



15th ANNUAL REPORT
2008-2009

SAM INDUSTRIES LIMITED

BOARD OF DIRECTORS

Mr. Om Agrawal, Chairman
Mr. Ashutosh Maheshwari, Vice Chairman
Mr. Anil Maloo, Executive Director
Mr. Brij Kishore Jalan, Director
Mr. Santosh Muchhal, Director
Mr. Bhanu Prakash Inani, Director
Mr. Ashish Dave, Director

COMPANY SECRETARY

Mr. Navin S. Patwa

AUDITORS

M/s. M. Mehta & Company,
Chartered Accountants
Indore-452001

BANKER

State Bank of Indore

REGISTRAR & TRANSFER AGENT

M/s. Ankit Consultancy Pvt. Ltd.,
2nd Floor, Alankar Point,
Geeta Bhawan Square,
A. B. Road,
Indore 452001

REGISTERED OFFICE

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

Website : www.sam-industries.com

E-mail : secretarial@sam-industries.com

SAM INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of Sam Industries Limited, will be held on Wednesday, the 30th day of September, 2009 at 2:00 P. M., at the Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai 400 020 to transact the following business: -

1. To receive, consider and adopt the Balance Sheet as at 31st March 2009 and the Profit & Loss Account of the Company for the year ended on that date, and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Santosh Muchhal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Brij Kishore Jalan, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s M. Mehta & Company, Chartered Accountants, Indore as Auditors of the Company and to fix their remuneration.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THIS MEETING.
2. The Register of Members and Share Transfer Register of the Company will remain close from Wednesday, 23rd day of September 2009 to Wednesday, 30th September 2009 (both days inclusive).
3. Shareholders desiring any information as regards the accounts are requested to write to the Company at least 10 days before the annual General Meeting to enable the Management to keep the information ready.
4. Members are requested to kindly bring their copies of the Annual Report at the Annual General Meeting.
5. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
6. All documents relevant to the business to be transacted at this meeting will be available for inspection at the Registered Office of the Company during office hours on all the working days prior to the Annual General Meeting.

**Indore,
The 21st day of August 2009**

By Order of the Board

**Navin S. Patwa
Company Secretary**

SAM INDUSTRIES LIMITED

Details of Directors seeking appointment /re appointment at the forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Santosh Muchhal	Mr. Brij Kishore Jalan
Date of Birth	31st March 1964	13th June 1959
Date of Appointment	1st December 2004	1st December 2004
Expertise in specific functional area	Accounts & Taxation	Commercial
Qualification	Chartered Accountants	Commerce Graduate
List of outside Directorship held	Madhy Pradesh Stock Exchange Limited	Gaurang Arc Electrodes Pvt Ltd Sam Fab Limited
Chairman / Member of the Committee of the Board of Directors of the Company	Audit Committee Chairman & Remuneration Committee Chairman	Audit Committee- Member, Shareholders/Investors Grievances committee Member

**Indore,
The 21st day of August 2009**

By Order of the Board

**Navin S. Patwa
Company Secretary**

SAM INDUSTRIES LIMITED

REPORT OF THE BOARD OF DIRECTORS

To the Members,

Your Directors have pleasure in presenting the 15th Annual Report of the Company along with the Audited Accounts for the year ended 31st March 2009:

(Rs. in Lacs)

FINANCIAL RESULTS

Particulars	2008-2009	2007-2008
Sales & Other Income	4872.06	2284.77
Total Expenditure	4356.68	1718.19
Profit (loss) before depreciation, and tax	515.38	566.58
Less: Depreciation	160.02	151.62
Provision for Taxation	135.00	59.59
Deferred Tax Liability / (Assets)	7.30	7.14
Prior year adjustment	7.18	8.11
Fringe Benefit Tax	0.98	1.28
Profit (Loss) after depreciation & tax	204.90	338.81
Less: Provision for Diminution in the Value of Investment	29.82	(18.65)
Profit for the year	175.08	357.46
Add: Balance brought forward	31.29	238.06
Total Profit available for appropriation	206.37	595.52
Proposed Dividend on Preference Shares	47.25	66.15
Tax on Proposed Dividend on Preference Shares	8.03	11.24
Transfer To Redemption Reserve	105.00	210.00
Balance Carried Forward to Balance Sheet	46.08	308.13

DIVIDEND

The Board of Directors decided to declare Dividend on 9% Cumulative Preference Shares for the year ended 31st March 2009 and to conserve the resources of the Company and to maintain the liquidity, has decided not to Declare dividend on Equity shares for the year ended 31st March 2009.

PERFORMANCE

Company's Overall Performance

During the year under review, your Company has received income from operations amounting to Rs. 4872.06 Lacs as compared to Rs. 2284.77 Lacs. Your Company has earned a profit after tax of Rs. 204.90 Lacs as compared to Rs. 338.81 Lacs in the previous year.

Segment wise Performance

Soya Division

Your Company is proud to inform you that it has completed 10 years of association with ITC Limited (IBD Division). We have, like in the earlier years, once again received from them two letter of appreciation, copies of which is enclosed in the balance sheet. Your Company has crushed 28,000 Thousand M. T. Soya seed in the current year, as against 1,28,000 Lacs M. T. in the previous year. In Spite of good crops this year, the international recession and increase of prices of soya seed, have adversely affected the soya seed crushing in the current year.

Welding Division

During the year under review, the revenue of your Company's Welding Division was Rs. 890.90 Lacs as against Rs. 800.08 lacs in the previous year. Its higher profit of Rs. 410.21 Lacs during this period, against Rs. 403.43 lacs during the previous year, is also partially due to higher production output and efficiency which has not only lowered its unit production cost, but has also made it to earn additional incentive.

SAM INDUSTRIES LIMITED

Real Estate Division

Your company is developing 7.68 Lacs sq. ft. land as residential colony in Dewas city, near Indore, which is likely to be nearly completion stage. The distance of Dewas from Indore city, which is commercial capital of the state of Madhya Pradesh, is only 32 K.M. and is well connected by National Highway. The colony being developed is in the heart of Dewas and at a walking distance from the railway station. The Company has started selling of the plots. In view of the robust Real Estate scenario in the country, the Company expects to generate good revenues and profits. .

Investment Division

As per segment reporting requirements, your company has identified a segment ie. Investment division and all the activities relating to investment in shares and loans etc. are now carried in its investment division. During the year, your company has earned income of Rs. 40.18 Lacs from Investment activity.

