lakhs	5492838	1973045	7465883	10.02	7873124	1930035	9803159	13.16	2337276	3.1
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	13746618	56500	13803118	18.53	11719293	56500	11775793	15.81	-2027325	-2.7
c) Others (specify)										
i) Clearing Member	16457	0	16457	0.02	16614	0	16614	0.02	157	0.0
ii) HUF	425890	0	425890	0.57	390442	0	390442	0.52	-35448	0.0

Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No.	%
III) NRI	5092199	15500	5107699	6.86	4756675	15500	4772175	6.41	-335524	-0.5
SUB TOTAL (B)(2):	**33971510**	**3609550**	**37581060**	**50.44**	**34014520**	**3566540**	**37581060**	**50.44**	**0**	**0.0**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**33971510**	**3662550**	**37634060**	**50.52**	**34014520**	**3619540**	**37634060**	**50.52**	**0**	**0.0**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0.0
Grand Total (A+B+C)	**70837450**	**3662550**	**74500000**	**100**	**70880460**	**3619540**	**74500000**	**100**	**0**	**0.0**

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the begginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Mrs Anju Mittal	5500	0.01	0.00	5500	0.01	0.00	0.00
2	Mr. Suraj Gupta	100000	0.13	0.00	100000	0.13	0.00	0.00
3	Mr. Sunil Mittal	110500	0.15	0.00	110500	0.15	0.00	0.00
4	Mr. Indersain Bansal	125000	0.17	0.17	125000	0.17	0.17	0.00
5	Mrs Sushma Bansal	125000	0.17	0.17	125000	0.17	0.17	0.00
6	Mr. Gautam Aggarwal	125000	0.17	0.00	125000	0.17	0.00	0.00
7	Mr. Anil K. Gupta	175000	0.23	0.00	175000	0.23	0.00	0.00
8	Mrs Neena Mittal	385500	0.52	0.52	385500	0.52	0.52	0.00
9	Mr. Saurabh Mittal	500000	0.67	0.67	500000	0.67	0.67	0.00
10	Mr. Sahil Mittal	500000	0.67	0.67	500000	0.67	0.67	0.00
11	Kanika Mittal	500000	0.67	0.67	500000	0.67	0.67	0.00
12	Mr. Vinay Mittal	1060500	1.42	1.42	1060500	1.42	1.42	0.00
13	Mrs Rita Mittal	2860150	3.84	0.35	4360150	5.85	0.35	2.01
14	Mrs. Rama Mittal	1693750	2.27	0.00	1693750	2.27	0.00	0.00
15	Mrs. Sujata Mittal	1800000	2.42	0.33	1800000	2.42	0.33	0.00
16	Mrs. Neha Mittal	2075000	2.79	0.60	2075000	2.79	0.60	0.00
17	Mr. Rahul Mittal	2091750	2.81	0.00	2091750	2.81	0.00	0.00
18	Mrs. Pooja Mittal	2500000	3.36	1.68	2500000	3.36	1.68	0.00
19	Mr. Sanjeev Mittal	2506000	3.36	0.00	2506000	3.36	0.00	0.00
20	Mr. Amit Mittal	2550000	3.42	1.41	2550000	3.42	1.41	0.00
21	Mr. Karan Mittal	2589785	3.48	1.34	2589785	3.48	1.34	0.00
22	Mr Atul Mittal	2600000	3.49	1.81	2600000	3.49	1.81	0.00
23	Mr Naveen Mittal	2690005	3.61	0.20	2690005	3.61	0.20	0.00
24	Mr. Anil Mittal	1500000	2.01	0.00	0	0.00	0.00	-2.01
25	Mrs Nitika Mittal	2500000	3.36	0.00	2500000	3.36	0.00	0.00
26	Mr. Anubhav Mittal	3197500	4.29	0.00	3197500	4.29	0.00	0.00
	Total	36865940	49.48	12.01	36865940	49.48	12.01	0.00

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

Sl. No.	Name of the Promoter	SHAREHOLDING					No. of Shares	%of total Shares of the Company
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date	Increase/ (Decrease) in Share Holding	Reason for Increase / (Decrease)	Cumulative Shareholding During the year (01-04-2017 to 31-03-2018	
1	RITA MITTAL	2860150	3.8391	31-Mar-17				
	AAQPM3153N		0	28-Jul-17	1500000	Transfer	4360150	5.8526
		4360150	5.8526	**31-Mar-18**			4360150	5.8526
2	ANIL MITTAL	1500000	2.0134	31-Mar-17				0
	AAQPM3142F		0	28-Jul-17	-1500000	Transfer	0	0
		0	0	**31-Mar-18**			0	0

(iv) Shareholding Pattern of top ten Shareholders (other than Direcors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Name of the Shareholder	SHAREHOLDING					No. of shares	%of total Shares of the Company
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date	Increase/ (Decrease) in Share Holding	Reason for Increase /(Decrease)	Cumulative Shareholding During the year (01-04-2017 to 31-03-2018	
1	ANIL KUMAR GOEL	4960000	6.6577	31-Mar-17				
	AAJPG2552Q		0	02-Jun-17	368401	Purchase	5328401	7.1522
			0	09-Jun-17	430099	Purchase	5758500	7.7295
			0	11-Aug-17	-568500	Sell	5190000	6.9664
			0	25-Aug-17	-9204	Sell	5180796	6.9541
			0	01-Sep-17	-17949	Sell	5162847	6.93
			0	08-Sep-17	-31860	Sell	5130987	6.8872
			0	15-Sep-17	-16130	Sell	5114857	6.8656
			0	22-Sep-17	-24857	Sell	5090000	6.8322
			0	30-Sep-17	-18246	Sell	5071754	6.8077
			0	06-Oct-17	-121754	Sell	4950000	6.6443
			0	13-Oct-17	-132016	Sell	4817984	6.4671
			0	20-Oct-17	-168694	Sell	4649290	6.2407
			0	10-Nov-17	-46081	Sell	4603209	6.1788
			0	01-Dec-17	-3209	Sell	4600000	6.1745
		4600000	6.1745	31-Mar-18			4600000	6.1745
			0	- -				0
2	GPM SPINNING MILLS PRIVATE LIMITED	3500000	4.698	31-Mar-17		NIL MOVEMENT DURING THE YEAR	3500000	4.698
	AACCG3172C	3500000	4.698	31-Mar-18			3500000	4.698
			0	- -				0
3	KANIKA FINLEASE LIMITED	3250000	4.3624	31-Mar-17		NIL MOVEMENT DURING THE YEAR	3250000	4.3624
	AAACK5867E	3250000	4.3624	31-Mar-18			3250000	4.3624
			0	- -				0

Sl. No.	Name of the Shareholder	SHAREHOLDING					No. of shares	%of total Shares of the Company
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date	Increase/ (Decrease) in Share Holding	Reason for Increase /(Decrease)	Cumulative Shareholding During the year (01-04-2017 to 31-03-2018	
4	RAJESH DHERI	2359340	3.1669	31-Mar-17		NIL MOVEMENT DURING THE YEAR	2359340	3.1669
	AJWPD5242Q	2359340	3.1669	31-Mar-18			2359340	3.1669
			0	- -				0
5	SANDEEPTI SCANDATA SOLUTIONS PRIVATE LTD.	1000000	1.3423	31-Mar-17		NIL MOVEMENT DURING THE YEAR	1000000	1.3423
	AAHCS6862Q	1000000	1.3423	31-Mar-18			1000000	1.3423
			0	- -				0
6	KRISHAN KUMAR KAPOOR	750000	1.0067	31-Mar-17		NIL MOVEMENT DURING THE YEAR	750000	1.0067
	AEGPK6318H	750000	1.0067	31-Mar-18			750000	1.0067
			0	- -				0
7	SEEMA GOEL	1350000	1.8121	31-Mar-17				0
	AHAPG8015A		0	11-Aug-17	-650000	Sell	700000	0.9396
			0	13-Oct-17	-10000	Sell	690000	0.9262
			0	20-Oct-17	-90000	Sell	600000	0.8054
			0	08-Dec-17	-600000	Sell	0	0
			0	15-Dec-17	600000	Purchase	600000	0.8054
		600000	0.8054	31-Mar-18			600000	0.8054
			0	- -				0
8	MRS. GEETA CHETAN SHAH	534000	0.7168	31-Mar-17				0
	APUPS9957F		0	05-May-17	66000	Purchase	600000	0.8054
			0	03-Nov-17	-10670	Sell	589330	0.791
			0	08-Dec-17	-589330	Sell	0	0
			0	15-Dec-17	589330	Purchase	589330	0.791
		589330	0.791	31-Mar-18			589330	0.791
			0	- -				0
9	SANJEEV GOYAL	550000	0.7383	31-Mar-17		NIL MOVEMENT DURING THE YEAR	550000	0.7383
	AXPPG5900K	550000	0.7383	31-Mar-18			550000	0.7383
			0	- -				0
10	QUICK DEVELOPERS PRIVATE LIMITED	509897	0.6844	15-Dec-17		NIL MOVEMENT DURING THE YEAR	509897	0.6844
	AAACQ2182N	509897	0.6844	31-Mar-18			509897	0.6844

SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Name of the Shareholder	SHAREHOLDING					No. of shares	
		No of share at the beginning/ End of the year	%of total Shares of the Company	Date	Increase/ (Decrease) in Share Holding	Reason for Increase / (Decrease)	Cumulative Shareholding During the year (01-04-2017 to 31-03-2018	%of total Shares of the Company
1	**Atul Mittal**	2600000	3.49	31-Mar-17	0	Nil Movement	2600000	3.49
	Managing Director	2600000	3.49	**31-Mar-18**			2600000	3.49
2	**Raman Ohri**	0	0	31-Mar-17	0	No Shares Held	0	0
	Director			**31-Mar-18**			0	0
3	**S.K Gupta**	0	0	31-Mar-17	0	No Shares Held	0	0
	Director			**31-Mar-18**			0	0
4	**Shbhra Bhambri**	0	0	31-Mar-17	0	No Shares Held	0	0
	Director			**31-Mar-18**			0	0
5	**Kamini Gupta**	0	0	31-Mar-17	0	No Shares Held	0	
	Company secretary			**31-Mar-18**			0	0

V INDEBTEDNESS **Rs. In Lakhs**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	Nil	650.30	Nil	650.30
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	0.00	650.30	0.00	650.30
Change in Indebtedness during the financial year				
Additions	Nil	30.00	Nil	30.00
Reduction	Nil	24.00	Nil	24.00
Net Change	Nil	6.00	Nil	6.00
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	656.30	Nil	656.30
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	0.00	656.30	0.00	656.30

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	**Gross salary**	Mr. Atul Mittal , WTD/MD- Executive	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1800000	1800000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	200000	200000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	nil	nil
2	Stock option	nil	nil
3	Sweat Equity	nil	nil
4	Commission	nil	nil
	as % of profit	nil	nil
	others (specify)	nil	nil
5	Others, please specify- Provident Fund contribution	216000	216000
	Total (A)	2216000	2216000
	Ceiling as per the Act	NA (due to loss in current year)	

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors			
1	Independent Directors	Mr. S.K. Gupta	Mrs. Shubhra Bhamri	Mr. Raman Ohri	Total
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-		-	-
	(c) Others, please specify	-		-	-
	Total (1)	0		0	0
2	Other Non Executive Directors	No any			
	(a) Fee for attending board committee meetings				
	(b) Commission				
	(c) Others, please specify.				
	Total (2)	0		0	0
	Total (B)=(1+2)				0
	Total Managerial Remuneration				2216000
	Overall Cieling as per the Act.	NA (due to loss in current year)			

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

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

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/s Samtex Fashions Limited
CIN: L17112UP1993PLC022479
Property No.D-100, Phase-II
Hosiery Complex, Noida
Gautam Buddha Nagar
UP-201305 IN

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has during the audit period covering the financial year ended on March 31, 2018(Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment(ODI) and External Commercial Borrowings(ECB); **(No FDI, ODI and ECB was taken by the company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**

d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014**; (Not applicable to the Company during the Audit Period)**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)

Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**(Not applicable to the Company during the Audit Period)**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**(Not applicable to the Company during the Audit Period)**

vi) OTHER LAWS SPEICFICALLY APPLICABLE TO THE COMPANY

As per the information provided there is no specific law applicable to the Company during the audit period.

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

1. Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. *As per regulation 33(2) (a) of SEBI (LODR),the Chief Executive Officer(CEO) and Chief Financial Officer (CFO)of the company shall certify that the financial results do not contain any false or misleading statement, however it is observed that the said certificate has been obtained from Mr. Atul Mittal as Managing Director and Chief Financial Officer of the Company.*
2. *As per Regulation 30(6) of Part A of Schedule III of the SEBI(LODR) the company is required to disclose to the Stock Exchange about the appointment of Key Managerial Personnel. During the financial year the company has appointed Mr. Atul Mittal as Chief Financial Officer on July 27, 2017 and no disclosure was made to the Stock Exchange in this regard.*
3. *As per regulation 17(8) of SEBI (LODR), the Company is required to obtain certificate from CEO and CFO of the company, however it is observed that the said certificate has been obtained from the Mr. Atul Mittal as Managing Director and Chief Financial Officer of the Company.*
4. *As per Regulation 33(3)(d) SEBI (LODR) the company was required to submit to the stock exchange, the audited standalone and consolidated financial results for the financial year ended March 31, 2017 within sixty days from the end of the financial year along with the audit report thereon. It is observed that the company has deferred the matter of approval of audited Financial Statements sine die at its Board meeting held on May 30, 2017and later on the Board of Directors at its meeting held on July 27, 2017 approved the financial results & submitted to stock exchange on the same date, which is beyond the prescribed time limit of 60 days.*
5. *The financial statements of the company for the financial year ended March 31, 2018 was required to be signed by the chairperson of the Company where he is authorized by the Board or two directors out of which one shall be Managing Director & CEO, if he is a director, the Company Secretary and Chief Financial Officer of the Company, wherever they are appointed whereas it has been signed by Mr. Atul Mittal in the capacity of Managing Director as well Chief Financial Officer along with one more director & Company Secretary of the Company. As per Regulation 78 of Table F in schedule I to the Companies Act, 2013 a person can't sign in two capacities. Therefore the financial statements were not signed in terms of the provision of law.*

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

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, women and Independent Directors. During the audit period there was no change in the composition of the Board of Directors.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings

along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items the meeting and for meaningful participation at the meeting except one Board Meeting which was held at shorter notice in compliance of the Act.

3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

We further Report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except the following;

The Company had given Corporate Guarantee for an amount of Rs.807.46 crores to the banks for secured loans taken by SSA International Limited, its Wholly owned Subsidiary. SSA International Limited has received notice u/s 13(2) of the SARFAESI Act, 2002 from State Bank of India dated May 15, 2017 and the copy of same was received by company as a corporate guarantor in this matter. Thereafter the State Bank of India (Lead Bank) has initiated action under SARFAESI Act, 2002 and in exercise of the powers conferred under section 13(12) read with rule 3 of Security interest (Enforcement) Rules, 2002 issued a demand notice dated August 1, 2018 of Rs.632,05,29,655/- calling upon the borrower / guarantors/mortgagors to repay the amount within 60 days from the date of receipt of the said notice. Further the company has made intimation regarding said notice to the BSE Limited on August 24, 2018.

For DMK ASSOCIATES
COMPANY SECRETARIES

Sd/-
(Monika Kohli)
B.Com, (H),FCS, LL.B.
Partner
FCS.5480
CP. 4936

Date : 28.08.2018
Place : New Delhi

To,

The Members,

M/s Samtex Fashions Limited
CIN: L17112UP1993PLC022479
Property No.D-100, Phase-II
Hosiery Complex, Noida
Gautam Buddha Nagar
UP-201305 IN

Sub: Our Secretarial Audit for the financial year ended March 31, 2018 of even date is to be read with along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. As regard to other laws, our report is limited to compliances of specific laws identified by the Management.

8. As per the information provided by the company, apart from legal cases mentioned above in our observations, there are certain other disputes / cases filed by or against the company, with Government / Private parties such as contractors & suppliers are currently lying pending at the various Courts / Forums, however as informed these cases have no major impact on the Company.

For DMK ASSOCIATES
COMPANY SECRETARIES

Sd/-
(Monika Kohli)
B.Com, (H),FCS, LL.B.
Partner
FCS.5480
CP. 4936

Date : 28.08.2018
Place : New Delhi

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Overview: -

Company Background

The Company was incorporated on 26th April, 1993 and having its Registered Office at D-100, Phase II, Hosiery Complex Noida Gautam Buddha Nagar UP 201305, engaged in the business of manufacturing and selling of Ready Made Garments.

Its Corporate Office is located at Unit No. 137, DLF Prime Tower, F-Block, Okhla Phase-I, New Delhi -110020 and it also has a Trading Office in USA in the city of New York in order to facilitate the marketing of Company's products. This Trading Office is headed by Vice President, Overseas Marketing.

Company Management

The Board of Directors of the Company presently comprised of three Directors headed by Mr. Atul Mittal Managing Director of the Company. The Board has a combination of Executive and non-Executive Directors comprising of one Executive Director - namely Mr. Atul Mittal Managing Director and three non-Executive Independent Directors.