REDEMPTION OF PREFERENCE SHARES

Your Company has made provision for redemption of 1,05,000, 9% cumulative Redeemable Preference Shares of Rs.100/- each during the financial year 2008-09.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Outlook

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

- **Soya Extraction and Oil Refining Scenario :**

As per approximate estimate, there is a record sowing of soybean seed this year. Timely and adequate monsoon and favorable climatic conditions are likely to ensure a record soy crop also in coming soy season.

- **Welding Industry Scenario :**

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

- **Real Estate :**

The Real Estate scenario is very encouraging in city area of Indore and Dewas and your company has proposed in the heart of the city. The increasing population and residential housing projects are rapidly dotting on the highway connecting Indore and Dewas.

Internal Control System

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

FIXED DEPOSIT

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

SAM INDUSTRIES LIMITED

DIRECTORS

In accordance with Section 256 of the Companies Act, 1956, Mr. Santosh Muchhal and Mr. Brij Kishore Jalan will retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS

Messrs M. Mehta & Company, Chartered Accountants, Indore, will retire at the conclusion of the ensuing Annual General Meeting. The Board proposed their re-appointment as Statutory Auditor to audit the accounts of the Company for the financial year 2009-10. You are requested to consider their re-appointment.

AUDITORS REPORT

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

CORPORATE GOVERNANCE

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- (i) in the preparation of Annual Accounts, the applicable accounting standards have been followed;
- (ii) the Directors have selected such accounting policies as mentioned in Schedule 25 of the Annual Accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the aforesaid Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on the going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE AND OUTGO

Information in accordance with the provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in annexure `A` forming part of this report. The energy conservation measures implemented during the year include installation of fan-less cooling towers, energy efficient pumps.

PARTICULARS OF EMPLOYEES

The particulars prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 are not applicable in the case of any of the employees of the Company.

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

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

Indore,
The 21st day of August 2009

For and on behalf of the Board of Directors

Om Agrawal
Chairman

SAM INDUSTRIES LIMITED

ANNEXURE "A"

PARTICULARS	(Amount in Rupees)	
	2008-2009	2007-2008
FORM - A FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY		
A. POWER AND FUEL CONSUMPTION		
Electricity		
(a) Purchased Unit	2,683,091	6,511,594
Total Amount	17,582,890	30,737,598
Rate /Unit	6.55	4.72
(b) Own Generation		
I) Through Diesel Generator		
Units	5,900	246,610
Units Per Ltr.	3.20	3.20
Cost /Unit (Rs.)	11.71	10.64
ii) Through Steam Turbine		
Units	Nil	Nil
Units Per Ltr. of fuel oil	Nil	Nil
Cost /Unit	Nil	Nil
Coal		
Qty (M.T.)	2,644	11,872
Total Amount (Rs.)	11,535,446	44,559,278
Average Rate (Rs./M.T.)	4,363	3,753
Furnace Oil		
Qty (M.T.)	Nil	Nil
Total Amount	Nil	Nil
Average Rate (Rs./Ltr.)	Nil	Nil
B. CONSUMPTION PER UNIT OF PRODUCTION		
Products (Seed & Electrodes)	2008-09	2007-08
Electricity (Unit / M.T.)	95.68	49.68
Furnace Oil (Ltr./ M.T.)	Nil	Nil
Coal (Kg./M.T.)	94.08	87.27
II. RESEARCH AND DEVELOPMENT		
The Company Manufactures standard product for which technology has already been established and therefore, no further research is being carried out.		
III. TECHNOLOGY & ABSORPTION		
The Company has adopted indigenous technology for crushing of soyabean seed and other oil seeds. No foreign technology has been imported by the Company.		
2008-09		
2007-08		
IV. FOREIGN EXCHANGE EARNING AND OUT GO		
Foreign exchange used (Rs.)	-	-
Foreign exchange earned (Rs.)	938,385	1,144,598



ITC Limited
AGRI BUSINESS DIVISION
Plot No. 8, Ranjeet Towers,
3rd Floor, Zone-II, M.P. Nagar,
Bhopal - 462011 (India)
Telephone : 4018066
Fax : (0755) 2763081

TO WHOM SO EVER IT MAY CONCERN

Date: 2nd September 2009

This is to certify that we have processed our Soya seed on job- work basis, at the Plant of M/s Sam Industries Limited at Village: Dakachya- 453771, Tehsil: Sanwer, A. B. Road, Indore (M.P.) during the financial year from 1st April 2008 to 30th September 2008.

The total quantity of seed processed during the period was **7048.843 M.T.**
(Seven Thousand Forty Eight Metric Tones and 843 Kilograms only).

We further certify that we are satisfied with all the input, output and yield ratios in respect of the seeds crushed at the solvent plant of M/s. Sam Industries Limited at Village: Dakachya -453771 Tehsil: Sanwer, A. B. Road, Indore (M.P.) The output of DOC, Crude Oil and Refined Oil was in the required quality and the right quantity as per our job work agreement.

The Company has extended full co-operation in the jobs with honesty and integrity.

For ITC Limited (Agri Business Division)

Pankaj

ABD

Registered Office : ITC Limited, Virginia House 37, J.L. Nehru Road, Kolkata - 700 071 India
CIGARETTES & TOBACCO • HOTELS • INFORMATION TECHNOLOGY • PACKAGING • PAPER & PAPERBOARDS • AGRI-EXPORTS • LIFESTYLE RETAILING

Visit us at www.itcportal.com



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Bhopal - 462011 (India)
Telephone : 4018066
Fax : (0755) 2763081

WHOMESOEVER IT MAY CONSERN

Date: 2nd September 2009

This is to certify that we have sold Soya seed and in turn purchased DOC and Soya Crude Oil for refining the Soya Oil from the plant of M/s Sam Industries Ltd., at Village Dakachya, Tehsil: Sanwer, A. B. Road, District Indore (M.P.) 453 771, during the financial year 2008-9 from 1st October 2008 to 31st March 2009.

The total quantity of the Soya seed sold during this period was 21,054.350 M.T. (twenty one thousand fifty four MT and 350 kilograms).

We further certify that all purchases of DOC, Soya Crude Oil for Refining were in the required quality and the right quantity from M/s Sam Industries Ltd., at Village Dakachya, Tehsil: Sanwer, A.B. Road, District Indore (M.P.) 453 771.

The company has extended full co-operation with honesty and integrity.

The company is enjoying healthy business association with M/s Sam Industries Ltd., consecutively for the 10th financial year.

For ITC Limited (Agri Business Divison)

Pankaj

ABD

Registered Office : ITC Limited, Virginia House 37, J.L. Nehru Road, Kolkata - 700 071 India
CIGARETTES & TOBACCO • HOTELS • INFORMATION TECHNOLOGY • PACKAGING • PAPER & PAPERBOARDS • AGRI-EXPORTS • LIFESTYLE RETAILING

SAM INDUSTRIES LIMITED

ANNEXURE TO THE DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy

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

II. Board of Directors

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

The Board of Directors of company has a mix of Executive and Non Executive Directors. The Chairman of the Board of your Company is a non-executive director. The Board of Directors of the Company consists of 7 Directors, of which 4 are non-executive as on 31st March 2009. During the year, 6 Meetings of the Board of Directors of the Company were held on 30.04.2008, 05.06.2008, 31.07.2008, 23.08.2008, 31.10.2008, and 30.01.2009. The maximum interval between any two meetings was 90 days.

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

Name of Director	Category	No. of Board Meetings Attended	Attendance in last AGM	No. of other Directorship	Committee Membership	
					Chairman	Member
Mr. Om Agrawal	Independent Non-Executive	6	No	1	-	2
Mr. Ashutosh A. Maheshwari	Promoter Non - Executive	6	No	9	-	-
Mr. Anil Maloo	Whole Time Director	6	Yes	2	1	1
Mr. Santosh Muchhal	Independent	6	Yes	1	1	1
Mr. Brij Kishore Jalan	Whole Time Director	6	No	2	-	1
Mr. Bhanu Prakash Inani	Independent	6	No	2	1	1
Mr. Ashish Dave	Whole Time Director	5	No	-	-	-

II Audit Committee

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

Your Company has an Audit Committee consisting of three Independent Directors as its members, and the Audit Committee Meetings were held on 30.04.2008, 31.07.2008, 23.08.2008, 31.10.2008, and 30.01.2009.

SAM INDUSTRIES LIMITED

The details of the meetings held and attended are as given below:

Name of Director	Meetings held	No. of Meetings attended
Mr. Anil Maloo	5	5
Mr. Bhanu Prakash Inani	5	5
Mr. Santosh Muchhal	5	5

IV. Remuneration Committee

The Remuneration Committee has approved the terms of remuneration of the Whole Time Directors. No meeting of the members of the Remuneration Committee was held in the year 2008-2009. The composition of the remuneration committee is as follows:

Mr. Om Agrawal, Mr. Santosh Muchhal and Mr. Bhanu Prakash Inani .

During the year under review, the Remuneration paid to the whole time Directors of the Company are as follows:

(Amount in Rs.)

Name of Director	Remuneration
MR. ANIL MALOO	5,42,400/-
MR. BRIJ KISHORE JALAN	2,13,600/-
MR. ASHISH DAVE	3,00,000/-
Total	10,56,000/-

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

V Shareholders and Investor's Grievance Committee

The Board has constituted the shareholders and Investors Grievance Committee to look into the redress of investors' complaints. There were no complaints pending for reply as on 31st March 2009 and no share transfers pending for registration as on the said date. The Committee had met on the 23rd day of August 2008, during the year 2008-2009.

VI General Body Meetings

The details of Annual General Meetings held in last 3 years are as under:

Year	Venue	Date	Time
2005-2006	Commercial Premises No. 27, Mahesh Shopping Centre, 1st, Floor, Sector 15, CBD Belapur, Navi Mumbai 400614 Maharashtra	30.09.2006	2.00 P.M.
2006-2007	Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai 400020	28.09.2007	2.00 P.M.
2007-2008	Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai 400020	30.09.2008	2.00 P.M.

SAM INDUSTRIES LIMITED

The details of Extra Ordinary General Meetings held in last 3 years are as under:

Year	Venue	Date	Time
2005-2006	Village: Dakachya - 453771, A. B. Road, Tehsil Sanwer, District Indore M. P.	20.06.2005	2.00 P. M
2006-2007	Village: Dakachya - 453771, A. B. Road, Tehsil Sanwer, District Indore - M. P.	10.04.2006	11.00 A.M.
2007-2008	Commercial Premises No. 27, Mahesh Shopping Centre , 1st, Floor, Sector 15, CBD Belapur, Navi Mumbai 400614	05.05.2007	11.00 A.M.

The shareholders passed all the resolutions including the special resolutions set out in the respective notices. No Postal Ballots were used for voting at these meetings.

VII Disclosure

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

VIII Means of Communication

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

IX General Shareholders Information

Annual General Meeting

Date : 30.09.2009

Day : Wednesday

Time : 2.00 P.M.

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

Date of Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 23rd September 2009 to Wednesday 30th September 2009 (both days inclusive).

Financial Calendar 2009-2010

1	First Quarter Results	July 2009
2	Second Quarter & Half Yearly Results	October 2009
3	Third Quarter Results	January 2010
4	Fourth Quarter Results	April 2010
5	Annual Report	August 2010

SAM INDUSTRIES LIMITED

Listing of Securities

Name of the Stock Exchanges

Madhya Pradesh Stock Exchange, 201, Palika Plaza M.T.H. Compound Indore - 452001.	The Stock Exchange Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code 532005
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Delisting from Madhya Pradesh Stock Exchange at Indore is in advanced stage and the approval is expected shortly. Your Company confirms that it has paid annual listing fees to the Stock Exchanges Mumbai for the year 2009-10 and as such there are no arrears.

Market Price Data

High/ low of market price of the Company's equity shares traded on BSE during the last financial year was as follows.

Month	Quotation at Mumbai Stock Exchange	
	High (Rs.)	Low (Rs.)
April, 2008	17.00	14.55
May, 2008	19.70	16.00
June, 2008	17.80	15.45
July, 2008	16.80	13.30
August, 2008	16.20	13.45
September, 2008	14.71	12.69
October, 2008	12.06	7.75
November, 2008	9.03	8.27
December, 2008	15.78	8.98
January, 2009	19.10	16.55
February, 2009	18.15	11.75
March, 2009	12.00	6.73

Registrar & Transfer Agent

As per the directives of SEBI, the Company has appointed M/s. Ankit Consultancy Pvt. Ltd., 2nd Floor, Alankar Point, Geeta Bhawan Square, A. B. Road, Indore 452001 as its Registrar and Share Transfer Agent and all the Share transfer and the relating queries may please be forwarded to the Share Transfer Agent directly at their address.