The Board of Directors meets regularly at least 4 times in a year. In the year 2017-2018 six such meetings were held, the details of the attendance of Directors in the Board Meetings have been given in the Report of Corporate Governance. The Board has also constituted Committees namely, (a) Audit Committee (b) Nomination and Remuneration Committee (c) Stake holders Relationship Committee. The committee members' meet regularly from time to time to dispose of the work assigned to them respectively.

Product and Services

The Company is engaged in the business of manufacturing and selling of Ready Made Garments. The Production process is being carried in the Company's factory located at D-100, Phase II, Hosiery Complex Noida Gautam Buddha Nagar UP 201305. Presently the entire production of the company is exported to the overseas markets. The Company has major one segment activity i.e. Readymade Garments. Its geographical distribution is in India and in USA.

Industry Structure and Development

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

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

Opportunities and Threats.

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

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

In the current financial year 2017 -18 the Management is planning to run the manufacturing operations at its efficiency levels. Management is trying to explore the new buyers and new product/type of garments , which will ultimately result in increased volumes and improvements in financial position.

Internal control system and their Adequacy

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

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

Sd/-
Atul Mittal
Chairman & Managing Director
DIN 00223366

Place : New Delhi
Dated : 28.08.2018

CORPORATE GOVERNANCE REPORT

1. Company's philosophy

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

2. Board of Directors:

During the year under report the Board of Directors Comprised of Four Directors – one Executive Director and Three Non- Executive Independent Directors.

The composition of Board of Directors, their category and other directorships as on 31st March, 2018 given as under :-

Sl. No.	Name of Directors	Designation	Category	No.of directorship and Committee membership/chairmanship		
				Other Directorship	Committee Membership	Committee Chairmanship
1.	Mr. Atul Mittal	Managing Director	Promoter & Executive	2	2	-
2.	Mr. Raman Ohri	Director	Independent Non-executive	1	3	-
3.	Mr.S.K.Gupta	Director	Independent Non-executive	1	3	3
4.	Mrs. Shubhra Bhambri*	Director	Independent Non-executive	-	2	-

* Mrs. Shubhra Bhambri Resigned from directorship as on 11th April, 2018

Retiring Directors :

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

Mr. Atul Mittal is a graduate, belonging to an industrial family and is having experience of 19 years. He possesses command in his field of operations and managing the affairs of the Company.

Board Meetings and attendance of Directors :

During the year, Six Meetings of the Board were held on 30.05.2017, 27.07.2017, 28.08.2017, 02.09.2017, 11.11.2017 and 14.02.2018.

Attendance record of Directors :

The table given below gives the attendance record of all the Directors at the six Board Meetings held during 2017-18 ,as well as at the last Annual General Meeting.

Sl. No.	Name of Director	No. of Board Meeting attended	Attendance at the last AGM held on 29.09.2017
1	Mr.Atul Mittal	6	Yes
2	Mr.S.K. Gupta	6	Yes
3	Mr.Raman Ohri	1	No
4	Mrs. Shubhra Bhambri (resigned wef 11.04.18)	6	Yes

3. ShareHolding of Non Executive Directors - Nil

4. Familiarization Programme for Directors

The company conduct familiarization programmes for the Directors to enable them to familiarise with the company. Web- link *http://www.samtexfashions.com/finance_reports/finance_report_download.php?id=1460372738..pdf&name=Familiarisation+Programme+-+Independent+Director*

5. Independent Directors Meeting

As required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 a separate meeting of Independent Directors of the Company was held on 22.03.2018. All the Independent Directors have attended that meeting.

6. Audit committee

In the year under reference , the Audit committee comprised of four Directors, three of them are Non-Executive Independent Directors. All these Directors possessed good knowledge of Corporate Finance, Accounts and Company Law.

The constitution of the Audit Committee as below :-

1. Mr.S.K.Gupta- Chairman
2. Mrs. Raman Ohri- Member
3. Mr. Atul Mittal – Member
4. Mrs. Shubhra Bhambri (resigned wef 11.04.18)

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

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

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

Audit Committee Meetings

Sl.No	Date of Meeting	Strength	No. of Member Present
1.	29.05.2017	4	3
2.	27.07.2017	4	3
3.	28.08.2017	4	3
4.	02.09.2017	4	3
5.	11.11.2017	4	4
6.	14.02.2018	4	3

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

Members	No. of Meetings Attended	Category
Mr.S.K.Gupta	6	Member & Chairman
Mr.Raman Ohri	1	Member
Mr. Atul Mittal	6	Member
Ms. Shubhra Bhambri	6	Member

Mr. S.K. Gupta Chaired the Meeting of Audit Committee held on 30th May, 2018 for reviewing and approving the Final Accounts for the period ended 31st March, 2018.

Terms of reference

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

Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending the appointment and removal of auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements and audit report before submission to the Board.
- Reviewing with management, performance of statutory and internal auditors and adequacy of internal control systems.
- Reviewing with management the quarterly Financial Statements before submission to Board of Directors for approval.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority, reporting structure coverage and frequency of internal audit.
- Review and functioning of Whistle Blower/ Vigil Mechanism.

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

7. Internal Auditors

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

8. Nomination and Remuneration Committee :

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

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

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

The Constitution of the committee is as follows:

1. Mr.S.K.Gupta- Chairman
2. Mr. Raman Ohri- Member
3. Ms. Shubhra Bhambri – Member

Meetings and Attendance:

Sl. No.	Date of Meeting	Strength	No. of Member Present
1.	27.07.2017	3	2

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

Members	No. of Meetings Attended	Category
Mr. S.K.Gupta	1	Member & Chairman
Mr. Raman Ohri	0	Member
Mrs. Shubhra Bhambri	1	Member

During the year under report one meetings of the committee was held to consider and appoint Mr. Atul Mittal as CFO of the Company .

9. Director's Remuneration

a) Managing Director/Executive Directors:

The Company pays remuneration to the Managing Director / Executive Directors as recommended by the Remuneration Committee and the Board of Directors of the Company. It has also been approved by the Members of the company in their General Meeting. Details of Remuneration to Directors for the Year 2017-18: -

In Rs.

Name	Designation	Salary	Perquisites	P.F.	Gross Remuneration
Atul Mittal	Managing Director	1800000	200000	216000	**2216000**

b) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration.

10. Stake Holders Relationship Committee :

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

The Constitution of the committee is as follows:

Mr. S.K. Gupta Chairman

Mr. Raman Ohri Member

Mr.Atul Mittal Member

- There was no share Transfer / Demat cases, or Complaints pending for more than 30 days, as on 31st March,2018.
- **Compliance Officer** : The Board has designated **Ms. Kamini Gupta, Company Secretary and GM Finance** as the Compliance officer.

Address :- Unit No. 137, DLF Prime Tower, F- Block, Okhla Phase –I, New Delhi -110020.

Ph. No. 011- 49025972 Email ID: samtex.compliance@gmail.com

11. Details of Shareholders Complaints during the FY 2017-18:-

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

12. Code of Conduct

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

Declaration as required under Regulation 26(3) and Schedule V of SEBI (LODR) Regulations , 2015
All Directors and Senior Management of the Company have affirmed Compliance with the Samtex Code of Conduct for the financial year ended 31st March, 2018

Atul Mittal
Managing Director
New Delhi, 28th August, 2018 **(DIN 00223366)**

13. General Body Meeting :

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

Annual General Meeting/Year	Day, Date & Time of the AGM	Venue
22nd AGM 2014-15	Wednesday,30thSeptember,2015 at 9.30 AM	Regd Office: Plot No-134- 135, NSEZ,Phase-II, Noida-201305,U.P
23rd AGM 2015-16	Friday, 30th September, 2016 at 9.30 AM	-- Do---
24th AGM 2016-17	Friday, 29th September, 2017 at 9.30 AM	Regd. Office: Property No. D-100, Hosiery Complex, Phase–II, Noida, Gautam Budha Nagar, U.P. - 201305

14. Details of Special Resolutions:

1.	22nd AGM	i)	Adoption of new set of Articles of Association of the Company.
		ii)	Alteration in Memorandum of Association .
2.	23rd AGM	i)	Alteration in Object Clause in the Memorandum of the Company.
		ii)	Appointment of Mr. Atul Mittal as Managing Director for the period of 3 years w.e.f 01.09.2016.
3.	24th AGM	i)	Appointment of Mrs. Shubhra Bhambri as an Independent Director – who was appointed earlier as an additional Director .

15. Postal Ballot

During the year under review no resolution was passed through Postal Ballot.

Currently there is no Special Resolution is proposed to be passed through Postal Ballot.

16. Subsidiary Companies

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

17. Disclosures :

Related Party Transactions as required :

a) Related Party Transactions as required by the Accounting Standards (AS) 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountant of India have been disclosed in Notes to Accounts to the Financial Statements. Members may refer to the notes to accounts for details of related Party Transactions. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts.

b) During the year under consideration, there were no any penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to the capital markets.

18. Auditors Certificate on Corporate Governance

As stipulated in Regulation 17 to 27 clauses (b)to (i) of sub regulation (2) of regulation 46 and paragraph C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") the Auditors Certificate regarding compliance of Corporate Governance is annexed to the Board Report.

19. CEO/CFO Certification

Mr. Atul Mittal, CFO of the company have given an annual certification on financial reporting and the internal controls to the Board in terms of provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 at its meeting held on 30.05.2018.

20. Means of communication :

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

21. General Shareholders Information :

Registrars and Share Transfer Agents :

i) Beetal Financial & Computer Services(P) Ltd

Registrars and Transfer Agents
Beetal House, 3rd Floor
99, Madangir, BH- Local Shopping Center
New Delhi-110062
Ph. : 011-29961281,29961282 Fax : 011-29961284

ii) Company's Corporate Office :

Unit No. 137, DLF Prime Tower,
F- Block, Okhla Phase –I, New Delhi -110020
Ph. No. 011-49025972 Email ID: samtex.compliance@gmail.com

Investors Correspondence :

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

Ms. Kamini Gupta, Company Secretary & GM Finance.

Registered office & Works :

Samtex Fashions Ltd.
Property No. D-100
Phase II, Hosiery Complex Noida
Gautam Buddha Nagar UP 201305

General Shareholders Information :

i) 25th Annual General Meeting:-

Date	: 28th September, 2018
Time	: 9:30 A.M
Venue	: Property No. D-100 Phase II, Hosiery Complex Noida Gautam Buddha Nagar UP 201305

ii) Book closure Details :- 22nd September 2018 to 28th September, 2018

iii) Dividend Payment Details :- N.A

iv) **Financial Calendar (2017-2018-Tentative)**

First quarter results	: August , 2018
Second quarter results	: November, 2018
Third quarter results	: February , 2019
Fourth quarter results	: May, 2019
Annual results	: May, 2019
AGM for the year ended 31.03.2019	: September, 2019

v) Listing and Stock code : The company's Equity shares are listed on
The Stock Exchange, Mumbai, BSE Limited , Phiroze Towers, Dalal Street Mumbai, Scrip Code 521206

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

Year 2017 -2018 (Month)	The Stock Exchange, Mumbai		
	Highest	Lowest	Closing
April- 2017	5.73	4.37	4.59
May -2017	4.68	4.09	4.09
June -2017	4.24	3.24	3.26
July -2017	5.73	3.39	5.39
August – 2017	5.73	4.80	5.60
September -2017	5.73	5.27	5.65
October -2017	8.75	5.30	6.64
November -2017	7.46	5.64	7.07
December -2017	7.07	5.31	5.99
January -2018	6.19	4.76	5.04
February -2018	5.50	4.00	4.00
March- 2018	4.24	3.20	3.26

22. Listing Fees :

The company has paid the annual listing fees to the Stock Exchange for the year 2018 -2019.

23. Shareholding Pattern of the Company as on 31st March, 2018 :

Category of Shareholders	No of shares	Percentage
Promoter's Holding	**36865940**	**49.48**
Mutual Funds/UTI	**53000**	**0.07**
Banks/Financial institution (Central /State Govt. inst/Non Govt inst)	**---**	**---**
Private Corporate Bodies	**9272877**	**12.45**
NRI/OCBs	**6322175**	**8.49**
Others (Trust and Clearing Members)	**407056**	**0.55**
Indian Public	**21578952**	**28.96**
Total	**74500000**	**100.00**

24. Distribution of Shareholding as at 31st March,2018 :

Share Holding of Nominal value of Rs. 2 each	Folio Nos.	% of Total Folio Nos.	Shares in Nos.	% of Total
Up to 5000	**5994**	**86.98**	**3788871**	**5.0857**
5001 – 10000	**379**	**5.49**	**1498918**	**2.0120**
10001 – 20000	**229**	**3.32**	**1738454**	**2.3335**
20001 – 30000	**114**	**1.65**	**1450907**	**1.9475**
30001 - 40000	**35**	**0.50**	**623296**	**0.8366**
40001 - 50000	**22**	**0.31**	**512553**	**0.6880**
50001 - 100000	**41**	**0.59**	**1478220**	**1.9842**
100001 and above	**77**	**1.11**	**63408781**	**85.1125**
Total	**6891**	**100.00**	**74500000**	**100.00**

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

25. Plant Location

Property No.D-100 , Phase II,
Hosiery Complex Noida,
Gautam Buddha Nagar
UP 201305

26. Share Transfer System :

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

27. Dematerialiazation of Shares :

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

The Company's ISIN number is INE931D01020.

Shares Dematerialized Record :

The following data indicates the extent of dematerialization of company's shares as on 31st March, 2018.

No. of shares dematerialized	**708,80,460**	**95.14% of total share capital**

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

Sd/-
Atul Mittal
Chairman & Managing Director
DIN 00223366

Place : New Delhi
Dated : 28.08.2018

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors,
Samtex Fashions Limited.

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

1. We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2018 on standalone and consolidated basis and that to the best of our knowledge and belief:

   (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (b) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year 2017-18 which are fraudulent, illegal or violative of the Company's code of conduct.

3. I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps taken or propose to take to rectify these deficiencies.

4. I have disclosed to the Auditors and the Audit committee

   (a) significant changes ,if any, in internal control over financial reporting during the Year;

   (b) significant changes ,if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (c) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

5. It is further declared that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and ethics for the year 2017-18 covered by this report.

Sd/-
Atul Mittal
Chairman & Managing Director & CFO
(DIN 00223366)

Date : 30.05.2018
Place : New Delhi

CERTIFICATE ON CORPORATE GOVERNANCE

To,

THE MEMBERS OF SAMTEX FASHIONS LIMITED

PROPERTY NO, D-100 PHASE II,
HOSIERY COMPLEX
NOIDA GAUTAM BUDDHA NAGAR
UP 201305 IN

We have examined the compliance of conditions of corporate governance by Samtex Fashions Limited ('the Company') for the year ended March 31, 2018, as stipulated in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as specified under paragraph 1 above during the year ended 31 March 2018 except the following:

1. *The company is required to obtain certificate under Regulation 17(8) from CEO & CFO of the company however, it is observed that the said certificate has been obtained from the Mr. Atul Mittal as Managing Director and Chief Financial Officer of the Company.*

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

For DEEPAK KUKREJA & ASSOCIATES
COMPANY SECRETARIES

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

Place : New Delhi
Date : 28.08.2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

SAMTEX FASHIONS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of SAMTEX FASHIONS LIMITED, which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and 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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards referred under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the stand aloneInd AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us,the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view (subject to the matters of emphasis mentioned below) in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

1. The company has ceased its business operations at NSEZ plant during the last year and transferred its premises at NSEZ. However the company has shifted its manufacturing activities to a new premises outside NSEZ and has commenced the production during the year.

2. The company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee.

3. Balance of unsecured loans, sundry creditors, debtors and advances are subject to confirmation and consequential effect if any on the financial statements remains uncertain.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 27/07/2017 (provide date) and 28/05/2016 respectively expressed an unmodified opinion on those standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and joint operations, referred to in the Other Matters paragraph above we report, to the extent applicable 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 purposes of our audit of the aforesaid standalone Ind AS financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone Ind AS financial statements have been kept so far as it appears from our examination of those books.

   c) The standalone Balance Sheet, the standalone Statement of Profit and Loss, the standalone Statement of Changes in Equity and the standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone Ind AS financial statements.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company, as on 31 March 2018 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" Our report expresses aqualified / adverse opinion on the operating effectiveness of the Company's internal financial controls over financial reporting.

   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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements refer note no. 24(B).

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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N

Sd/-
CHIRAG AGGARWAL
(PARTNER)
MEMBERSHIP NUMBER: 523052

Date : 30/05/2018
Place : NEW DELHI

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

(i) a) The Company has not updated its records showing full particulars, including quantitative details and situation of fixed assets.

b) As explained to us, the fixed assets have been physically verified by the management during the year. As informed to us there is regular program which has been carried out during the year. However we are unable to comment on any difference in physical verification and books as fixed assets register is pending to be updated.

c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not own any immovable property.