Share Transfer Systems

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

SAM INDUSTRIES LIMITED

Distribution of Shareholding

Distribution of Shareholding as on 31st March 2009 is as under:

Shareholding of Nominal Value of Rs.	No. of Shareholders	% of Shareholders	No. of Ordinary Shares	% of share holding
Up to 1000	93	10.76	4864	0.04
1001 2000	50	5.79	9137	0.08
2001 3000	25	2.89	7149	0.06
3001 4000	216	25.00	86145	0.78
4001 5000	123	14.24	61295	0.55
5001 10000	191	22.11	177613	1.60
10001 20000	60	6.94	94068	0.85
20001 30000	33	3.82	79666	0.72
30001 40000	10	1.16	35936	0.32
40001 50000	12	1.39	52930	0.48
50001 100000	18	2.08	143813	1.30
100001 & above	33	3.82	10335854	93.21
Total	864	100.00	11088470	100.00

The Shareholding Pattern as on 31st March 2009 is given below:

S.No	Category	No. of Shares held	% Shareholding
1	Promoter	73,68,120	66.45
2	Government Company	59,000	00.53
3	Private Corporate Bodies	27,28,514	24.61
4	Indian public	9,32,836	8.41
	Total	1,10,88,470	100.00

Dematerialization of Shares and Liquidity

As on 31st March 2009, 70.77% of the Company's total equity shares representing 78,47,195 shares were held in dematerialized form and the balance 29.33% representing 32,41,275 were in physical form.

Plant Location

Your Company's plants are located at Village: Dakachya-453771, A. B. Road, Tehsi I: Sanwer, District: Indore. M. P. India

Address for Correspondence

The Shareholders may address their communications to.

Mr. Navin S. Patwa,
Company Secretary & Compliance Officer,
Sam Industries Limited,
102-A, Kanchan Sagar,
18/1, Old Palasia, A. B. Road,
Indore 452001
Email: secretarial@sam-industries.com
Company's Website: www.sam-industries.com

SAM INDUSTRIES LIMITED

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Sam Industries Limited

We have examined the compliance of corporate governance by Sam Industries Ltd, Mumbai for the year ended on 31st March 2009, as stipulated in clause 49 of the Listing agreement of the said company with stock exchanges.

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

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

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 M. Mehta and company
Chartered Accountants

Place: Indore

Date: The 21st day of August, 2009

(P. R. Bandi)
(Partner)
M.No.16402

SAM INDUSTRIES LIMITED

THE AUDITORS REPORT

To
The Members of Sam Industries Ltd

We have audited the attached Balance Sheet of Sam Industries Limited as at 31st March 2009, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

Further to our comments in the Annexure referred to in paragraph 3 above, we report that :

- 1) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- 2) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books.
- 3) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- 4) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report subject to notes on accounts at Schedule 25, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- 5) on the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
- 6) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For M. Mehta and company
Chartered Accountants

Place: Indore

Date: The 21st day of August, 2009

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(P. R. Bandi)
(Partner)
M.No.16402

SAM INDUSTRIES LIMITED

ANNEXURE TO THE AUDITOR'S REPORT

Annexure Referred to in paragraph 1 of our Audit report of even date on the accounts for the year ended 31st March 2009 of Sam Industries Limited

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

1. (a) In respect of fixed assets; the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) These Fixed Assets have been physically verified by the management, in accordance with the programme of verification adopted by the company. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
(c) During the year, in our opinion, no substantial part of fixed assets has been disposed off by the company.
2. (a) As explained to us, the inventory of the Company has been physically verified during the year by the management. In our opinion the frequency of the verification is reasonable.
(b) According to the information and explanation given to us, in our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation of the size of the Company and the nature of its business.
(c) In our opinion and information and explanation given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and book records.
3. (a) The Company has granted unsecured loans to one Company covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved in the year was Rs.10,23,721/- (Rs.10,23,721/-) and the year-end balance was Rs. NIL(Rs. 10,23,721/-)
(b) As per information & explanation given to us, no interest has been charged on the Loans given to company covered in the Register maintained under Section 301 of the Companies Act, 1956.
(c) In respect of loans granted, there are no stipulations with regard to repayment of principal amounts. These loans are repayable on demand. Hence we are unable to comment on the overdue status of such loans.
(d) The Company has taken unsecured loans, from one of the directors. The outstanding year end balance was Rs. 49,00,000 and the maximum outstanding balance during the year is Rs. 51,63,842/-.
(e) In our opinion, the terms of this loan is prima facie not prejudicial to the interest of the company and is free of interest.
(f) The loan taken from the aforesaid party covered in the register u/s 301 of the companies Act is repayable on demand.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements or transactions referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under Section 301 of the companies Act, 1956.
(b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the companies Act, 1956 have been made at prices which are prima facie reasonable, having regard to prevailing market prices at the relevant time where such market prices are available.

SAM INDUSTRIES LIMITED

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from public in contravention with the provisions of Section 58-A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of any deposits.
7. The Company has an Internal Audit System, which in our opinion is adequate and commensurate with the size of the Company and nature of its business.
8. The Central Government has prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act 1956 in respect of refining activities of the Company. We are informed that such accounts and records have been maintained. However, we have not made a detailed examination of such accounts and records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanations given to us, the Company is generally regular in depositing provident fund and employees state insurance with appropriate authorities during the year.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of income-tax, sales tax, wealth-tax, service-tax customs duty, excise duty, cess as on 31.3.2009 were outstanding for a period of more than six months from the date they became payable except Commercial Tax amounting to Rs. 30,870/- and land diversion tax of Rs.6,32,334/-
- (c) As on 31st March 2009, According to the records of the company and the information and explanations given to us, the following are the particulars of dues on account of Income tax, Excise Duty, Cess, Sales Tax Service Tax Custom duty and wealth Tax matters that have not been deposited on account of any dispute:

Sr. No.	Name of the Statute	Nature of Dues Disputed	Amount (Rs. In lacs)	Forum where pending
1	M.P. Commercial tax Act, 1944	Sales Tax Demand	6.89	Deputy Commissioner Appeal
2	M.P. Entry Tax Act	Entry Tax Demand	0.96	Deputy Commissioner Appeal

10. The Company has made cash profit during the financial year covered by our audit and also in the immediately preceding financial year. The company has no accumulated losses at the end of the financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks during the year.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the other provisions of clause 4 (xii) of the companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions during the year, the terms and conditions whereof are prejudicial to the interest of the Company.