(ii) According to the information and explanations given to us the inventory has been physically verified during the year by the management, but stock records were under updation. Accordingly they were not produced before us for verification and we have relied upon the information provided to us by the management. Further as explained to us discrepancies noticed on physical verification were not significant and have been properly dealt within the books of accounts. The inventory at the year end is almost negligible.

(iii) As explained to us,the Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013.Accordingly, paragraph 3(iii)(b) &(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 & 186 of the act in respect of investments, guarantees & securities provided by it. Further the company has not granted any loans to those who are covered by the provisions of section 185 & 186 of the act.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of provisions of Sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Company's products and generation of electrical energy and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determine whether they are accurate or complete.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

b) According to information and explanation given to us, the disputed statutory dues i.e Income Tax aggregating to Rs 166.29 lakhs that have not been provided for in the books of accounts on account of matters pending before concerned appellate authorities and ITAT Delhi Bench.

(viii) Based on our audit procedures and according to the information and the explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks, Government or to debenture holders.

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year.

(x) In our opinion and according to the information and explanations given to us, no material fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act; 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of examination of books and records of the company carried out by us, all the transactions with the related parties are in compliance with provisions of section 177 and 188 of the act, where applicable. The details there on has been disclosed in the financial statements as required under Accounting Standards (AS-18- Related Party Disclosures).

(xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N

Sd/-
CHIRAG AGGARWAL
(PARTNER)
MEMBERSHIP NUMBER: 523052

Date : 30/05/2018
Place : NEW DELHI

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Samtex Fashions Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility

of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to information and explanations given to us, the company does not have an adequate internal financial control system commensurate with the size of company and nature of its business.

FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N

Sd/-
CHIRAG AGGARWAL
(PARTNER)
MEMBERSHIP NUMBER: 523052

Date : 30/05/2018
Place : NEW DELHI

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

(CIN : L17112UP1993PLC022479) : **(In Lacs)**

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A	**ASSETS**				
	1 **Non-current assets**				
	(a) Property, plant and equipment	1	**528.61**	547.44	1,072.21
	(b) Capital work-in-progress				
	(c) Intangible assets		**-**	-	-
	(d) Financial assets				
	(i) Investments	2	**150.01**	150.01	3,930.01
	(ii) Trade Receivables	2	**732.30**	198.06	367.46
	(iii) Loans	2	**22.97**	35.80	52.70
	(e) Deferred tax assets (net)	3	**116.49**	107.81	84.81
	(f) Other non-current assets	4	**118.68**	118.68	118.68
	Total Non - Current Assets		**1,669.06**	1,157.79	5,625.87
	2 **Current assets**				
	(a) Inventories	5	**0.19**	481.15	3,808.96
	(b) Financial assets				
	(i) Trade receivables	6	**221.50**	888.24	654.65
	(ii) Cash and cash equivalents	7	**37.59**	2,049.10	105.43
	(iii) Bank balances other than (ii) above	7	**10.78**	10.60	15.10
	(iv) Other financial assets	2	**7.58**	7.31	8.55
	(c) Current Tax Assets (Net)	8	**22.21**	20.59	
	(d) Other current assets	4	**66.77**	58.61	76.85
	Total Current Assets		**366.62**	3,515.60	4,669.54
	Total Assets (1+2)		**2,035.68**	4,673.40	10,295.41
B	**EQUITY AND LIABILITIES**				
	1 **Equity**				
	(a) Equity share capital	9	**1,491.80**	1,491.80	1,491.80
	(b) Other equity	10	**-1,087.14**	-715.09	3,828.84
	Total equity		**404.66**	776.71	5,320.64
	LIABILITIES				
	2 **Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	11	**656.30**	650.30	650.30
	(b) Provisions	12	**23.60**	19.88	118.33
	Total Non - Current Liabilities		**679.90**	670.18	768.63
	3 **Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	13	**-**	-	2,286.42
	(ii) Trade payables	14	**927.88**	3,110.76	1,706.82
	(b) Provisions	12	**0.64**	3.55	28.18
	(c) Current Tax Liabilities (Net)			-	-
	(d) Other current liabilities	15	**22.60**	112.19	184.72
	Total Current Liabilities		**951.12**	3,226.51	4,206.14
	Total Equity and Liabilities (1+2+3)		**2,035.68**	4,673.40	10,295.41

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Place : DELHI
Date : May 30 2018

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(CIN : L17112UP1993PLC022479) : **(In Lacs)**

	Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from operations	16	**2,991.53**	4,572.11
	Add: Transfer to New York		**79.23**	104.60
II	Other Income	17	**18.59**	51.61
III	**Total Revenue (I + II)**		**3,089.35**	4,728.32
IV	**EXPENSES**			
	(a) Cost of materials consumed	18	**698.42**	1,769.99
	(b) Purchase of Stock-in-Trade		**1,462.30**	1,830.03
	Add: Transfer from India		**79.23**	104.60
	(c) Changes in stock of finished goods and work-in-progress	19	**341.94**	1,694.92
	(d) Employee benefit expense	20	**330.68**	421.05
	(e) Finance costs	21	**19.90**	171.14
	(f) Depreciation and amortisation expense	22	**58.83**	98.16
	(g) Other expenses	23	**475.47**	675.08
	Total Expenses (V)		**3,466.76**	6,764.97
VI	**Profit/(loss) before exceptional items and tax (I- IV)**		**-377.42**	-2,036.66
	Exceptional Item Expenses		**-**	-4,028.67
	Exceptional Item Income		**-**	1,527.74
VII	**Profit/(loss) before tax (V - III)**		**-377.42**	-4,537.59
VIII	**Tax Expense**			
	(1) Current tax		**1.35**	-0.29
	(2) Deferred tax		**-8.68**	-23.00
	Total tax expense		**-7.33**	-23.29
IX	**Profit/(loss) for the year (VI - VII)**		**-370.09**	-4,514.30
X	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss		**-**	-
	(a) Remeasurements of the defined benefit liabilities		**-1.96**	-29.63
	(ii) Income tax on above		**-**	-
			-1.96	-29.63
X	**Total comprehensive income/(loss) for the year (VIII + IX)**		**-372.05**	-4,543.93
XII	**Earnings per equity share (of Rs 10 each):**			
	(1) Basic		**-0.50**	-6.10
	(2) Diluted		**-0.50**	-6.10

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Place : DELHI
Date : May 30 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(CIN : L17112UP1993PLC022479) : **(In Lacs)**

	Particulars	Year ended 3/31/2018	Year ended 3/31/2017
A.	**Cash flow from operating activities**		
	Profit for the year	**-377.42**	**-4,537.59**
	Adjustments for:		
	Amounts Charged directly to Other Comprehensive Income	-1.96	-29.63
	Depreciation and amortisation	58.83	98.16
	Loss/(Gain) on disposal of property, plant and equipment	-	0.72
	Interest income recognised in profit or loss	-0.47	-2.20
	Finance cost recognised in profit or loss	19.90	171.14
	Impairment in value of investments	-	3,780.00
	Net (gain)/loss recognised for derivatives	-	-
	Movements in working capital:		
	(Increase) /decrease in trade and other receivables	145.06	-46.04
	(Increase) /decrease in other current assets	-8.16	18.24
	(Increase) /decrease in inventories	480.96	3,327.81
	Increase/ (decrease) in trade payables	-2,182.88	1,403.95
	Increase/ (decrease) in provisions	0.82	-123.08
	Increase/ (decrease) in other current liabilities	-89.59	-72.53
	Cash generated from operations	**-1,954.91**	**3,988.95**
	Income taxes paid (net of refund, if any)	2.98	-20.30
	Net cash generated from operations	**-1,957.89**	**3,968.65**
B.	**Cash flow from investing activities**		
	Payments for property, plant and equipment	-39.99	-
	Proceeds from disposal of property, plant and equipment	-	425.89
	Interest received	0.47	2.20
	(Increase) /decrease in other bank balances	-0.18	4.50
	Net cash generated from /(used in) investing activities	**-39.71**	**432.58**
C.	**Cash flow from financing activities**		
	Net Increase /(Decrease) in long term borrowing	6.00	-
	Net Increase /(Decrease) in short term borrowing	-	-2,286.42
	Interest Paid	-19.90	-171.14
	Net cash used in financing activities	**-13.90**	**-2,457.56**
	Net change in cash and cash equivalents	**-2,011.49**	**1,943.67**
	Cash and cash equivalents as at the beginning of the Year	2,049.10	105.43
	Cash and cash equivalents as at the end of the Year	**37.6**	**2,049.10**
	Reconciliation of Cash and cash equivalents with the Balance Sheet:		
	Cash and cash equivalents[Refer Note 10]	**37.6**	**2,049.10**

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Place : DELHI
Date : May 30 2018

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

A. EQUITY SHARE CAPITAL	Equity Share Capital		Share Warrant	
	Number of shares	Amount (Rs)	Number of shares	Amount (Rs)
Balance as at April 1, 2016	745.00	1,490.00	1.00	1.80
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2017	745.00	1,490.00	1.00	1.80
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2018	745.00	1,490.00	1.00	1.80

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

During the year ended 31st March 2018, no dividend is declared by Board of Directors. (Previous year - Nil)

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

B. OTHER EQUITY	Capital Reserves	Security Premium	Reserves & Surplus	Total
Balance as at April 1, 2016	**10.00**	**1,140.00**	**2,678.84**	**3,828.84**
(a) Loss for the year			-4,514.30	-4,514.30
(b) Other Comprehensive income of the year, net of income tax				
- Remeasurement of the defined benefit plans			-29.63	
Total comprehensive income/(loss) for the year			-4,543.94	-4,543.94
Balance as at March 31, 2017	**10.00**	**1,140.00**	**-1,865.09**	**-715.09**
(a) Loss for the year			-370.09	-370.09
(b) Other Comprehensive income of the year, net of income tax			-1.96	-1.96
- Remeasurement of the defined benefit plans				
Total comprehensive income/(loss) for the year			-372.05	-372.05
Balance as at March 31, 2018	**10.00**	**1,140.00**	**-2,237.14**	**-1,087.14**

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Place : DELHI
Date : May 30 2018

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

COMPANY OVERVIEW

Samtex Fashions Limited ("the Company" hereinafter) was incorporated on 26.04.1993 having its registered address at Property No D-100, Phase II, Hosiery Complex, Gautam Budh Nagar, Noida, Uttar Pradesh. The company is engaged primarily in the business of manufacture of ready-made garments and also in trading activity of food grains.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation and compliance with Ind AS

i) These financial statements, for the year ended 31 March 2018, are the Company's first financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1 2016, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

ii) Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company 27/07/2017 and 28/05/2016 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

iii) The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind ASs as at March 31, 2017, and April 1, 2016 and of the Profit/ (Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017. Refer note no 24 (A).

iv) These financial statements were approved for issue by the Board of Directors on May30, 2018.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and financial liabilities measured at fair values (as required by the relevant Ind AS)

ii) Defined benefit and other long term employee benefits have been measured at actuarial valuation as required by relevant Ind As.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees,which is the functional currency of the

Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/Non-Current

For the purpose of Balance Sheet, an asset is classified as current if:

i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or

ii) It is held primarily for the purpose of trading; or

iii) It is expected to realize the asset within twelve months after the reporting period; or

iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

i) It is expected to be settled in the normal operating cycle; or

ii) It is held primarily for the purpose of trading; or

iii) It is due to be settled within twelve months after the reporting period; or

iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

c) Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

IndAS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition of IndAS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommission liabilities, if any. This exemption can also be used for intangible assets covered by IndAS 28 Intangible asset. The Company has elected to measure all of its property, plant and equipment's and intangible assets at their previous GAAP carrying value.

d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a written down basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company. Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

S. No	Asset Classification	Useful Life
1	Factory Building	30 Years
2	Furniture & Fixture	10 Years
3	Office Equipment	5 Years
4	Vehicles	3 Years
5	Mobile	3 Years
6	Electrical Fittings	10 Years
7	Plant	15 Years

e) Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

f) Inventories:

Inventories are valued as follows:

Raw materials, stores & accessories are valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

Finished goods, stock-in-trade are valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on FIFO basis.

g) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in

connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

i) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty/GST.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of byproducts are included in revenue.

Export benefits are accounted on recognition of export sales.

j) Employee benefits:

Defined benefit plan

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contribution towards provident fund for certain employees is made to the regulatory authorities, where

the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Liabilities for wages, salaries and bonus (as per the payment of bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

The Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other longterm employee benefits. The company's liability is actuarially determined. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

k) Income Tax:

Income Tax expenses comprise current tax and deferred tax charge or credit. Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws. Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable. Deferred tax asset if any is created on the temporary difference attributable to Property and Equipments and expense allowable on actual payment basis and in case of accumulated losses and unabsorbed depreciation deferred tax asset is only created to the extent of deferred tax liability, considering the certainty of future profits.

l) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and he weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m) Foreign Currency Transactions:

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income. The Company has applied paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized

in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

n) Segment reporting

The Company has two reportable segments based on geographic locations India & New York. Segments have been identified as reportable segments by the Company's chief operating decision maker ("CODM"). Segment profit amounts are evaluated regularly by the Board, which has been identified as the CODM, in deciding how to allocate resources and in assessing performance. Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Segment profit (Earnings before interest, depreciation and amortization, and tax) amounts are evaluated regularly by the Board that has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

o) Financial Instruments:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments Initial Recognition. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL: Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On de recognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

p) Financial Instruements

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

q) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

r) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

NOTE - 1 : PROPERTY, PLANT AND EQUIPMENT **(In Lacs)**

Description of Assets	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Building	Electrical Fittings	Mobiles	Housing Project	Total
Cost or deemed cost									
Deemed cost as at April 1 2016	**459.89**	**15.43**	**4.89**	**6.94**	**443.98**	**17.11**	**2.73**	**121.23**	**1,072.21**
Additions during the year									**-**
Deletions during the year	30.10				443.98				**474.08**
Balance as at March 31 2017	**429.79**	**15.43**	**4.89**	**6.94**	**-**	**17.11**	**2.73**	**121.23**	**598.13**
Additions during the year	26.72	10.80	0.07	1.76		-	0.65		**39.99**
Deletions during the year									**-**
Balance as at March 31 2018	**456.52**	**26.23**	**4.96**	**8.69**	**-**	**17.11**	**3.38**	**121.23**	**638.12**
Accumulated Depreciation and impairment									
Deemed cost as at April 1 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation / amortisation expense	52.57	1.25	-	1.03	33.72	7.80	1.79		**98.16**
Eliminated on disposal of assets	13.76	-	-	-	33.72	-	-	-	**47.48**
Balance as at March 31 2017	**38.82**	**1.25**	**-**	**1.03**	**-**	**7.80**	**1.79**	**-**	**50.68**
Depreciation / amortisation expense	53.75	2.29	-	0.95	-	0.99	0.86		**58.83**
Eliminated on disposal of assets									**-**
Balance as at March 31 2018	**92.56**	**3.54**	**-**	**1.97**	**-**	**8.80**	**2.65**	**-**	**109.51**
Net Carrying Amount									
Balance as at April 1 2016	459.89	15.43	4.89	6.94	443.98	17.11	2.73	121.23	**1,072.21**
Balance as at March 31 2017	390.98	14.19	4.89	5.91	-	9.31	0.94	121.23	**547.44**
Balance as at March 31 2018	363.96	22.70	4.96	6.72	-	8.32	0.73	121.23	**528.61**

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

NOTE - 2 : OTHER FINANCIAL ASSETS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
Financial assets			
Investments			
Unquoted Equity Investments			
a) Investment in Arlin Foods Limited 15,00,070 Equity Shares (Previous Year 15,00,070)of Rs 10/- Each Fully paid-up.	**150.01**	150.01	150.01
b) Investment in SSA International Limited. 3,72,00,000 Equity Shares (Previous Year 3,72,00,000) of Rs 10/- Each Fully Paid-up.	**3,720.00**	3,720.00	3,720.00
c) Investment in Yogendra Worsted Limited 6,00,000 Equity Shares (Previous year 600,000) of Rs 10/- Each Fully Paid-up.	**60.00**	60.00	60.00
Total	**3,930.01**	3,930.01	3,930.01

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Less: Impairment in Value of Investments			
SSA International Limited	**3,720.00**	3,720.00	-
Yogendra Worsted Limited	**60.00**	60.00	-
Net Value of Investments	**150.01**	150.01	3,930.01
Trade Receivable			
a) Unsecured, considered good	**732.30**	198.06	367.46
Loans			-
d) Security Deposits	**22.97**	35.80	52.70
	-		-
TOTAL [I]	**905.27**	383.87	4,350.17
Current			
Financial assets at amortised cost			
a) Interest accrued on bank deposits	**7.58**	7.31	8.55
TOTAL [II]	**7.58**	7.31	8.55
TOTAL [I + II]	**912.85**	391.18	4,358.72

NOTE - 3 : DEFFERED TAX ASSET (NET) **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The balances is comprises of temporary differences attributable to: Property, Plant and Equipments and expenses allowable on actual payment basis	**116.49**	107.81	84.81
Total	**116.49**	107.81	84.81

NOTE - 4 : OTHER ASSETS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current			
(a) Duty paid under protest	**118.68**	118.68	118.68
Total [I]	**118.68**	118.68	118.68
Current			
(a) Prepaid expenses	**-**	3.30	4.58
(b) Other advances	**25.54**	26.49	40.85
(c) Balance with Government authorities	**41.23**	28.82	31.42
Total [II]	**66.77**	58.61	76.85
TOTAL [I+II]	**185.45**	177.29	195.53

NOTE - 5 : INVENTORIES [LOWER OF COST AND NET REALISABLE VALUE] **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Raw materials	**-**	139.01	1,751.33
(b) Work-in-progress	**-**	-	150.48
(c) Finished goods	**0.19**	342.14	1,882.92
(d) Stores and spares	**-**	-	20.58
(e) Scrap	**-**	-	3.66
Total Inventories at the lower of cost and net realisable value	**0.19**	481.15	3,808.96

NOTE - 6 : TRADE RECEIVABLES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
(a) Unsecured, considered good	**221.50**	888.24	654.65
TOTAL	**221.50**	888.24	654.65

NOTE - 7 : CASH AND BANK BALANCES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1. Cash and cash equivalents:			
a) Cash on hand	**28.33**	0.07	13.51
b) Balance with banks	**-**		-
(i) In current accounts	**0.66**	2,041.04	65.15
(ii) In other deposit accounts	**8.60**	7.98	26.77
Total-Cash and cash equivalents [A]	**37.59**	2,049.10	105.43
2. Other bank balances			
a) Balance with banks			
(i) In other deposit accounts (maturity in excess of 3 Months)	**10.78**	10.60	15.10
Total-Other bank balances [B]	**10.78**	10.60	15.10
TOTAL [A+B]	**48.37**	2,059.69	120.52

NOTE - 8 : CURRENT TAX ASSETS (NET) **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net Current Tax Asset(TDS/ Advance Tax)	**22.21**	20.59	-
TOTAL	**59.16**	2,070.29	135.62

NOTE - 9 : SHARE CAPITAL **(In Lacs)**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
AUTHORIZED SHARES						
Equity Shares of Rs 2/- Each	**800.00**	**1,600.00**	800.00	1,600.00	800.00	1,600.00
ISSUED,SUBSCRIBED AND PAID UP SHARES						
Equity Shares of Rs 2/- Each Fully Paid Up	**745.00**	**1,490.00**	745.00	1,490.00	745.00	1,490.00
FORFEITED SHARES						
Amount Originally Paid up on 1,00,000 Zero Coupon Warrant @ 1.80 per Warrant	**1.00**	**1.80**	1.00	1.80	1.00	1.80
TOTAL	**746.00**	**1,491.80**	746.00	1,491.80	746.00	1,491.80

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
EQUITY SHARES						
At the beginning of the year	**745.00**	**1,490.00**	745.00	1,490.00	745.00	1,490.00
Issued during the year as fully paid up	**-**	**-**	-	-	-	-
Outstanding at the end of the year	**745.00**	**1,490.00**	745.00	1,490.00	745.00	1,490.00

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

During the year ended 31st March 2018, no dividend is declared by Board of Directors. (Previous year - Nil)

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

NOTE - 10 : OTHER EQUITY **(In Lacs)**

B. OTHER EQUITY	Capital Reserves	Security Premium	Reserves & Surplus	Total
Balance as at April 1, 2016	10.00	1,140.00	2,678.84	3,828.84
(a) Loss for the year			- 4,514.30	- 4,514.30
(b) Other Comprehensive income of the year, net of income tax				
- Remeasurement of the defined benefit plans			**- 29.63**	
Total comprehensive income/(loss) for the year			- 4,543.94	- 4,543.94
Balance as at March 31, 2017	**10.00**	**1,140.00**	**- 1,865.09**	**- 715.09**
(a) Loss for the year			- 370.09	- 370.09
(b) Other Comprehensive income of the year, net of income tax			- 1.96	- 1.96
- Remeasurement of the defined benefit plans				
Total comprehensive income/(loss) for the year			-372.05	-372.05
Balance as at March 31, 2018	**10.00**	**1,140.00**	**-2,237.14**	**-1,087.14**

NOTE - 11 : NON CURRENT BORROWINGS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured Borrowings -			
(i) Unsecured Borrowings from shareholders, directors and others	**656.30**	650.30	650.30
Total Borrowings carried	**656.30**	650.30	650.30

NOTE - 12 : PROVISIONS [CURRENT AND NON-CURRENT] **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current			
(a) Provision for employee benefits			
a. Provision for leave encashment	**10.35**	10.69	17.90
b. Provision for gratuity	**13.25**	9.19	100.43
Total [I]	**23.60**	19.88	118.33
Current			
(a) Provision for employee benefits			
a. Provision for leave encashment	**0.28**	0.25	0.67
b. Provision for gratuity	**0.36**	0.27	3.80
c. Other Provision	**-**	3.03	23.71
Total [II]	**0.64**	3.55	28.18
Total Provisions [I+II]	**24.25**	23.43	146.51

NOTE - 13 : CURRENT BORROWINGS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Measured at amortised cost			
(i) Working Capital Facility			
(a) From State Bank of India	**-**	-	2,286.42
Total Borrowings carried at Amortised Cost	**-**	-	2,286.42

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

NOTE - 14 : TRADE PAYABLES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade Payables	**927.88**	3,110.76	1,706.82
Total	**927.88**	3,110.76	1,706.82

NOTE - 15 : OTHER LIABILITIES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current	**-**	-	-
a) Other Payable	**12.76**	79.90	166.55
b) Statutory dues payable	**9.84**	32.29	18.17
Total other liabilities	**22.60**	112.19	184.72

NOTE - 16 : REVENUE FROM OPERATIONS **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Sale of products	**2,898.08**	4,572.11
(b) Other operating income		
-Job Work	**93.45**	-
Total Revenue from operations	**2,991.53**	4,572.11

NOTE - 17 : OTHER INCOME **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Interest income	**0.47**	2.20
(b) Rent Income	**2.00**	
(c) Other non-operating income	**16.12**	49.41
Total other income	**18.59**	51.61

NOTE - 18 : COST OF MATERIAL CONSUMED **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening stock	**139.01**	1,751.33
Add: Purchases	**559.41**	157.67
	698.42	1,909.00
Less: Closing stock	**-**	139.01
Total cost of material consumed	**698.42**	1,769.99

NOTE - 19 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Inventories at the end of the year:		
Finished goods	**342.14**	1,827.96
Finished goods in transit	**-**	54.96
Work-in-progress	**-**	150.48
Scrap Material	**-**	3.66
	342.14	2,037.06
Inventories at the beginning of the year:		
Finished goods	**0.19**	342.14
Finished goods in transit	**-**	-
Work-in-progress	**-**	-
Scrap Material	**-**	-
	0.19	342.14
Net (increase) / decrease	**341.94**	1,694.92

NOTE - 20 : EMPLOYEE BENEFIT EXPENSES **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Salaries and wages	**316.64**	403.33
Bonus	**-**	0.73
Contributions to provident fund	**2.59**	4.15
Contributions to employee state insurance	**0.03**	1.04
Gratuity expense	**4.27**	8.87
Leave Encashment	**3.82**	2.38
Staff welfare expenses	**1.16**	0.18
Others	**2.15**	0.38
Total Employee benefit expenses	**330.68**	421.05

NOTE - 21 : FINANCE COST **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Interest expense on:		
(i) Interest on working capital facilities	**15.69**	116.42
(ii) Interest to others		45.23
Bank Charges	**4.21**	9.48
Total Finance cost	**19.90**	171.14

NOTE - 22 : DEPRECIATION AND AMORTISATION EXPENSE **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
(i) Property, plant and equipment	**58.83**	98.16
Total Depreciation	**58.83**	98.16

NOTE - 23 : OTHER EXPENSES **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Consumption of Stores and Spares :-	**1.28**	20.67
Power and Fuel	**32.80**	19.57
Freight Inwards	**0.15**	0.38
Repair and Maintenance(Machinery)	**9.03**	0.19
Repair and Maintenance(Electricals)	**4.12**	-
Processing and finishing Expenses	**77.18**	3.74
Auditor's Remuneration	**3.40**	1.61
Travelling and Conveyance Expenses	**6.66**	9.29
Rent Expenses	**65.90**	125.74
Legal and Professional Charges	**9.39**	12.46
Insurance Expenses	**52.16**	68.19
Rates and Taxes	**17.13**	6.14
Printing and Stationary Expenses	**0.35**	-
Interest on TDS	**1.38**	0.50
Postage, Telegram and Telephone Expenses	**17.46**	22.88
General Expenses	**82.33**	204.85
Compliance Audit Fees	**0.90**	-
Books and Periodicals	**-**	0.15
Charity and Donation	**3.17**	-
Repair and Maintenance- Vehicle	**0.07**	-
Repair and Maintenance- Others	**8.56**	4.04
Exchange Fluctuation	**3.60**	34.05
Duty Drawback Paid	**-**	5.00
Loss on sales of Fixed Assets	**-**	0.72
Selling and Distribution Expenses :-	**-**	-
Freight Outwards	**0.83**	8.10
Export Clearing Charges	**-**	24.09
Sampling and Supplied Charges	**20.45**	34.60
Rebate and Discount	**13.75**	15.03
Sales Commission	**0.37**	1.32
Advertisement Expenses	**1.02**	0.98
Business Promotion Expenses	**42.03**	50.78
Total other expenses	**475.47**	675.08

NOTE - 24 : OTHER NOTES

A. First-time adoption of Ind-AS

These financial statements, for the year ended 31 March 2018, are the Company's first financial statements prepared in accordance with IndAS. For periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP')

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1 2016, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions applied

1. IndAS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition of IndAS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommission liabilities, if any. This exemption can also be used for intangible assets covered by IndAS 28 Intangible asset. The Company has elected to measure all of its property, plant and equipment's and intangible assets at their previous GAAP carrying value.

(i) First time Ind AS adoption reconciliation

PARTICULARS	Notes	Profit before Tax
Profit/(Loss) as per previous GAAP		-4,543.93
Ind AS: Adjustments increase (decrease):		
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS	(a)	-29.63
Total adjustment to profit or loss		-29.63
Profit/(loss) under Ind AS		4,514.30
Other comprehensive income (net of tax)	(a), (b)	-29.63
Total comprehensive income/(Loss) under Ind ASs		4,543.93

(ii) Reconciliation of total equity as at March 31, 2017 and April 1, 2016

PARTICULARS	As at 31 March 2017	As at 1 April 2016
Total equity (shareholders' funds) under previous GAAP		5,320.64
Ind As Adjusments	-	-
Total equity under Ind AS	-	5,320.64

(iii) Reconciliation of statement of cash flows for the year ended 31 March, 2017 **(In Lacs)**

Particulars	Indian GAAP	GAAP Adjustments	Ind AS
Net cash flows from operating activities	187.36	3,781	3,968.65
Net cash flows used in investing activities	4,213.88	-3,781	432.58
Net cash flows from/(used in) financing activities	- 2,457.56	-	- 2,457.56
Net increase/(decrease) in cash and cash equivalents	1,943.67	-0	1,943.67
Cash and cash equivalents at the beginning of the year	105.43	-	105.43
Cash and cash equivalents at year end	2,049.10	-	2,049.10
Net increase/ (decrease) in cash and cash equivalents	1,943.67	-	1,943.67

(iv) Reconciliation of Other comprehensive income for the year ended 31 March, 2017

Under Indian GAAP, the company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Notes to reconciliations

a) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. The actuarial gains/losses for the year ended March 31, 2016 were Rs.2963456 . This change does not affect total equity, but there is a decrease in loss before tax of Rs. 2963456, and in total loss of Rs.454393204 for the year ended March 31, 2017

Categories of Financial Instruments **(Amount in Lacs)**

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial assets			
Measured at Amortised cost			
a) Trade Receivables	**953.80**	1,086.30	1,022.11
b) Loans	**22.97**	35.80	52.70
c) Cash & Cash Equivalents	**37.59**	2,049.10	105.43
d) Other Bank Balances	**10.78**	10.60	15.10
e) Other Financial Assets	**7.58**	7.31	8.55
Total Financial assets	**1,032.72**	3,189.11	1,203.89
Financial liabilities			
Measured at Amortised cost			
a) Borrowigs	**656.30**	650.30	2,936.72
b) Trade Payables	**927.87**	3,110.76	1,706.82
Total Financial liabilities	**1,584.17**	3,761.06	4,643.54
Financial Assets as at FVTPL			
a) Investments	**150.01**	150.01	3,930.01

B - CONTINGENT LIABILITIES

(a) No provision has been made in the books of accounts by the company for a sum of Rs.59.02 lacs, Rs. 60.66 lacs Rs.5.80 lacs & Rs.40.80 lacs for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y. 2001-02, A.Y.2003-04 & A.Y.2007-08, respectively. Appeal before High Court for A.Y. 2000-01 & 2001-02 have been dismissed, hence, the company is in the process of filing Special Leave Petition (SLP) before Supreme Court. The liabilities for A.Y. 2003-04 & A.Y. 2007-08 stands before the Appellate Authority.

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

C - DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES

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

As per actuarial valuations as on 31st March 2018 and recognized in the financial statement in respect of employee benefit schemes :-

(Amount in Lacs)

Particulars		Gratuity		Leave Encashment	
		As at 31.03.2018	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017
I.	**Assumptions**				
	Discount Rate	**0.08**	0.07	**0.08**	0.07
	Future Salary Increase	**0.05**	0.05	**0.05**	0.05
II.	**Table showing change in Benefit Obligation**				
	Liability at the beginning of the year	**9.47**	104.23	**9.44**	18.57
	Interest Cost	**0.77**	8.34	**0.70**	1.49
	Past Service Cost	**2.52**	-	**-**	-
	Current Services Cost	**0.98**	0.53	**0.88**	0.48
	Benefit Paid	**-3.09**	-132.26	**-2.63**	-11.51
	Actuarial (gain)/loss on obligation recognised in other comprehensive income(Gratuity)	**1.96**	29.63	**2.25**	0.41
	Liability at the end of the year	**12.61**	9.47	**10.63**	9.44
III.	**Tables of Fair value of Plan Assets**				
	Fair value of plan assets at the beginning of the year				
	Expected return on Plan Assets				
	Contributions				
	Benefit Paid				
	Actuarial (gain)/loss on Plan Assets				
	Fair Value of Plan Assets at the end of the year				
	Total actuarial gain / (loss) to be recognized				
IV.	**Actual Return on Plan Assets**				
	Expected Return on Plan Assets				
	Actuarial (gain)/loss on Plan Assets				
	Actuarial Return on Plan Assets				
V.	**Amount recognized in the Balance Sheet**				
	Liability at the end of the year	**13.61**	9.47	**10.63**	9.44
	Fair value of plan assets at the end of the year	**-**	-	**-**	-
	Difference	**-13.61**	-9.47	**-10.63**	-9.44
	Excess of actual over estimated	**-**	-		-
	Unrecognized Actuarial (gain)/losses	**-**	-		-
	Amount recognized in the Balance sheet	**-13.61**	-9.47	**-10.63**	-9.44
VI.	**Expenses recognized in the Income Statement**				
	Current Service Cost	**0.98**	0.53	**0.88**	0.48
	Interest Cost	**0.77**	8.34	**0.70**	1.49
	Expected Return On Plan Assets		-		
	Net actuarial (gain)/loss to be recognized	**1.96**	29.63	**2.25**	0.41
	Expenses Recognized in Profit & Loss A/c	**6.22**	38.50	**3.82**	2.38

Particulars		Gratuity		Leave Encashment	
		As at 31.03.2018	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017
VII.	**Remeasurement recognised in other comprehensive income**				
	Actuarial (gain)/loss on obligation recognised in other comprehensive income(Gratuity)	**1.96**	29.63	**-**	-
	Amount recognised in other comprehensive income				
VIII.	**Amount Recognized in the Balance Sheet**				
	Opening net liability	**10.47**	104.23	**9.44**	18.57
	Expense as above	**6.22**	38.50	**3.82**	2.38
	Employers Contribution Paid	**-3.09**	-132.26	**-2.63**	-11.51
	Closing net Liability	**13.61**	10.47	**10.63**	9.44

D- RELATED PARTY DISCLOSURES

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

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

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions

(Amount in Lacs)

Nature of Transaction	Wholly owned Subsidiary companies			
	SSA International Limited		Arlin Foods Limited	
	As at 31.03.2018	**As at 31.03.2017**	**As at 31.03.2018**	**As at 31.03.2017**
A. Investments				
Opening Balance	**3,720.00**	3,720.00	**150.01**	150.01
Issued during the Year		-		-
Less:-Impairment during the year	**3,720.00**		**150.01**	
Closing Balance	**-**	3,720.00	**-**	150.01
B. Share Application Money Paid for Investments				
Opening Balance		-		-
Received during the Year		-		-
Equity issued during the Year		-		-
Closing Balance		-		
C. Loan & Advances				
Opening Balance		-		-
Given During the Year		-		-
Repaid During the Year		-		-
Transferred to Equity Investment/Running		-		-
Closing Balance		-		-
D. Sale & Job work				
Sale/Job Work Done		-		-