SAM INDUSTRIES LIMITED

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

For M. Mehta and company
Chartered Accountants

Place: Indore

Date: The 21st day of August, 2009

(P. R. Bandi)
(Partner)
M.No.16402

SAM INDUSTRIES LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2009

PARTICULARS	Schedule	(Amount in Rupees)	
		Current Year	Previous Year
I. SOURCES OF FUNDS			
(1) Shareholders' Fund			
(a) Share Capital	1	164,498,200	185,498,200
(b) Reserves & Surplus	2	123,360,223	111,070,930
(2) Loan Funds			
(a) Secured Loans	3	17,117,401	24,079,193
(b) Unsecured Loans	4	5,238,478	7,163,842
(3) Deffered Tax Liability		35,821,291	35,091,340
Total		346,035,593	362,903,505
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
Gross Block	5	356,155,582	358,992,132
Less: Depreciation		145,764,610	130,421,599
Net Block		210,390,972	228,570,533
Add : Capital Work in Progress		669,851	2,911,955
Total		211,060,823	231,482,488
(2) INVESTMENT	6	10,614,116	12,250,830
(3) CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	7	69,275,994	61,884,330
(b) Sundry Debtors	8	23,917,057	19,647,400
(c) Cash And Bank Balances	9	877,508	6,853,350
(d) Loans And Advances	10	109,167,355	115,207,142
Total (A)		203,237,914	203,592,221
Less: Current Liabilities & Provision			
(a) Current Liabilities	11	50,714,249	66,331,279
(b) Provisions		28,215,953	18,196,640
Total (B)		78,930,202	84,527,919
Net Current Assets (A-B)		124,307,712	119,064,302
(4) MISCELLANEOUS EXPENDITURE	12	52,942	105,885
Total		346,035,593	362,903,505

Notes On Accounts

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SCHEDULE "1" TO "12" AND "25" FORMS AN INTEGRAL PART OF THIS BALANCE SHEET
AS PER OUR REPORT OF EVEN DATE ATTACHED

For M/s. M. Mehta & Company
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Om Agrawal, Chairman
Anil Maloo, Executive Director
Brij Kishore Jalan, Director
Ashish Dave, Director

(P.R. Bandi)

Partner

M.No.16402

Place : Indore

Dated : 21st August 2009

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2009

PARTICULARS	Schedule	(Amount in Rupees)	
		Current Year	Previous Year
I. INCOME			
Sales	13	383,068,823	11,057,565
Processing Income	14	98,405,804	194,578,263
Other Income	15	5,731,693	22,841,909
Decreases / Increase In Stock Of Finished Goods	16	1,613,191	-156,500
Total		488,819,511	228,321,236
II. EXPENDITURE			
Raw Material Consumed	17	353,858,420	23,705,565
Cost of Sales of real estate	18	0	0
Manufacturing Expenses	19	58,359,863	118,656,067
Salaries, Wages And Benefits	20	18,715,868	18,524,689
Administrative Expenses	21	3,432,052	3,764,434
Selling Expenses	22	189,433	207,067
Other Expenses	23	273,368	2,519,582
Interest/Financial Charges	24	2,452,102	4,285,494
Total		437,281,106	171,662,897
PROFIT BEFORE DEPRECIATION & TAX		51,538,405	56,658,339
Less : Depreciation		16,002,296	15,161,907
Provision For Taxation			
(a) Income Tax		13,500,000	5,959,708
(b) Deferred Taxation \ a(Assets)		729,951	714,681
(c) Fringe Benefit Tax		98,457	128,416
PROFIT FOR THE YEAR		21,207,701	34,693,627
Less-(i) Prior Year Adjustment		718,127	811,843
(ii) Provision for Diminution in the Value of Investment		2,982,000	-1,865,000
PROFIT		17,507,574	35,746,784
Add. : Balance Brought Forward (As per Last Year)		3,128,930	23,805,998
Profit available for Appropriation	Total	20,636,505	59,552,782
III. APPROPRIATIONS			
Proposed Dividend on Preference Shares		4,725,000	6,615,000
Corporate Tax on Dividend on Preference Shares		803,014	1,124,219
Transfer To Redemption Reserve		10,500,000	21,000,000
Surplus of Profit and Loss a/c		4,608,491	30,813,563
Add: Transitional Liability of Leave Encashment up to 31.03.2008 (written back)		309,732	-669,123
		0	0
Less: Deferred Tax Liability up to 31.03.2008		0	27,015,510
Balance Carried Forward to Balance Sheet		4,918,223	3,128,930

Notes On Accounts

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SCHEDULE "13" TO "25" FORMS AN INTEGRAL PART OF THIS PROFIT & LOSS ACCOUNT AS PER OUR REPORT OF EVEN DATE ATTACHED

For M/s. M. Mehta & Company
Chartered Accountants
(P.R. Bandi)

Partner

M.No.16402

Place : Indore

Dated : 21st August 2009

FOR AND ON BEHALF OF THE BOARD

Om Agrawal, Chairman

Anil Maloo, Executive Director

Brij Kishore Jalan, Director

Ashish Dave, Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

Cash Flow Statement for the Year ended on 31st March, 2009

(Rupees in Lacs)

PARTICULARS	31.3.2009	31.3.2008
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax		
Adjustments for :	355.36	414.96
Depreciation	160.02	151.62
(Profit)/Loss on sale of Assets/Discarded Assets written off	-0.41	12.02
(Profit)/Loss on sale of other investments	-1.45	-149.30
Interest and income from current investment	-51.95	-73.88
Income from other investments	-1.07	-2.15
Provision for leave encashment	1.46	1.23
Prior Period Expenses	(7.18)	(8.12)
Interest charged to profit and Loss Account	24.52	42.85
Deferred Revenue Expenditure	0.53	1.45
Operating Profit before Working Capital Changes	479.83	390.70
Adjustments for :		
Trade and other receivable	183.23	139.93
Inventories	(73.92)	-35.81
Trade Payable & other liabilities	(156.50)	33.62
Cash Generated from Operations	432.64	528.44
Less : Fringe benefit Taxes Paid	0.66	1.05
Less : Direct Taxes Paid	165.52	178.65
Net Cash Flow from Operating Activities	266.45	348.74
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and WIP	-52.32	-125.47
Sales of Fixed assets	96.93	7.96
Purchase of investments	(14.86)	-128.11
Sales of investments	1.41	184.59
Inter - Corporate deposits	53.40	223.18
Interest and income from current investments received	1.07	2.15
Dividend received	85.62	164.29
Net Cash flow from investing activities		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of preference shares	(210.00)	(105.00)
Proceeds from borrowings		
Repayment of borrowings	(69.62)	(68.61)
Unsecured Loans	(19.25)	-147.76
Dividends paid	(88.45)	(88.44)
Interest Paid	(24.52)	(42.85)
Net Cash from financing activities	(411.84)	(452.66)
Net increase/Decrease in Cash/Cash equivalents (A+B+C)	-59.76	60.37
Cash /Cash Equivalents as closing of year	8.78	68.53
Cash /Cash Equivalents as opening of year	68.53	8.16

For M/s. M. Mehta & Company
Chartered Accountants

(P.R. Bandi)