E. Creditors				
Opening Balance		-	**15.32**	15.32
Amount Received during the year				10.00
Amount Paid during the year				10.00
Purchase during the year				-
Sale/Job Work Done		-		-
Realise During the Year		-		-
Closing Balance		-	**15.32**	15.32

E- SEGMENT REPORTING

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

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

(i) Primary Segment Information :- **(Amount in Lacs)**

Particulars		As at 31.03.2018	As at 31.03.2017
1).	**Total Sales at each segment.**		
	USA	**2,209.72**	2,397.01
	India	**861.03**	2,279.70
	Gross Sales	**3,070.76**	4,676.71
	Less :-		
	Inter Segment Revenue	**79.23**	104.60
	Net Sales / Income from Operation	**2,991.53**	4,572.11
2).	**Segment Results (Profit/ Loss before tax and Interest for each segment)**		
	USA	**-192.89**	-468.27
	India	**-166.58**	-3,959.24
	Total	**-359.48**	-4,427.51
	Interest	**19.90**	116.42
	Total Profit before Tax	**-379.37**	-4,543.93
3)	**Segment Assets**		
	USA	**209.10**	800.34
	India	**1,827.68**	3,935.71
	Total	**2,036.78**	4,736.05
4)	**Segment Liabilities**		
	USA	**421.16**	394.70
	India	**1,547.35**	3,505.25
	Total	**1,968.51**	3,899.96
5)	**Depreciation**		
	USA	**-**	-
	India	**58.83**	98.16
	Total	**58.83**	98.16
6)	**Capital Employed**		
	USA	**-212.06**	405.64
	India	**280.33**	430.46
	Total	**68.27**	836.10

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

Particulars		RAW MATERIALS		STORES AND SPARES	
		Value	Percentage (%)	Value	Percentage (%)
Imported	As at march 2018	176.18	91.22		
	As at march 2017	1,108.88	62.65	-	-
Indigenous	As at march 2018	16.96	8.78	-	100.00
	As at march 2017	661.11	37.35	-	100
	Total	**193.14**	**100.00**	**-**	**100.00**
		1,769.99	**100%**	**-**	**100%**

G- EXPENDITURE IN FOREIGN CURRENCY

C.I.F Value of Imports :- **(Amount in Lacs)**

Particulars	As at 31.03.2018	As at 31.03.2017
Raw Materials	-	-
Total	-	-

H- EARNINGS IN FOREIGN CURRENCY

Particulars	As at 31.03.2018	As at 31.03.2017
F.O.B. value of Exports* (Inclusive Rice)	238.12	484.15

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

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

Particulars	As at 31.03.2018	As at 31.03.2017
Bill of Exchange	-	-
Total		-

J- EARNINGS PER EQUITY SHARE

Particulars	Unit	As at 31.03.2018	As at 31.03.2017
Earnings Per Equity Share:			
Net Profit after tax	Rupees	**-372.05**	-4,543.93
Equity Shares outstanding	Numbers	**745.00**	745.00
Weighted Average Equity Shares	Numbers	**745.00**	745.00
Nominal Value of Equity Share	Rupees	**2.00**	2.00
Basic Earnings per Share	Rupees	**-0.50**	-6.10
Diluted Earnings per Share	Rupees	**-0.50**	-6.10

K- PAYMENTS TO AUDITOR

Particulars	As at 31.03.2018	As at 31.03.2017
(a) Statutory Audit Fee	**2.00**	1.00
(b) Other Services		
(i)For certification	**-**	-
(ii)For Income Tax	**1.25**	2.73
Total	**3.25**	3.73

L- TRANSACTION WITH MICRO, SMALL AND MEDIUM ENTERPRISES

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

M- OTHERS

(i) Fixed assets installed and put to use have been certified by the management and relied upon by the auditors, being a technical matter.

(ii) In the opinion of the directors, current assets, loans and advances are of the value stated if realized in the ordinary course of business except otherwise stated .The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary. All the balance are subject to their respective confirmations

(iii) The personal accounts of the parties are subject to their respective confirmations

(iv) Security deposit includes Rs. 22,96,833/- (Previous Year Rs. 25,81,528/-) equivalent US$ 0 (Previous Year US$ 39815) representing security given by the New York Trading Office of the company.

(vi) Investment of Rs 3720 Lakh in SSA International Limited & Rs 1,50, Lakh in Sam Buildcon Ltd, for which provision for diminuation in value of Investment has been booked during the year, as the company has incurred heavy losses in FY 2017-18 due to which networth of the company has been eroded.

(v) The wholly owned Subsidiary of the company, namely, M/S SSA International Ltd has been declared Non Performing Assets (NPAs) by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act, 2002 from consortium of banks for revocation of its Corporate Guarantee.

N- PREVIOUS YEAR FIGURES

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

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Place : DELHI
Date : May 30 2018

Form AOC-1

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	**SSA International Limited**	**Arlin Foods Limited (Formerly known as Sam Buildcon Limited)**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
4.	Share capital	3720.00	150.00
5.	Reserves & surplus	(23323.13)	9.08
6.	Total assets	38747.33	312.37
7.	Total Liabilities	58350.46	153.29
8.	Investments	559.85	Nil
9.	Turnover & other Income	8838.46	1.73
10.	Profit before taxation	(5388.82)	(0.78)
11.	Provision for taxation	0	0
12.	Profit after taxation	(5388.82)	(0.78)
13.	Proposed Dividend	0	Nil
14.	% of shareholding	100	100

Part "B": Associates & Joint Ventures

----------NA----------

As per our Report of Even Date Attached
In terms of our report attached

For **KAPIL KUMAR & CO** **For and on behalf of the Board of Directors**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Place : New Delhi
Date : August 28, 2018

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

1. Details of contracts or arrangements or transactions not at Arm's length basis.- **N.A**
2. Details of contracts or arrangements or transactions at Arm's length basis. **Nil**

SL. No.	Particulars	Name	Name
a)	Name (s) of the related party & nature of relationship	SSA International Limited (wholly owned Subsidiary)	Arlin Foods Limited, (wholly owned Subsidiary)
b)	Nature of contracts/arrangements/ transaction	N.A	N.A
c)	Duration of the contracts/arrangements/ transaction	N.A	N.A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A	N.A
e)	Date of approval by the Board	N.A	N.A
f)	Amount paid as advances, if any	N.A	N.A

For and on Behalf of the Board of directors

Sd/-
ATUL MITTAL
(MD & CFO)
DIN No.: 00223366

Place : New Delhi
Date : August 28, 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
SAMTEX FASHIONS LIMITED

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of SAMTEX FASHIONS LIMITED ("The Holding Company") and its subsidiaries (SSA International Ltd & Arlin Foods Limited formerly known as Sam Buildcon Ltd) constitute the "Group"/, which comprise the Consolidated Balance Sheet as at 31st March 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated 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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards referred under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 Holding Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us,the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view (subject to the matters of emphasis mentioned below) in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw you attention to following matters:

1. The Group has made losses during the current year and the preceding year. As a result of the losses, the liquidity position of the group has been substantially affected, the net worth of group has fully eroded and group's current liabilities exceeded its current assets as at the balance sheet date resulting in default in payment of its debts and adversely affecting the operations of the group, indicating the existence of uncertainty about the ability of the group to continue as a going concern. However, the financial statements of the group have been prepared on a going concern basis.
2. The holding company has ceased its business operations at NSEZ plant during the last year and transferred its premises at NSEZ. However the company has shifted its manufacturing activities to a new premises outside NSEZ and has commenced the production during the year.
3. The holding company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee.
4. The consortium bankers has filed a petition against the holding company and it subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an intimation vide O.A 530/18 dated 24/05/2018
5. The wholly owned subsidiary company i.e. Arlin Foods Ltd has not undertaken any business activity during the year, however the financial statements have been prepared on an going concern basis.
6. The Balances of Debtors, Creditors, Loans & Advances and other parties of the group are subject to confirmation and reconciliation, if any. Some of the Debtors have raised various claims against the company on account of rate difference, delayed delivery and quality issues. The company is in the process of settlement of the said claims and that the necessary effect, if any, in respect of the same, shall be given in the books of account as and when the settlement is made. In some of these cases, the company has issued legal notices and in case of failure of the customers to settle/ pay the dues, the company will initiate appropriate legal proceedings against the debtors.
7. Due to the financial constraints being faced by the subsidiary M/s SSA International Limited the production facilities of the company are not in operation.
8. In view of the accounts of the company being classified as non-performing asset by the banks and notices being received under SARFAESI ACT 2002, the subisidiary company M/s SSa International Ltd had not made provision of Interest on Cash credit/Term loan charged by banks/financial institutions of INR 4914.64 lakhs during the current year and Rs 3033.45 lakhs during the last year on various loans taken from Bank / Financial Institutions in the Financial Statements (calculated on the basis of last known rate of interest). Had the subsidiary made such Interest provision in the Statement of Profit and loss, the loss for the year would have been higher by INR 4914.64 lakh and the accumulated loss would have been higher by 7948.09 lakhs.
9. We have observed that Forensic audit of the Wholly Owned Subsidiary company, i.e. SSA International Limited has been undertaken by a firm of Independent Chartered Accountants nominated by the bankers, however, no such report has been provided to us.

Other Matters

1. We did not audit the financial statements of one step down foreign subsidiaries (M/s Lina Globla INC), whose financial statements / consolidated financial statements reflect total assets (net) of 324.73 lacs as at 31st March, 2018, total revenues of Nil for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited/prepared by other auditors as per the requirement of the local laws of that country and whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.
2. The comparative financial statements/ information for the year ended 31st March 2017 in respect of the subsidiaries and the related transition date opening balance sheet as at 1st April 2016 prepared in accordance with the Ind AS and included in these consolidated Ind AS financial statements have been

audited by other auditors, whose reports have been furnished to us by the Management and in so far as it relates to the comparative amounts and disclosures included in respect of these subsidiaries made in these consolidated Ind AS financial statements, is based solely on the reports of the other auditors.

3. The comparative financial information of the Group for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these consolidated Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 27/07/2017 and 28/05/2016 respectively. The report of the predecessor auditor on the comparative financial information expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and joint operations, referred to in the Other Matters paragraph above we report, to the extent applicable 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

   c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company, as on 31 March 2018 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a qualified/ adverse opinion on the operating effectiveness of the Company's internal financial controls over financial reporting.

   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 has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements. Refer Note no 28 (B).

      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.

FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N

Sd/-
CHIRAG AGGARWAL
(PARTNER)
MEMBERSHIP NUMBER: 523052

Date : 28/08/2018
Place : NEW DELHI

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Samtex Fashions Limited ("the holding Company") and its subsidiaries M/s SSA International Limited and Arlin Foods Limited as of 31 March 2018 in conjunction with our audit of the consolidated financial statements of the group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting

Meaning of Internal Financial Controls over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the holding company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, and according to information and explanation given to us the group does not have adequate internal financial control system commensurate with the size of the company and its nature of business.

FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N

Sd/-
CHIRAG AGGARWAL
(PARTNER)
MEMBERSHIP NUMBER: 523052

Date : 28/08/2018
Place : NEW DELHI

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(CIN : L17112UP1993PLC022479) : **(In Lacs)**

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A	**ASSETS**				
	1 **Non-current assets**				
	(a) Property, plant and equipment	1	**10,099.02**	11,501.35	13,226.17
	(b) Capital work-in-progress		**170.34**	170.34	86.50
	(c) Intangible assets	1	**0.85**	2.67	3.77
	(d) Financial assets				
	(i) Investments	2	**300.00**	300.00	360.00
	(ii) Trade Receivables	2	**20,881.04**	358.51	866.81
	(iii) Other financial assets	2	**425.65**	549.24	609.87
	(e) Deferred tax assets (net)	3	**76.74**	68.06	-
	(f) Other non-current assets	4	**533.68**	513.73	439.14
	Total Non - Current Assets		**32,487.33**	13,463.91	15,592.26
	2 **Current assets**				
	(a) Inventories	5	**0.19**	7,282.04	73,953.40
	(b) Financial assets				
	(i) Trade receivables	6	**7,915.74**	23,079.58	6,129.81
	(ii) Cash and cash equivalents	8	**114.42**	3,880.97	253.62
	(iii) Bank balances other than (ii) above	8	**36.51**	723.45	1,544.02
	(iv) Other financial assets	2	**10.69**	1,226.31	57.39
	(c) Current Tax Assets (Net)	7	**53.87**	43.92	
	(d) Other current assets	4	**352.10**	529.55	745.05
	Total Current Assets		**8,483.52**	36,765.82	82,683.29
	Total Assets (1+2)		**40,970.85**	50,229.73	98,275.55
B	**EQUITY AND LIABILITIES**				
	1 **Equity**				
	(a) Equity share capital	9	**1,491.80**	1,491.80	1,491.80
	(b) Other equity	10	**-20,615.97**	-14,843.35	18,256.18
	Total equity		**-19,124.17**	-13,351.55	19,747.98
	LIABILITIES				
	2 **Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	11	**736.05**	1,838.80	2,812.59
	(b) Provisions	12	**38.02**	67.31	240.51
	(c) Deffered tax Libilities	13			1,102.10
	Total Non - Current Liabilities		**774.07**	1,906.11	4,155.20
	3 **Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	14	**55,623.91**	56,067.34	63,990.10
	(ii) Trade payables	15	**1,021.67**	3,912.00	8,917.63
	(iii) Other financial liabilities	17	**2,633.45**	1,516.68	949.43
	(b) Provisions	12	**0.95**	10.59	74.84
	(c) Current Tax Liabilities (Net)	16		-	168.80
	(d) Other current liabilities	18	**40.98**	168.56	271.57
	Total Current Liabilities		**59,320.95**	61,675.17	74,372.38
	Total Equity and Liabilities (1+2+3)		**40,970.85**	50,229.73	98,275.55

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Place : DELHI
Date : August 28, 2018

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(CIN : L17112UP1993PLC022479) : **(In Lacs)**

	Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from operations	19	**11,746.58**	128,379.58
	Add: Transfer to New York		**79.23**	104.60
II	Other Income	20	**103.73**	181.69
III	**Total Revenue (I + II)**		**11,929.54**	128,665.87
IV	**EXPENSES**			
	(a) Cost of materials consumed	21	**3,307.25**	95,124.31
	(b) Purchase of Stock-in-Trade	22	**1,462.30**	5,363.93
	Add: Transfer from India		**79.23**	104.60
	(c) Changes in stock of finished goods and work-in-progress	23	**6,449.46**	47,227.52
	(d) Employee benefit expense	24	**586.81**	1,543.09
	(e) Finance costs	25	**3,225.60**	5,323.00
	(f) Depreciation and amortisation expense	26	**1,250.74**	1,160.58
	(g) Other expenses	27	**1,346.90**	8,010.20
	Total Expenses (V)		**17,708.28**	163,857.23
VI	**Profit/(loss) before exceptional items and tax (I- IV)**			
	Exceptional Item Expenses		**-**	4,028.67
	Exceptional Item Expenses		**-**	1,527.74
VII	**Profit/(loss) before tax (V - III)**		**-5,778.74**	-37,692.30
VIII	**Tax Expense**			
	(1) Current tax		**1.35**	271.51
	(2) Deferred tax		**-8.68**	-1,170.16
	(3) Corporation Tax		**0.04**	0.04
	(4) Earliar Years Tax		**0.23**	-
	Total tax expense		**-7.07**	-898.61
IX	**Profit/(loss) for the year (VI - VII)**		**-5,771.68**	-36,793.68
X	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss		**-**	-
	(a) Remeasurements of the defined benefit liabilities		**1.94**	-22.95
	(ii) Income tax on above			
			1.94	-22.95
X	**Total comprehensive income/(loss) for the year (VIII + IX)**		**-5,769.74**	-36,816.63
XII	**Earnings per equity share**			
	(1) Basic		**-7.74**	-49.42
	(2) Diluted		**-7.74**	-49.42

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Place : DELHI
Date : August 28, 2018

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(CIN : L17112UP1993PLC022479) : **(In Lacs)**

	Particulars	Year ended 31st March 2018	Year ended 31st March 2017
A.	**Cash flow from operating activities**		
	Profit for the year	**-5,778.74**	**-37,692.30**
	Adjustments for:		
	Amounts Charged directly to Other Comprehensive Income	1.94	-22.95
	Depreciation and amortisation	1,250.74	1,160.58
	Loss/(Gain) on disposal of property, plant and equipment	108.75	79.95
	Interest income recognised in profit or loss	-33.34	-85.98
	Finance cost recognised in profit or loss	3,225.60	5,323.00
	Impairment in value of investments	-	3,780.00
	Capital Investment Subsidy	-2.89	-2.89
	Movements in working capital:		
	(Increase) /decrease in trade and other receivables	-5,346.12	-16,441.47
	(Increase) /decrease in other financial assets	1,327.05	-1,108.93
	(Increase) /decrease in other current assets	242.04	215.51
	(Increase) /decrease in other non-current assets	-19.95	-74.60
	(Increase) /decrease in inventories	7,281.84	66,671.36
	Increase/ (decrease) in trade payables	-2,889.34	-5,005.98
	Increase/ (decrease) in provisions	-38.94	-237.44
	(Increase) /decrease in current tax asset/liability(net)	-8.36	-211.84
	Increase/ (decrease) in other current liabilities	-128.57	-102.67
	Increase/ (decrease) in other financial liabilities	1,116.77	567.25
	Cash generated from operations	**308.48**	**16,810.60**
	Income taxes paid (net of refund, if any)	3.20	-271.80
	Net cash generated from operations	**305.28**	**16,538.80**
B.	**Cash flow from investing activities**		
	Payments for property, plant and equipment	-45.09	-88.51
	Proceeds from disposal of property, plant and equipment	89.75	490.07
	Interest received	33.34	85.98
	(Increase) /decrease in other bank balances	686.94	820.57
	Net cash generated from /(used in) investing activities	**764.94**	**1,308.11**
C.	**Cash flow from financing activities**		
	Net Increase /(Decrease) in long term borrowing	-447.68	-973.80
	Net Increase /(Decrease) in short term borrowing	-1,163.50	-7,922.76
	Interest Paid	-3,225.60	-5,323.00
	Net cash used in financing activities	**-4,836.77**	**-14,219.56**
	Net change in cash and cash equivalents	**-3,766.55**	**3,627.35**
	Cash and cash equivalents as at the beginning of the Year	3,880.97	253.62
	Cash and cash equivalents as at the end of the Year	114.42	3,880.97
	Reconciliation of Cash and cash equivalents with the Balance Sheet:		
	Cash and cash equivalents[Refer Note 10]	**114.42**	**3,880.97**

In terms of our report attached.
For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Place : DELHI
Date : August 28, 2018

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

A. EQUITY SHARE CAPITAL	Equity Share Capital		Share Warrant	
	Number of shares	Amount (Rs)	Number of shares	Amount (Rs)
Balance as at April 1, 2016	745.00	1,490.00	1.00	1.80
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2017	745.00	1,490.00	1.00	1.80
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2018	745.00	1,490.00	1.00	1.80

B. OTHER EQUITY	Capital Reserves	Security Premium	Reserves & Surplus	Total
Balance as at April 1, 2016	**24.60**	**1,140.00**	**17,091.58**	**18,256.18**
(a) Loss for the year	-2.89		-36,793.68	-36,796.57
(b) Other Comprehensive income of the year, net of income tax				
- Remeasurement of the defined benefit plans			-22.95	
© Add: Dimunition in Value of Investment			3,720.00	
Total comprehensive income/(loss) for the year			-33,096.63	-33,096.63
Balance as at March 31, 2017	**21.71**	**1,140.00**	**-16,005.05**	**-14,843.35**
(a) Loss for the year	-2.89		-5,771.68	-5,774.57
(b) Other Comprehensive income of the year, net of income tax			1.94	1.94
- Remeasurement of the defined benefit plans				
Total comprehensive income/(loss) for the year			-5,769.74	-5,769.74
Balance as at March 31, 2018	**18.82**	**1,140.00**	**-21,774.79**	**-20,615.97**

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Place : DELHI
Date : August 28, 2018

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

a) Basis of preparation and compliance with Ind AS

i) These financial statements, for the year ended 31 March 2018, are the Company's first financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1 2016, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

ii) Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company 27/07/2017 and 28/05/2016 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

iii) The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind ASs as at March 31, 2017, and April 1, 2016 and of the Profit/ (Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017. Refer note no 24 (A).

iv) These financial statements were approved for issue by the Board of Directors on May30, 2018.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and financial liabilities measured at fair values (as required by the relevant Ind AS)

ii) Defined benefit and other long term employee benefits have been measured at actuarial valuation as required by relevant Ind As.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees,which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/Non-Current

For the purpose of Balance Sheet, an asset is classified as current if:

i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or

ii) It is held primarily for the purpose of trading; or

iii) It is expected to realize the asset within twelve months after the reporting period; or

iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

i) It is expected to be settled in the normal operating cycle; or

ii) It is held primarily for the purpose of trading; or

iii) It is due to be settled within twelve months after the reporting period; or

iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

c) Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

IndAS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition of IndAS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommission liabilities, if any. This exemption can also be used for intangible assets covered by IndAS 28 Intangible asset. The Company has elected to measure all of its property, plant and equipment's and intangible assets at their previous GAAP carrying value.

d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a written down basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company. Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

S.No.	Asset Classification	Useful Life
1	Factory Building	30 Years
2	Furniture & Fixture	10 Years
3	Office Equipment	5 Years
4	Vehicles	3 Years
5	Mobile	3 Years
6	Electrical Fittings	10 Years
7	Plant	15 Years

e) Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

f) Inventories:

Inventories are valued as follows:

Raw materials, stores& accessories are valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

Finished goods, stock-in-trade are valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on FIFO basis.

g) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount

rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

i) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty/GST.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of byproducts are included in revenue.

Export benefits are accounted on recognition of export sales.

j) Employee benefits:

Defined benefit plan

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Liabilities for wages, salaries and bonus (as per the payment of bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

The Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is

measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other longterm employee benefits. The company's liability is actuarially determined. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

k) Income Tax:

Income Tax expenses comprise current tax and deferred tax charge or credit. Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws. Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable. Deferred tax asset if any is created on the temporary difference attributable to Property and Equipments and expense allowable on actual payment basis and in case of accumulated losses and unabsorbed depreciation deferred tax asset is only created to the extent of deferred tax liability, considering the certainty of future profits.

l) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and he weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m) Foreign Currency Transactions:

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income. The Company has applied paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

n) Segment reporting

The Company has two reportable segments based on geographic locations India & New York. Segments have been identified as reportable segments by the Company's chief operating decision maker ("CODM"). Segment profit amounts are evaluated regularly by the Board, which has been identified as the CODM, in deciding how to allocate resources and in assessing performance. Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments

and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Segment profit (Earnings before interest, depreciation and amortization, and tax) amounts are evaluated regularly by the Board that has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

o) Financial Instruments:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments Initial Recognition. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL: Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On de recognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

p) Financial Instruements

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

q) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

r) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE - 1 : PROPERTY, PLANT AND EQUIPMENT **(In Lacs)**

Description of Assets	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equip-ment	Building	Electrical Fittings	Housing Project	Land (Free-hold)	Land (Lease-hold)	Roads	Total
Cost or deemed cost											
Deemed cost as at April 1 2016	**8,292.32**	**54.20**	**585.94**	**27.38**	**3,290.09**	**86.14**	**121.23**	**98.78**	**266.03**	**404.06**	**13,226.17**
Additions during the year	0.49	0.86	-	3.33	-	-	-	-	-	-	**4.67**
Deletions during the year	30.10	-	177.15	-	443.98	-	-	-	-	-	**651.23**
Balance as at March 31 2017	**8,262.71**	**55.06**	**408.79**	**30.71**	**2,846.11**	**86.14**	**121.23**	**98.78**	**266.03**	**404.06**	**12,579.61**
Additions during the year	31.82	10.80	0.07	2.41	-	-	-	-	-	-	**45.09**
Deletions during the year	-	5.79	232.28	0.28	-	-	-	-	-	-	**238.36**
Balance as at March 31 2018	**8,294.54**	**60.06**	**176.57**	**32.83**	**2,846.11**	**86.14**	**121.23**	**98.78**	**266.03**	**404.06**	**11,617.48**
Accumulated Depreciation and impairment											
Deemed cost as at April 1 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation / amortisation expense	831.02	5.86	103.73	4.39	146.59	7.80	-	-	**10.91**	**49.15**	**1,159.47**
Eliminated on disposal of assets	13.76	-	33.74	-	33.72	-	-	-	-	-	**81.22**
Balance as at March 31 2017	**817.27**	**5.86**	**69.99**	**4.39**	**112.87**	**7.80**	**-**	**-**	**10.91**	**49.15**	**1,078.25**
Depreciation / amortisation expense	1,017.66	8.10	33.95	8.85	118.56	0.99	-	-	**1.82**	**58.99**	**1,248.92**
Eliminated on disposal of assets	-	-	39.85	-	-	-	-	-	-	-	**39.85**
Balance as at March 31 2018	**1,834.93**	**13.96**	**64.09**	**13.25**	**231.43**	**8.80**	**-**	**-**	**12.73**	**108.14**	**2,287.32**
Net Carrying Amount											
Balance as at April 1 2016	8,292.32	54.20	585.94	27.38	3,290.09	86.14	121.23	98.78	266.03	404.06	**13,226.17**
Balance as at March 31 2017	7,445.45	49.20	338.80	26.31	2,733.24	78.33	121.23	98.78	255.12	354.90	**11,501.35**
Balance as at March 31 2018	6,459.61	46.10	112.49	19.58	2,614.68	77.34	121.23	98.78	253.30	295.91	**10,099.02**

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

INTANGIBLE ASSETS

Description of Assets	Trademarks, patents
Cost or deemed cost	
Deemed cost as at April 1 2016	**3.77**
Additions during the year	-
Deletions during the year	-
Balance as at March 31 2017	**3.77**
Additions	-
Disposals	-
Balance as at March 31 2018	**3.77**
Accumulated Depreciation and impairment	
Balance as at April 1 2016	**-**
Depreciation / amortisation expense	1.11
Eliminated on disposal of assets	
Balance as at March 31 2017	**1.11**
Depreciation / amortisation expense	1.82
Eliminated on disposal of assets	
Balance as at March 31 2018	**2.93**
Net Carrying amount	
Balance as at April 1 2016	3.77
Balance as at March 31 2017	2.67
Balance as at March 31 2018	0.85

NOTE - 2 : FINANCIAL ASSETS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
Financial assets			
Investments			
Unquoted Equity Investments			
a) Investment in Yogendra Worsted Limited 6,00,000 Equity Shares (Previous year 600,000) of Rs 10/- Each Fully Paid-up.	**-**	-	60.00
b) investment in Express Warehousing Limited			
300000 equity shares (Previous Year 300000 shares) of Rs 10/- each fully paid)	**300.00**	300.00	300.00
Total	**300.00**	300.00	360.00
Less: Impairment in Value of Investments			
Yogendra Worsted Limited	**-**	-	-
Net Value of Investments	**300.00**	300.00	360.00
Trade Receivable			
a) Unsecured, considered good	**21,181.97**	659.45	870.71
Less: Provision for Doubtful Debt	**-300.94**	-300.94	-3.90
Net Trade Receivables	**20,881.04**	358.51	866.81
Loans			
d) Security Deposits	**425.65**	549.24	609.87
TOTAL [I]	**21,606.69**	1,207.75	1,836.68
Current			
Financial assets			
a) Interest accrued on bank deposits	**10.69**	41.71	52.89
b)Employee Advance	**-**	0.07	4.50
c) Insurance claim receivable	**-**	1,184.53	-
TOTAL [II]	**10.69**	1,226.31	57.39
TOTAL [I + II]	**21,617.38**	2,434.06	1,894.07

NOTE - 3 : DEFFERED TAX ASSET (NET) **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The balance comprise of temporary difference attributable to: Property and Equipments and expense allowable on actual payment basis.	**76.74**	68.06	-
Total	**76.74**	68.06	-

NOTE - 4 : OTHER ASSETS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current			
(a) Capital advances	**98.17**	85.73	74.69
(b) Duty paid under protest	**435.51**	428.01	364.45
(c) Prepaid expenses			
Total [I]	**533.68**	513.73	439.14
Current			
(a) Prepaid expenses	**6.83**	33.45	95.22
(b) Other advances	**275.57**	340.05	326.28
(c) Balance with Government authorities	**69.69**	156.05	323.56
Total [II]	**352.10**	529.55	745.05
TOTAL [I+II]	**885.78**	1,043.28	1,184.19

NOTE - 5 : INVENTORIES [LOWER OF COST AND NET REALISABLE VALUE] **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Raw materials	**-**	416.98	17,859.65
(b) Work-in-progress	**-**	-	372.36
(c) Finished goods	**0.19**	6,449.66	53,301.16
(d) Stores and spares	**-**	415.40	2,416.57
(e) Scrap	**-**	-	3.66
Total Inventories at the lower of cost and net realisable value	**0.19**	7,282.04	73,953.40

NOTE - 6 : TRADE RECEIVABLES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
(a) Unsecured, considered good	**7,915.74**	23,079.58	6,129.81
TOTAL	**7,915.74**	23,079.58	6,129.81

NOTE - 7 CURRENT TAX ASSETS (NET) **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net Current Tax Asset(TDS/ Advance Tax)	**53.87**	43.92	-
TOTAL	**53.87**	43.92	-

NOTE - 8 CASH AND BANK BALANCES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1. Cash and cash equivalents:			
a) Cash on hand	**33.11**	4.38	125.02
b) Balance with banks	**-**	-	-
(i) In current accounts	**72.17**	3,868.08	101.28
(ii) In other deposit accounts	**9.14**	8.52	27.32
Total-Cash and cash equivalents [A]	**114.42**	3,880.97	253.62

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
2. Other bank balances			
a) Balance with banks	-	-	-
(i) In other deposit accounts- Lien Marked (maturity in excess of 3 Months within 12 months)	-	39.33	856.33
(iii) In other deposit accounts (maturity in excess of 3 Months within 12 months)	36.51	684.12	687.69
	-	-	-
Total-Other bank balances [B]	36.51	723.45	1,544.02
TOTAL [A+B]	150.92	4,604.42	1,797.64

NOTE - 9 : SHARE CAPITAL **(In Lacs)**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
AUTHORIZED SHARES						
Equity Shares of Rs 2/- Each	800.00	1,600.00	800.00	1,600.00	800.00	1,600.00
ISSUED,SUBSCRIBED AND PAID UP SHARES						
Equity Shares of Rs 2/- Each Fully Paid Up	745.00	1,490.00	745.00	1,490.00	745.00	1,490.00
FORFEITED SHARES						
Amount Originally Paid up on 1,00,000 Zero Coupon Warrant @ 1.80 per Warrant	1.00	1.80	1.00	1.80	1.00	1.80
TOTAL	746.00	1,491.80	746.00	1,491.80	746.00	1,491.80

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
EQUITY SHARES						
At the beginning of the year	745.00	1,490.00	745.00	1,490.00	745.00	1,490.00
Issued during the year as fully paid up	-	-	-	-	-	-
Outstanding at the end of the year	745.00	1,490.00	745.00	1,490.00	745.00	1,490.00

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

During the year ended 31st March 2018, no dividend is declared by Board of Directors. (Previous year - Nil)

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

NOTE - 10 : OTHER EQUITY **(In Lacs)**

B. OTHER EQUITY	Capital Reserves	Security Premium	Reserves & Surplus	Total
Balance as at April 1, 2016	**24.60**	**1,140.00**	**17,091.58**	**18,256.18**
(a) Loss for the year	-2.89		-36,793.68	-36,796.57
(b) Other Comprehensive income of the year, net of income tax				
- Remeasurement of the defined benefit plans			-22.95	
© Add: Dimunition in Value of Investment			**3,720.00**	
Total comprehensive income/(loss) for the year			-33,096.63	-33,096.63
Balance as at March 31, 2017	**21.71**	**1,140.00**	**-16,005.05**	**-14,843.35**
(a) Loss for the year	-2.89		-5,771.68	-5,774.57
(b) Other Comprehensive income of the year, net of income tax			1.94	1.94
- Remeasurement of the defined benefit plans				
Total comprehensive income/(loss) for the year			**-5,769.74**	**-5,769.74**
Balance as at March 31, 2018	**18.82**	**1,140.00**	**-21,774.79**	**-20,615.97**

NOTE - 11 : NON CURRENT BORROWINGS **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured Borrowings - at amortised Cost			
(i) Term Loan from Banks	**2,633.45**	2,586.43	3,039.66
	-	-	-
(ii) Vehicle Loans from banks	**-**	26.46	47.07
Less: Current Maturity of term loans(reflected as other current financial liabilities)	**-**	-1,449.40	-949.43
Less: Term Loans recalled by banks (reflected as other current financial liabilities)	**-2,633.45**	-	-
(ii) Unsecured Borrowings from advances & related parties	**736.05**	675.30	675.30
Total Borrowings carried at Amortised Cost	**736.05**	1,838.80	2,812.59

(i) Details of terms of repayment and security provided in respect of the long-term borrowings:

(a) Term Loan from Banks

Nature of Security	Terms of repayment
Term loan of Rs.700 Lacs (year end balance Rs. 194.97 lacs) from IDBI Bank Ltd. is secured by first charge on the fixed assets (solvent plant) of the company at Samalkha Unit and further guaranteed by irrevocable and unconditional personal guarantee of Rita Mittal and Naveen Mittal (CMD) & corporate guarantee of Samtex fashions Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.35 Lacs from 01.04.2013 to 01.01.2018. Interest will be payable at BBR plus 350 BPS monthly
Term loan of Rs.750 Lacs (year end balance Rs. 164.02 lacs) from State Bank of India is secured by exclusive charge over assets created for the Co-generation Power Plant at Samalkha and second charge over current assets, both present & future, of the company. Extension of second charge over fixed assets of the company (excluding fixed assets at mandideep industrial area, M.P & assets created for co-generation power Plant at samalkha). Further guaranteed by personal guarantee of Rita Mittal and Naveen Mittal (CMD) and corporate guarantee of Samtex Fashions Limited, Empire Finvest Limited, Gartex Overseas Private Limited and SSR Apparel Private Limited.	The principle amount is repayable in 23 equal quarterly instalments of Rs.31 Lacs and last quarterly instalment of Rs.37 Lacs from 01.04.2013 to 31.03.2019. Interest will be payable 4.00% above base rate at Monthly rests.