Partner

M.No.16402

Place : Indore

Dated : 21st August 2009

FOR AND ON BEHALF OF THE BOARD

Om Agrawal, Chairman

Anil Maloo, Executive Director

Brij Kishore Jalan, Director

Ashish Dave Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	Current Year	Previous Year
SCHEDULE - "1"		
SHARE CAPITAL		
Authorized Capital		
1,15,00,000 Equity shares of Rs.10/- each	115,000,000	115,000,000
10,50,000 9% Cumulative Redeemable Preference Shares of Rs. 100/- each	105,000,000	105,000,000
Total	220,000,000	220,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
1,10,88,470 Equity Shares of Rs. 10/- each fully paid up (Out of this 63,88,000 Equity Shares held by Sam Exim Limited - Holding Co.)	110,884,700	110,884,700
9% Cumulative Redeemable Preference Shares are redeemable 1/10 annually starting from F.Y. 2004-05	52,500,000	73,500,000
Add : Forfeited Shares originally paid up	1,113,500	1,113,500
Total	164,498,200	185,498,200
SCHEDULE - "2"		
RESERVES & SURPLUS		
Share Premium Account		
Balance as per Last Balance Sheet	55,442,000	55,442,000
Capital Redemption Reserve A/C		
Opening Balance as per Last Balance Sheet	52,500,000	31,500,000
Add : Transfer during the year	10,500,000	21,000,000
Total	63,000,000	52,500,000
Surplus of Profit and Loss A/C	4,918,223	3,128,930
Total	123,360,222.51	111,070,930.13
SCHEDULE - "3"		
SECURED LOAN		
(I) From State Bank of Indore		
(a) Term Loan (Secured by way of charge on fixed assets)	7,000,000	15,750,000
(b) Cash credit Loan (Secured agst. hypothecation of stocks and book debts)	10,117,401	8,329,193
Total	17,117,401	24,079,193
SCHEDULE - "4"		
UNSECURED LOAN		
From Directors	4,900,000	5,163,842
From Body Corporate	338,478	2,000,000
Total	5,238,478	7,163,842

SAM INDUSTRIES LIMITED

FIXED ASSETS

SCHEDULE '5'

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	OPENING BALANCE 01.04.08	ADDITIONS DURING THE YEAR	DEDUCTION	TOTAL AS ON 31.3.2009	OPENING BALANCE 01.04.08	ADDITIONS DURING THE YEAR	WRITTEN OFF DURING THE YEAR	TOTAL AS ON 31.3.2009	AS ON 31.3.2008	AS ON 31.3.2009
Boiler	18,209,039	2,175,329	0	20,384,368	5,971,699	999,572	0	6,971,272	12,237,340	13,413,096
Plant & Machinery	190,442,998	401,865	5,299,793	185,545,070	84,187,481	10,070,455	641,006	93,616,929	106,255,517	91,928,140
Other Buildings	57,494,591	0	0	57,494,591	10,243,484	937,162	0	11,180,646	47,251,107	46,313,945
Computer	1,727,041	1,104,223	45,500	2,785,764	1,060,907	344,347	16,451	1,388,803	666,133	1,396,961
D.G.Set	8,861,477	0	0	8,861,477	5,089,640	467,886	0	5,557,526	3,771,837	3,303,951
Effluent Treatment Plant	572,775	0	0	572,775	248,027	30,243	0	278,270	324,748	294,505
Electric Installation	19,568,942	81,435	0	19,650,377	8,388,740	1,034,983	0	9,423,723	11,180,202	10,226,655
Factory Building	39,270,390	1,380,295	0	40,650,684	10,361,800	1,334,659	0	11,696,459	28,908,590	28,954,225
Factory Equipment	282,650	0	0	282,650	121,223	13,426	0	134,649	161,427	148,001
Fire Fighting Equipment	345,901	0	0	345,901	95,972	16,430	0	112,402	249,929	233,499
Furniture & Fixture	2,352,903	150,027	24,200	2,478,730	457,230	157,899	1,828	613,301	1,895,673	1,865,429
Laboratory Equipment	2,636,820	0	0	2,636,820	995,125	125,249	0	1,120,374	1,641,695	1,516,446
Land & Site Development	10,474,820	1,763,761	4,941,603	7,296,978	0	0	0	0	10,474,820	7,296,978
Office Equipment	1,035,256	3,290	0	1,038,546	364,326	49,273	0	413,600	670,929	624,946
Tools & Tackles	213,098	0	0	213,098	52,824	10,122	0	62,947	160,274	150,151
Vehicles	2,173,444	414,320	0	2,587,764	838,496	234,766	0	1,073,263	1,334,948	1,514,501
Weight Bridge Equipment	3,329,988	0	0	3,329,988	1,944,623	175,823	0	2,120,446	1,385,365	1,209,542
Total	358,992,133	7,474,545	10,311,096	356,155,582	130,421,599	16,002,296	659,285	145,764,610	228,570,533	210,390,972
Previous Year	350,536,332	11,380,800	2,925,000	358,992,133	116,186,332	15,161,907	926,640	130,421,599		228,570,534

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	No. of Shares	(Amount in Rupees)	
		Current Year	Previous Year
SCHEDULE - "6"			
INVESTMENT			
In Quoted Shares (Long Term at Cost)*			
ABHISHEK INDUSTRIES LTD.	1,000	23,606	23,606
ALOK INDUSTRIES LTD.	5,000	315,565	315,565
ANDHRA SUGAR LTD.	2,500	180,940	0
ANG AUTO LTD.	200	65,392	65,392
ARVIND REMEDIES LTD.	25,000	51,060	51,060
BATA INDIA LTD.	250	21,817	0
B. F. UTILITIES LTD.	50	162,491	162,491
BGR ENERGY SYSTEMS	500	73,266	0
BHARAT FORGE LTD.	50	14,449	14,449
BHARAT HEAVY ELE.LTD.	220	279,779	279,779
BOMBAY DYEING	50	40,386	40,386
BOMBAY RAYON	250	23,561	0
CAIRN INDIA LTD	5	686	686
CENTURY TEXTILES	50	36,756	36,756
CIPLA LTD	521	126,107	126,107
DENA BANK	5,000	150,508	150,508
DEVELOPMENT CREDIT BOARD	5,000	101,228	0
EDELWEISS CAPITAL LTD.	100	150,357	150,357
EIH ASSOCIATED LTD.	1,000	143,289	143,289
EIH LIMITED	187	18,828	18,828
EL FORGE	2,500	42,953	0
ERA CONSTRUCTION	250	22,004	22,004
EASTERN INDUSTRIES	500	5,124	0
EXIDE INDUSTRIES	250	10,715	0
GABRIEL INDIA	5,000	39,859	0
GEE LTD.	1,200	97,125	97,125
GODREJ CONSUMER PRODUCTS LTD.	5,714	695,448	607,626
GOKULDAS EXPORTS	200	67,351	67,351
GOVIND RUBBER LTD.	500	14,726	14,726
GRABAL ALOK PMS	1,000	109,305	109,305
GRINDWELL NORTON	600	98,166	98,166
GUJARAT NRE COKE	3,360	79,059	79,059
GUJRAT TELEPHONE CABLES LTD.	2,400	35,935	35,935
GWALIOR CHEMICALS	500	27,634	0
HALONIX LTD. (PHOENIX LAMP LTD.)	100	9,453	9,453
HIMATSINGKA SEIDE LTD.	100	10,361	10,361
HINDALCO	1,286	160,857	160,856

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	No. of Shares	(Amount in Rupees)	
		Current Year	Previous Year
HIND SYSTEX LTD	59,320	424,819	424,819
HINDUSTAN ZINC	200	218,877	218,877
HOGNAS INDIA LTD.	0	0	141,030
ICICI BANK	1,500	155,217	155,217
IFCI	5,000	106,235	0
IFK TECHNO	2,500	14,068	14,068
IL & FS INVESTMENT	562	52,653	52,653
INDIAN HOTEL	1,415	141,620	123,070
INFOMEDIA INDIA LTD	200	27,972	27,972
INFOTECH ENTERPRISES	300	61,845	61,845
INFO TECH LTD.	5,500	1,077,018	1,077,018
I.D.F.C.	1,750	224,673	224,673
INOX LEISURE	100	17,798	17,798
IVRCL INFRASTRUCTURE LIMITED	350	83,038	83,038
JAI CORPORATION LTD	1,200	149,150	149,150
JINDAL STEEL & POWER	125	60,223	60,223
JHUNJHUNWALA VANASPATI	500	35,801	0
JM FINANCE	500	9,472	0
KALPTARU POWER TRANSMISSION LTD.	150	147,463	147,463
KAMAT HOTELS INDIA LTD	500	110,596	110,596
KCP SUGAR	5,000	70,311	0
KOLTE PATIL DEVELOPERS	500	11,530	0
KRISHNA FILAMENT LTD.	3,145	22,985	22,985
MADHUCON PRODUCTS	50	16,629	16,629
MAHINDRA GESCO LTD.	100	40,373	40,373
MANGLORE CHEMICAL FERTILIZERS	2,500	50,081	50,081
MERCATOR LINES	625	36,160	36,160
MID DAY MULTI MEDIA	1,500	110,449	110,449
MCNALLY BHARAT.	600	88,765	88,765
MOSER BEAR	150	25,335	25,335
MRF LTD	100	166,792	0
MYSORE CEMENT LTD.	6,000	135,545	51,293
NATION PEROX	775	313,799	313,799
NESCO LTD.	200	187,733	187,733
NESTLE INDIA	10	15,072	0
NEYVELI LIGNITE LTD.	500	86,912	86,912
OIL & NATURAL GAS CORP	9	7,297	7,297
ORIENT ABRASIVES	2,500	39,813	0
PANTALOON RETAIL	165	49,506	49,506
PITTI LAMINATION LTD	500	45,014	45,014
RAJRATAN GLOBAL WIRE LTD.	5,337	717,280	717,280

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	No. of Shares	(Amount in Rupees)	
		Current Year	Previous Year
RAMA NEWS PRINT LTD.	11,000	170,662	170,662
RAYMONDS LTD.	150	70,731	70,731
RELIANCE INDUSTRIES LIMITED	100	256,113	256,113
RELIANCE POWER LTD.	480	133,472	133,472
RELIANCE PETRO LTD.	750	129,721	129,721
ROLLATINARS LTD.	500	115,656	115,656
ROLTA INDIA LTD.	1,000	81,188	81,188
RUCHI INFRA LTD.	1,000	27,236	27,236
RUCH SOYA	500	9,542	0
RURAL ELECTRIFICATION	88	9,240	9,240
SANGAM INDIA LTD.	100	8,236	8,236
SATYAM COMPUTER LTD.	100	43,954	43,954
SESA GOA LTD	500	47,547	47,547
SHREE DIGVIJAY CEMENT LTD	1,400	39,358	39,358
SIEMENS LTD.	350	272,771	272,771
SINTEX INDUSTRIES	250	31,966	0
SOUTH ASIAN PETRO	2,500	18,799	0
STATE BANK OF INDIA	146	318,575	245,435
STEEL TUBES OF INDIA LTD.	2,500	11,096	11,096
STERLITE INDUSTRIES LTD.	500	397,885	397,885
STI INDIA LTD	1,150	25,649	25,650
SUNDARAM FASTNER	3,000	227,476	227,476
SUPREAM PETROCHEM LTD.	5,000	160,711	160,711
SUTLAJ INDUSTRIES LTD.	350	100,445	100,445
SYNDICATE BANK LTD.	100	1,541	1,541
TATA STEELS LTD.	61	28,675	28,675
TATA STEEL (PREFERENCE S)	53	5,300	5,300
TORRENT CABLE LTD.	100	22,476	22,476
TRANSGENE BIXTEK LTD	200	30,444	30,444
TUBE INVESTMENT LTD	500	57,522	57,522
UNITECH	5,000	160,032	0
UNION BANK LTD.	176	4,789	4,789
VICEROY HOTELS LTD.	250	22,832	22,832
VORUN LAB. LTD.	500	60,612	60,612
WANBURY LTD	500	20,092	0
WEST COAST	250	20,263	20,263
WILLARD INDIA LTD.	15,000	233,170	233,170
WIPRO LTD.	10	20,952	20,952
ZEE TELE LTD.	500	42,328	42,328
Total		12,301,116	10,955,830
Less-Provision for Diminution in the Value of Investment		5,107,000	2,125,000
Total		7,194,116	8,830,830

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	No. of Shares	(Amount in Rupees)	
		Current Year	Previous Year
In Unquoted Shares *	15,500	620,000	620,000
Sam Hoteliers & Resorts Pvt Ltd (15,500 Equity Share Face value of Rs.10/- each)		<u>620,000</u>	<u>620,000</u>
	Total		
		7,814,116	11,575,830
In Mutual Fund	2,789	2,800,000	2,800,000
Standard Chartered Liquidity Magn.Fund Units (Market Value Rs. 3,458,882)		<u>2,800,000</u>	<u>2,800,000</u>
	Total(b)		
		10,614,116	14,375,830
	Total(a+b)		