Term loan of Rs.780 Lacs(year end balance Rs.350.02 lacs) from State Bank of India is secured by exclusive charge over entire fixed assets created at Rice Mill-2 at Mandideep Plant. Further guaranteed by personal guarantee of Rita Mittal, Vinay Mittal and Naveen Mittal(CMD) and corporate guarantee by Samtex Fashions Ltd.,Empire Finvest Pvt. Ltd.,Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.39 lacs each beginning from 31.12.2013 to 30.09.2018
Term loan of Rs.480 Lacs(year end balance Rs.210.86 lacs) from State Bank of Travancore is secured by exclusive charge on fixed assets of the proposed solvent extraction plant at Mandideep(excluding land). Further guaranteed by personal guarantee of Rita Mittal and Naveen Mittal (CMD) and corporate gurantee by Samtex Fashions Ltd.	The principle amount is repayable in 25 equal quarterly instalments of Rs.19.20 lacs each beginning from 01.04.2013 to 30.06.2019
Term loan of Rs.2375 Lacs(year end balance Rs. 1713.57 lacs) from IDBI Bank Ltd. is secured by exclusive charge on fixed assets of the proposed Soya Extraction Plant at Mandideep(excluding land). Further guaranteed by personal guarantee of Rita Mittal and Naveen Mittal(CMD) and corporate gurantee by Samtex Fashions Ltd.	The principle amount is repayable in 24 equal quarterly instalments of Rs.98.96 lacs each beginning from 01.10.2014 to 01.07.2020
HDFC Bank Ltd.Car Loan of Rs.3,30,000 (year end balance is . NIL) is secured by hypothecation of Maruti Celerio Car and personal guarantee of directors.	Repayable in 36 equated monthly instalments of Rs.10,602 including interest(@ 9.70 % p.a)from the date of loan (30/10/2015)
HDFC Bank Ltd.Car Loan of Rs.3,70,000 (year end balance is NIL) is secured by hypothecation of Maruti Celerio Car and personal guarantee of directors.	Repayable in 36 equated monthly instalments of Rs.11,887 including interest(@ 9.70 % p.a)from the date of loan (30/10/2015)
Kotak Mahindra Prime Ltd. Audi Car Loan of Rs.40,80,000 (year end balance is Rs. NIL) is secured by hypothecation of Audi Car and personal guarantee of directors.	Repayable in 60 equated monthly instalments of Rs.84,008 including interest(@ 8.90 % p.a)from the date of loan (26/12/2015)

The Company (SSA International Ltd) had defaulted in repayment of loans which remained outstanding are as follows

(In Lacs)

Particular	**Amount of default as on 31st march 2018**		
	of principal amount	**of interest accrued**	**Total**
Term Loan from IDBI Bank	175.00	19.97	194.97
Term Loan from State Bank of India	164.02	-	164.02
Term Loan from State Bank of India	350.02	-	350.02
Term Loan from State Bank of India (State Bank of Travancore)	210.86	-	210.86
Term Loan from IDBI Bank	1,567.23	146.34	1,713.57
Totals	**2,467.13**	**166.31**	**2,633.44**

NOTE - 12 : PROVISIONS [CURRENT AND NON-CURRENT] **(In Lacs)**

Particulars		**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
	Non Current			
(a)	Provision for employee benefits			
	a. Provision for leave encashment	16.94	26.41	60.50
	b. Provision for gratuity	21.09	40.91	180.00
	Total [I]	**38.02**	67.31	240.51

	Current			
(a)	Provision for employee benefits			
	a. Provision for leave encashment	0.45	0.96	5.32
	b. Provision for gratuity	0.50	4.29	10.41
	c. Bonus	-	2.32	35.39
	d. Other Provision	-	3.03	23.71
	Total [II]	**0.95**	10.59	74.84
Total Provisions [I+II]		**38.97**	77.91	315.35

NOTE - 13 : DEFFERRED TAX LIABILITIES(NET) **(In Lacs)**

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
The balance comprise of temporary difference attributable to: Property and Equipments and expense allowable on actual payment basis.	**-**	-	1,102.10
Total [II]	**-**	-	1,102.10

NOTE - 14 : CURRENT BORROWINGS **(In Lacs)**

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Measured at amortised cost			
Loans Repayable on Demand			
(i) Buyer Credit Loan	**-**	-	2,796.48
(ii) Working Capital Facility	**-**	-	-
(a) EPC Account	**421.34**	99.63	17,028.96
(b) OCC Account	**55,202.57**	55,967.71	44,164.66
Total Borrowings carried at Amortised Cost	**55,623.91**	56,067.34	63,990.10

(A) Details of security and Guarantee for working capital finance:-

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

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

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

The Working Capital Loan of M/s Samtex Fashions Ltd taken from State Bank of India(Current year ended balance is nil) is secured by first exclusive hypothecation charge on all existing and future current assets, second hypothecation charge on all movable fixed assets (other than specially charged with other lenders) and personal guarantee of then directors -Mr. Rita Mittal, Mr. Vinay Mittal and Mr. Atul Mittal.

The Company(SSA International Ltd) had defaulted in repayment of loans which remained outstanding are as follows

(In Lacs)

Particular	Amount of default as on 31st march 2018		
	of principal amount	of interest accrued	Total outstanding
Working Capital from Canara Bank	12,830.00	1,795.61	14,625.61
Working Capital from IDBI Bank	4,279.84	593.00	4,872.84
Working Capital from SBI Bank	34,000.00	2,125.45	36,125.45
Total	**51,109.84**	**4,514.06**	**55,623.90**

(B) Details of short-term borrowings guaranted by some of the directors or others:

Particulars	As At 31st March 2018	As At 31st March 2017
Working Capital Finance	**55,623.91**	56,067.34
Total	**55,623.91**	56,067.34

NOTE - 15 : TRADE PAYABLES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade Payables	**1,021.67**	3,912.00	8,917.63
Total	**1,021.67**	3,912.00	8,917.63

NOTE - 16 : CURRENT TAX LIABILITIES(NET) **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net Current Tax Liabilties	**-**	-	168.80
Total	**-**	-	168.80

NOTE - 17 : OTHER FINANCIAL LIABILITIES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
a) Long term loans recalled by banks	2,633.45	-	-
b) Current Maturity of Long Term borrowings	-	1,449.40	949.43
c) Interest Payable to banks	-	67.28	-
Total other financial liabilities	**2,633.45**	1,516.68	949.43

NOTE - 18 : OTHER LIABILITIES **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
a) Other Liabilities	28.08	95.23	180.37
b) Statutory dues	-	-	-
payable	12.89	73.33	91.20
Total other liabilities	**40.98**	168.56	271.57

NOTE - 19 : REVENUE FROM OPERATIONS **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Sale of products	**11,316.88**	128,131.19
(b) Other operating income		
-Job Work	**429.70**	248.39
Total Revenue from operations	**11,746.58**	128,379.58

NOTE - 20 : OTHER INCOME **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Interest income	**33.34**	85.98
(b) Rent Income	**2.00**	-
(c) Other non-operating income	**68.39**	95.71
Total other income	**103.73**	181.69

NOTE - 21 : COST OF MATERIAL CONSUMED **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Raw Materials (A)		
Opening stock	**416.98**	17,859.65
Add: Purchases	**2,555.72**	74,247.28
	2,972.70	92,106.93
Less: Closing stock	**-**	416.98
Packing Materials(B)		
Opening stock	**329.51**	2,236.77
Add: Purchases	**5.04**	1,527.10
Less: Closing stock	**-**	329.51
Consumption of Packing Material	**334.55**	3,434.36
Total cost of material consumed	**3,307.25**	95,124.31

NOTE - 22 : PURCHASE OF TRADED GOODS **(In Lacs)**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
CPO	**-**	3,533.90
Total other income	**-**	3,533.90

NOTE - 23 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Inventories at the beginning of the year:		
Finished goods	**6,449.66**	53,246.20
Finished goods in transit	**-**	54.96
Work-in-progress	**-**	372.36
Scrap Material	**-**	3.66
	6,449.66	53,677.18
Inventories at the end of the year:		
Finished goods	**0.19**	6,449.66
	0.19	6,449.66
Net (increase) / decrease	**6,449.46**	47,227.52

NOTE - 24 : EMPLOYEE BENEFIT EXPENSES **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Salaries and wages	**500.38**	1,335.62
Bonus	**0.08**	12.91
Contributions to provident fund	**9.19**	47.12
Contributions to employee state insurance	**2.35**	15.13
Gratuity expense	**8.35**	20.45
Leave Encashment	**19.33**	3.13
Staff welfare expenses	**8.61**	33.31
Others	**38.53**	75.42
Total Employee benefit expenses	**586.81**	1,543.09

NOTE - 25 : FINANCE COST **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Interest expense on:		
(i) Interest on working capital facilities	**3,148.39**	4,896.07
(ii) Interest to others	**0.83**	47.97
(iii)Interest On Term Loans	**56.73**	272.60
(iv)Interest On Vehicle Loan	**0.30**	5.73
Bank Charges	**13.33**	182.21
Exchange Fluctuations	**6.01**	-81.57
Total Finance cost	**3,225.60**	5,323.00

NOTE - 26 : DEPRECIATION AND AMORTISATION EXPENSE **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Depreciation on Tangible Assets	**1,250.74**	1,160.58
Total Depreciation	**1,250.74**	1,160.58

NOTE - 27 : OTHER EXPENSES **(In Lacs)**

Particulars	Year ended March 31 2018	Year ended March 31 2017
Consumption of Stores and Spares :-	**124.46**	551.99
Power and Fuel	**253.43**	957.43
Freight Inwards	**1.75**	6.18
Material Handling Charges	**56.16**	582.74
Fumigation Charges	**-**	30.77
Bardana Repair Charges	**3.69**	25.83
Repair & Maintenance(Building)	**0.94**	23.02
Repair and Maintenance(Machinery)	**22.40**	155.24
Repair and Maintenance(Electricals)	**4.12**	-
Tractor/Truck Running Expenses	**4.78**	57.89
Laboratory Expenses	**0.04**	1.98
Processing and finishing Expenses	**77.18**	3.74

Particulars	Year ended March 31 2018	Year ended March 31 2017
Auditor's Remuneration	**6.70**	3.91
Travelling and Conveyance Expenses	**15.35**	26.18
Rent Expenses	**161.36**	751.21
Legal and Professional Charges	**24.91**	102.42
Insurance Expenses	**90.80**	150.86
Rates and Taxes	**34.28**	25.59
Printing and Stationary Expenses	**1.83**	11.05
Interest on TDS	**1.38**	0.50
Postage, Telegram and Telephone Expenses	**24.17**	50.48
General Expenses	**91.10**	241.15
Compliance Audit Fees	**0.90**	-
Books and Periodicals	**0.00**	0.28
Charity and Donation	**3.17**	5.23
Repair and Maintenance- Vehicle	**6.45**	42.04
Repair and Maintenance- Others	**8.93**	21.04
Exchange Fluctuation	**3.60**	34.05
Duty Drawback Paid	**-**	5.00
Loss on sales of Fixed Assets	**108.75**	80.07
Annual Maintenance Expenses	**11.20**	14.90
Csr Expenses	**1.89**	8.69
Bad Debts Expenses	**-**	297.04
Membership & Subscription Charges	**0.07**	3.20
Electricity Expenses	**2.65**	7.57
Loss due to flood	**-**	435.06
ITC Disallowed(Sales Tax)	**40.65**	46.25
Selling and Distribution Expenses :-	**-**	-
Freight Outwards	**47.17**	614.73
Export Clearing Charges	**17.15**	1,508.33
Sampling and Supplied Charges	**20.45**	34.60
Rebate and Discount	**24.62**	310.38
Sales Commission	**0.37**	1.32
Advertisement Expenses	**1.02**	2.26
Travelling Expenses	**2.12**	33.72
Brokerage & Commission	**1.59**	144.87
Ocean Freight	**-**	461.07
Insurance Charges(Transit)	**-**	15.97
ECGC Premium	**0.09**	37.95
Apeda Basmati Development Fund	**-**	17.59
Business Promotion Expenses	**43.22**	66.82
Total other expenses	**1,346.90**	8,010.20

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

FINANCIAL INSTRUMENTS BY CATEGORY **(In Lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial assets			
Measured at Amortised cost			
a) Investments	**300.00**	300.00	300.00
b) Trade Receivabels	**20,881.04**	358.51	866.81
c) Loans	**425.65**	549.24	609.87
d) Cash & Cash Equivalents	**114.42**	3,880.97	253.62
d) Other Bank Balance	**36.51**	723.45	1,544.02
d) Other financial instruments	**10.69**	1,226.31	57.39
Total Financial assets	**21,768.31**	7,038.48	3,631.71

FINANCIAL ASSETS AT FVTPL

a) Investsments	-	-	60.00

FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Measured at Amortised cost			
a) Borrowings	**56,359.96**	57,906.13	66,802.69
a) Trade payables	**1,021.67**	3,912.00	8,917.63
c) Other Financial borrowings	**2,633.45**	1,516.68	949.43
Total Financial liabilities	**60,015.08**	63,334.81	76,669.76

B- CONTINGENT LIABILITIES

(a) No provision has been made in the books of accounts by the company for a sum of Rs.59,02 lacs, Rs. 60.66 lacs, Rs.5.80 lacs & Rs.40.80 lacs for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y. 2001-02, A.Y.2003-04 & A.Y.2007-08, respectively. Appeal before High Court for A.Y. 2000-01 & 2001-02 have been dismissed, hence, the company is in the process of filing Special Leave Petition (SLP) before Supreme Court. The liabilities for A.Y. 2003-04 & A.Y. 2007-08 stands before the Appellate Authority. No provision has been made by the company fo a sum of Rs 210 lacs for which demand has been raised by the income tax deartment for the A.Y 2010-11 against the wholly owned susbsidiary M/s SSA International Ltd, the company is process of filling an appeal before the Delhi High Court.

b) **Guarantees :-**The company has guaranteed a sum of Rs. 80,746 Lacs (Previous Year Rs. 80,746 Lacs) against secured Loans taken by SSA International Ltd. from financial institutions; these are wholly owned subsidiaries of the Company. The lender banks has filed a petiton before Debt Recovery Tribunal-II, Delhi and the company has received an initimation vide O.A no 530/18 dated 24/05/2018

C- DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES

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

As per actuarial valuations as on 31st March 2018 and recognized in the financial statement in respect of employee benefit schemes :-

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2018	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017
I. Assumptions				
Discount Rate	**0.08**	0.07	**0.08**	0.07
Future Salary Increase	**0.05**	0.05	**0.05**	0.05

Particulars		Gratuity		Leave Encashment	
		As at 31.03.2018	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017
II.	**Table showing change in Benefit Obligation**				
	Liability at the beginning of the year	**45.20**	190.42	**25.87**	65.83
	Interest Cost	**3.47**	15.23	**1.93**	5.27
	Past Service Cost	**2.52**	-	**-**	-
	Current Services Cost	**2.36**	5.22	**1.73**	2.87
	Benefit Paid	**-31.03**	-187.61	**-27.81**	-43.09
	Actuarial (gain)/loss on obligation recognised in other comprehensive income(Gratuity)	**-1.94**	22.95	**15.67**	-5.01
	Liability at the end of the year	**20.57**	45.20	**17.39**	25.87
III.	**Tables of Fair value of Plan Assets**				
	Fair value of plan assets at the beginning of the year	**-**	-	**-**	-
	Expected return on Plan Assets	**-**	-	**-**	-
	Contributions	**-**	-	**-**	-
	Benefit Paid	**-**	-	**-**	-
	Actuarial (gain)/loss on Plan Assets	**-**	-	**-**	-
	Fair Value of Plan Assets at the end of the year	**-**	-	**-**	-
	Total actuarial gain / (loss) to be recognized	**-**	-	**-**	-
IV.	**Actual Return on Plan Assets**				
	Expected Return on Plan Assets	**-**	-	**-**	-
	Actuarial (gain)/loss on Plan Assets	**-**	-	**-**	-
	Actuarial Return on Plan Assets	**-**	-	**-**	-
V.	**Amount recognized in the Balance Sheet**				
	Liability at the end of the year	**13.61**	45.20	**17.39**	25.87
	Fair value of plan assets at the end of the year	**-**	-	**-**	-
	Difference	**13.61**	45.20	**17.39**	25.87
	Excess of actual over estimated	**-**	-		-
	Unrecognized Actuarial (gain)/losses	**-**	-		-
	Amount recognized in the Balance sheet	**-13.61**	45.20	**17.39**	25.87
VI.	**Expenses recognized in the Income Statement**				
	Current Service Cost	**2.36**	5.22	**1.73**	2.87
	Interest Cost	**3.47**	15.23	**1.93**	5.27
	Past Service Cost	**2.52**	-		
	Expenses Recognized in Profit & Loss A/c	**8.35**	20.45	**19.33**	3.13
	Net Acturial (gain)/loss recognised in the period			**15.67**	-5.01
VII	**Remeasurement recognised in other comprehensive income**		-		
	Actuarial (gain)/loss on obligation recognised in other comprehensive income(Gratuity)	**-1.94**	22.95	**-**	-
	Amount recognised in other comprehensive income	**-1.94**	22.95	**-**	-
VII.	**Amount Recognized in the Balance Sheet**				
	Opening net liability	**45.20**	190.42	**25.87**	65.83
	Expense as above	**6.41**	43.40	**19.33**	3.13
	Employers Contribution Paid	**-31.03**	-187.61	**-27.81**	-43.09
	Closing net Liability	**20.57**	46.21	**17.39**	25.87

D- RELATED PARTY DISCLOSURES

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

S. No.	Name of Related Parties	Relationship
1.	Gartex Overseas Pvt Ltd.	Key Personnel are related to the management of related party
2.	S.S.R Apparels Private Limited	Key Personnel are related to the management of related party
3.	Express Warehousing Limited	Key Personnel are related to the management of related party

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions

Transaction with Gartex Overseas Pvt. Ltd.	**As at 31.03.2018**	As at 31.03.2017
Lease Rent		
Balance as at 1st April, 2017	**-**	0.75
Paid during the year	**-**	0.90
Payable for the year	**0.15**	0.15
Balance as at 31st March, 2018	**0.15**	-
Transaction with SSR Apparels Pvt. Ltd.		
Lease Rent		
Balance as at 1st April, 2017	**-**	0.15
Paid during the year	**-**	0.30
Payable for the year	**0.15**	0.15
Balance as at 31st March, 2018	**0.15**	-
Transaction Express Warehousing Ltd.		
Rent Expenses		
Balance as at 1st April, 2017	**56.86**	68.80
Paid during the year	**39.13**	816.98
Receipt during the year	**-**	150.00
Payable for the year	**97.00**	541.32
Balance as at 31st March, 2018	**-1.02**	-56.86
Security Deposit		
Balance as at 1st April, 2017	**325.00**	325.00
Net security Paid during the year	**-**	-
Balance as at 31st March, 2018	**325.00**	325.00
Investment		
Balance as at 1st April, 2017	**300.00**	300.00
Investment made during the year	**-**	-
Balance as at 31st March, 2018	**300.00**	300.00

E- SEGMENT REPORTING

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

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

(i) Primary Segment Information :-

	PARTICULARS	As at 31.03.2018	As at 31.03.2017
1).	**Total Sales at each segment.**		
	USA	**2,209.73**	2,397.01
	India	**861.03**	2,279.70
	Gross Sales	**3,070.76**	4,676.71
	Less :-		
	Inter Segment Revenue	**79.23**	104.60
	Net Sales / Income from Operation	**2,991.53**	4,572.11
2).	**Segment Results (Profit/ Loss before tax and Interest for each segment)**		
	USA	**-192.89**	-448.12
	India	**-164.63**	-3,918.32
	Total	**-357.52**	-4,366.44
	Interest	**19.90**	171.14
	Total Profit before Tax	**-377.42**	-4,537.58
3)	**Capital Employed**		
	USA	**7.84**	219.91
	India	**396.82**	556.80
	Total	**404.66**	776.71

1. PRIMARY SEGMENT INFORMATION **(Rs. In Lacs)**

	PARTICULARS	2017-18	2016-17
1.	**TOTAL SALES AST EACH SEGMENT**		
	Rice	**8,467.02**	97,749.88
	Oil	**371.43**	27,569.47
	GROSS SALES	**8,838.45**	125,319.35
	LESS: INTERSEGMENT REVENUE	**-**	1,383.72
	NET SALES/INCOME FROM OPERATION	**8,838.45**	123,935.63
2.	**SEGMENT RESULTS (PROFIT+/LOSS – BEFORE TAX**		
	INTEREST AND EXCHANGE FLUCTUATION FOR EACH SEGMENT)		
	Rice	**-1,735.82**	-28,121.68
	Oil	**-457.21**	-28.09
	TOTAL	**-2,193.03**	-28,149.77
	Interest	**3,190.56**	5,060.69
	Exchange (Gain/Loss)	**5.14**	-88.44
	TOTAL	**3,195.70**	4,972.25
	TOTAL PROFIT BEFORE INTEREST AND EXCHANGE FLUCTUATION & TAX	**-5,388.82**	-33,122.02

SECONDARY SEGMENT INFORMATION **(Rs. In Lacs)**

	PARTICULARS	2017-18	2016-17
	SEGMENT ASSETS		
	Oil	**7,863.39**	8,280.38
	SEGMENT LIABILITIES		
	Oil	**2,252.35**	95.37
	CAPITAL EMPLOYED		
	Oil	**5,611.04**	8,185.01

F- EARNINGS PER EQUITY SHARE

Particulars	As at 31.03.2018	As at 31.03.2017
Earnings Per Equity Share:		
Net Profit after tax	**-5,769.74**	-36,816.63
Equity Shares at the beginning of the year	**745.00**	745.00
Equity Shares at the end of the year	**745.00**	745.00
Nominal Value of Equity Share	**2.00**	2.00
Basic Earnings per Share	**-7.74**	-49.42
Diluted Earnings per Share	**-7.74**	-49.42

Particulars	As at 31.03.2018	As at 31.03.2017
(a) Statutory Audit Fee	**4.30**	3.60
(b) Other Services		
(i)For certification	**0.15**	0.43
(ii)For Income Tax	**2.25**	6.14
	6.70	10.17

H- TRANSACTION WITH MICRO, SMALL AND MEDIUM ENTERPRISES

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

I- OTHERS

(i) Fixed assets installed and put to use have been certified by the management and relied upon by the auditors, being a technical matter.

(ii) In the opinion of the directors, current assets, loans and advances are of the value stated if realized in the ordinary course of business except otherwise stated .The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary. All the balance are subject to their respective confirmations.

(iii) The personal accounts of the parties are subject to their respective confirmations

(iv) Security deposit includes Rs. 22,96,833/- (Previous Year Rs. 25,81,528/-) equivalent US$ 0 (Previous Year US$ 39815) representing security given by the New York Trading Office of the company.

(v) The wholly owned Subsidiary of the company, namely, M/S SSA International Ltd has been declared Non Performing Assets (NPAs) by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act, 2002 from consortium of banks for revocation of its Corporate Guarantee.

(vi) Confirmations from certain banks in respect of bank balances and FDR's have not been received by Company from the banks . The account balances and the interest and other charges have been accounted on the basis of information available with the Company and the provisions of various sanction letters/agreements avaliable.

(vii) The wholly owned Subsidiary of the company, namely, M/S SSA International Ltd has been declared Non Performing Assets (NPAs) by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act, 2002 from consortium of banks for revocation of its Corporate Guarantee.

J- PREVIOUS YEAR FIGURES

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

NOTE - 28 : OTHER NOTES

A. First-time adoption of Ind-AS

These financial statements, for the year ended 31 March 2017, are the Company's first financial statements prepared in accordance with IndAS. For periods up to and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP')

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1 2015, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

43.1 Exemptions applied

1. IndAS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition of IndAS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommission liabilities, if any. This exemption can also be used for intangible assets covered by IndAS 28 Intangible asset. The Company has elected to measure all of its property, plant and equipment's and intangible assets at their previous GAAP carrying value.

Effect of IndAS adoption on the statement of profit and loss for the year ended 31 March 2017

(i) Reconciliation of total equity as at March 31, 2017 and April 1, 2016 **(In Lacs)**

PARTICULARS	As at 31 March 2017	As at 1 April 2016
Total equity (shareholders' funds) under previous GAAP	**-13,351.55**	19,747.98
Ind As Adjusments	**-**	-
Total equity under Ind AS	**-13,351.55**	19,747.98

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2017

PARTICULARS	Profit before Tax
Profit/(Loss) as per previous GAAP	36,816.63
Ind AS: Adjustments increase (decrease):	
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS	-22.95
Total adjustment to profit or loss	-22.95
Profit/(loss) under Ind AS	-36,793.68
Other comprehensive income (net of tax)	-22.95
Total comprehensive income/(Loss) under Ind ASs	-36,816.63

(iii) Reconciliation of statement of cash flows for the year ended 31 March, 2017 **(In Lacs)**

PARTICULARS	Reclass Indian GAAP	GAAP Adjustments	Ind AS
Net cash flows from operating activities	12,747.78	3,791.0	16,538.80
Net cash flows used in investing activities	5,099.13	-3,791.0	1,308.11
Net cash flows from/(used in) financing activities	-14,219.56	-	-14,219.56
Net increase/(decrease) in cash and cash equivalents	3,627.35		3,627.35
Cash and cash equivalents at the beginning of the year	253.62	-	253.62
Cash and cash equivalents at year end	0.04	-	0.04
Net increase/ (decrease) in cash and cash equivalents	-253.59	-	-253.59

(iv) Reconciliation of Other comprehensive income for the year ended 31 March, 2017

Under Indian GAAP, the company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Notes to reconciliations

a) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. This change does not affect total equity.

b) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

Sd/-
(CHIRAG AGGARWAL)
Partner
M.No 523052

Sd/-
ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

Sd/-
SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

Sd/-
KAMINI GUPTA
(Company Secretary & GM Finance)
M NO-FCS 5882

Place : DELHI
Date : August 28, 2018

SAMTEX FASHIONS LIMITED

Regd. Office: Property No. D-100, Phase II, Hosiery Complex,
Gautam Buddha Nagar, Noida - 201305 (U.P.) Tel: 0120- 4209800, 4209900
Website: www.samtexfashions.com; Email : samtex.compliance@gmail.com
CIN: L17112UP1993PLC022479

PROXY FORM

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

FORM NO. MGT-11

25th ANNUAL GENERAL MEETING-SEPTEMBER 28TH, 2018

Name of the member(s):	
Registered address	
E-mail Id	
Folio no/ DPID- Client Id	

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

1. Name: .....Address: .....

   Email Id: .....Signature: .....or falling him/her

2. Name: .....Address: .....

   Email Id: .....Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **25th ANNUAL GENERAL MEETING** of the company to be held at registered office **at Property No. D-100 Phase II, Hosiery Complex Noida Gautam Buddha Nagar UP 201305 on Friday, the 28th day of September, 2018, at 9.30 A.M.** or at any adjournment thereof in respect of such resolution as are indicated below

Item No.	Resolutions	For	Against
Ordinary Business			
1.	Adoption of standalone and consolidated Audited Financial Statement of the Company for the year ended 31st March, 2018 including the Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon.		
2.	Appoint a director in place of Mr. Atul Mittal (DIN: 00223366), who retires by rotation and being eligible offers himself for re-appointment.		

Signed this.....day of……..2018.

AFFIX RE. 1/- REVENUE STAMP

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

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the notice of the 25th Annual General Meeting.
3. It is optional to put an 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she think appropriate.
4. Please complete all details including detail of member(s) in above box before submission.

SAMTEX FASHIONS LIMITED

Regd. Office: Property No. D-100, Phase II, Hosiery Complex,
Gautam Buddha Nagar, Noida - 201305 (U.P.) Tel: 0120- 4209800, 4209900
Website: www.samtexfashions.com; Email : samtex.compliance@gmail.com
CIN: L17112UP1993PLC022479

ATTENDANCE SLIP

Folio No. /DP ID/Client ID :.....

Name & Address :.....

.....

Name(s) of joint holder(s),if any :.....

No. of shares held:.....

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the Twenty Fifth Annual General Meeting of the Company on **Friday, the 28th day of September, 2018, at Property No. D-100, Phase II, Hosiery Complex, Noida, Gautam Buddha Nagar-201305 (U.P.)**

....

Full name of proxy (in case of proxy) Signature of first holder/proxy

.....

Signature of joint holder(s)

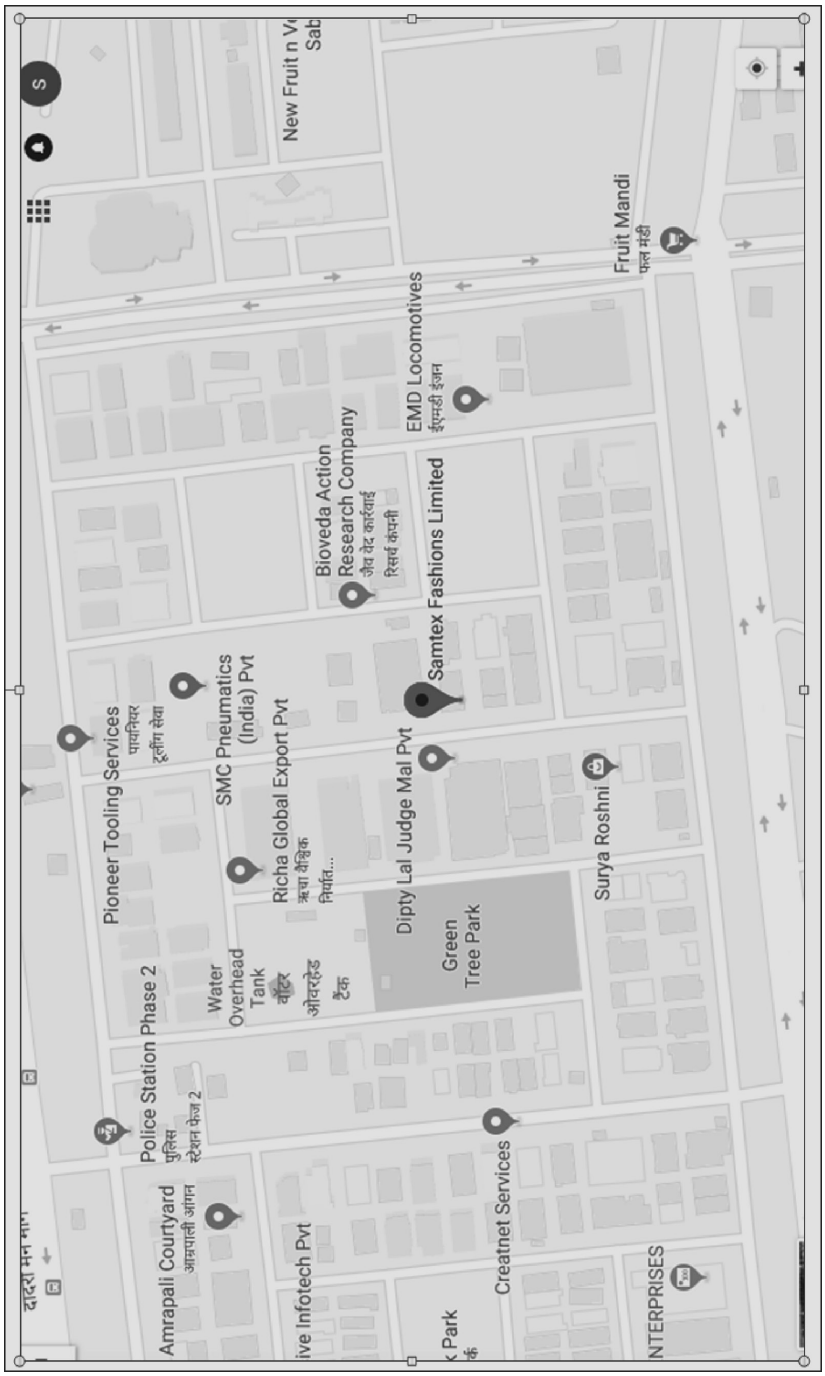
Notes:

1. Please fill and sign this attendance slip and hand it over at the venue of the meeting.
2. Only members of the Company and/or their proxy will be allowed to attend the meeting.

NOTES

NOTES

ROUTE MAP


Police Station Phase 2
पुलिस स्टेशन फेज 2
Amrapali Courtyard
आम्रपाली आंगन
Creatnet Services
Pioneer Tooling Services
पायनियर टूलींग सेवा
Water Overhead Tank
वॉटर ओवरहेड टैंक
SMC Pneumatics (India) Pvt
Richa Global Export Pvt
ऋचा वैश्विक निर्यात...
Dipty Lal Judge Mal Pvt
Green Tree Park
Surya Roshni
Bioveda Action Research Company
जैव वेद कार्रवाई रिसर्च कंपनी
Samtex Fashions Limited
EMD Locomotives
ईएमडी ईंजन
Fruit Mandi
फल मंडी
New Fruit n Ve
Sab
ive Infotech Pvt
NTERPRISES

Book Post/Registered/Courier

If undelivered, please return to :

SAMTEX FASHIONS LIMITED
Corporate Office: Unit No. 137, DLF Prime Tower,
F-Block, Okhla, Phase-I, New Delhi -110020

First Impression 9811224048