***Note:**

- (i) Aggregate Value of Quoted Investments
 - (a) Cost Rs.12442146/-
 - (b) Market value Rs.7347146/-
- (ii) Aggregate Value of unquoted Investments
 - (a) Cost Rs.620000/-

SCHEDULE - "7"

INVENTORIES

(As Taken, Valued & Certified By The Executive Director)

Raw Materials	6,096,618	5,766,425
Finished Goods	4,050,384	2,437,193
Stores & Spares	5,141,566	5,817,336
Fuel & Packing Materials	848,277	367,923
Stock of Real Estate (Plots in hand)	53,139,149	47,495,453
	Total	
		<u>61,884,330</u>
		<u>69,275,994</u>

SCHEDULE - "8"

SUNDRY DEBTORS

(Unsecured Considered Good)

Outstanding For a Period		
Exceeding Six Months	8,451,915	1,655,072
Others	15,465,142	17,992,328
	Total	
		<u>19,647,400</u>
		<u>23,917,056</u>

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	Current Year	Previous Year
SCHEDULE - "9"		
CASH & BANK BALANCES		
Cash In Hand	354,668	312,589
Balances With Scheduled Banks		
In Current Account	338,255	6,366,029
In Deposit Account	184,585	174,732
Total	877,508	6,853,350
SCHEDULE - "10"		
LOANS AND ADVANCES		
(Unsecured Considered Good)		
(i) Loans at Interest	37,520,167	52,101,975
(ii) Advances (Recoverable In Cash Or Kind For Value To Be Received) (Rs. 8,87,358/- to Limited Companies in which Directors are interested, previous year is Rs. 15,81,361/-) Pre-Paid Expenses	1,832,809	4,260,523
(iii) Tax Deducted At Source/Interest Accrued/Exp.Adv.	58,155,622	51,022,001
(iv) Deposits with Govt Dept.	10,942,558	7,013,116
(v) Other Deposits	153,200	324,950
Total	109,167,355	115,207,141
SCHEDULE - "11"		
CURRENT LIABILITIES & PROVISIONS		
A : CURRENT LIABILITIES		
Sundry Creditors For Capital Goods	703,568	1,353,249
Sundry Creditors For Raw Materials	99,163	500,128
Other Creditors	24,357,840	32,169,583
Retention money of Contractor	212,166	212,166
Lease Security Deposit	18,000,000	18,000,000
Contractors Deposit	20,000	120,000
Other Current Liabilities	3,370,846	1,570,567
T.D.S.& Commercial Tax	1,182,778	6,028,208
Outstanding Expenses	1,697,237	5,907,782
Outstanding Balances With Banks (Due to o/s Cheques Issued but not Presented)	1,070,651	469,596
Total	50,714,249	66,331,279

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	Current Year	Previous Year
B : Provisions		
Provision for Income tax	23,165,212	9,665,211
Provision for Leave Encashment	628,330	792,210
Proposed Dividend on Preference Shares	3,780,000	6,615,000
Tax on Proposed Dividend on Preference Shares	642,411	1,124,219
	28,215,953	18,196,640
	78,930,202	84,527,919
SCHEDULE - "12"		
MISCELLANEOUS EXPENSES		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY EXPENSES :		
Balance Brought Forward	105,885	158,828
Less : Written Off During The Year	52,943	52,943
A	52,942	105,885
PUBLIC ISSUE EXPENSES :		
Balance Brought Forward	0	91,900
Less : Written Off During The Year	0	91,900
B	0	0
Total (A+B)	52,942	105,885
SCHEDULE - "13"		
SALES		
Oil	161,700,669	6,500,801
Domestic	938,385	1,144,598
Export - (Lecithin)		
Deoiled Cake	223,909,437	0
Domestic	0	0
Export -		
Welding Division	0	1,067,599
Domestic		
Others (By Products)	2,536,481	3,402,147
Domestic		
Real Estate Division	0	0
Sale of Plot		
	389,084,973	12,115,145
Less : Excise Paid / Cenvet Rebate	381,940	683,841
Less : Input VAT Rebate	5,634,210	373,739
Total	383,068,822.94	11,057,564.69

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	Current Year	Previous Year
SCHEDULE - "14"		
PROCESSING INCOME		
Processing charges received	10,233,533	115,719,953
Lease Rent Received	88,172,271	78,858,310
Total	98,405,804	194,578,263
SCHEDULE - "15"		
OTHER INCOME		
Insurance Claims Received	68,086	223,067
Interest Received	5,194,737	7,387,546
Dividend Received	107,400	214,571
Profit on Sale of Investment	142,170	6,602,146
Oil Trading & Others	175,797	8,414,579
Profit on Sale of Assets	40,830	0
Other Income Receipts	2,673	0
Total	5,731,693	22,841,909
SCHEDULE "16"		
Increase / Decrease		
Finished Goods		
Opening Stock		
Finished Goods	2,437,193	2,593,693
Less Closing Stock		
Finished Goods (incl. by products)	4,050,384	2,437,193
Total	1,613,191	-156,500
SCHEDULE - "17"		
RAW MATERIALS CONSUMED		
Raw Materials Consumed	349,225,202	1,634,271
Hexane Consumed	4,633,218	22,071,294
Total	353,858,420	23,705,565
SCHEDULE - "18"		
COST OF SALES OF REAL ESTATE DIVISION		
Stock as on 01.04.2008	47,495,453	43,027,860
Add-Expenses during the Year	5,643,696	4,467,593
Total	53,139,149	47,495,453
less-Stock as on 31.03.2009	53,139,149	47,495,453
Cost of Sales	0	0

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	Current Year	Previous Year
SCHEDULE - "19"		
MANUFACTURING EXPENSES		
Power & Fuel	29,300,189	76,061,264
Packing Materials Consumed	793,644	846,176
Stores & Spares Consumed	7,623,354	10,980,043
Oil, Lubricants & Chemicals Consumed	1,264,278	2,810,644
Repairs & Maintenance	2,663,497	8,497,074
Provision of excise duty on closing Stock	1,192	-59,813
Insurance	753,355	1,322,198
Freight & Cortege	201,476	784,534
Factory Expenses	15,758,878	17,413,947
Total	58,359,863	118,656,067
SCHEDULE - "20"		
SALARIES, WAGES & ALLOWANCES		
Directors Remuneration	1,056,090	708,000
Salary, Wages & Allowances	16,138,175	16,467,858
Staff Welfare Expenses	1,033,873	927,353
Provident Fund	341,878	298,391
Provision for Leave Encashment	145,852	123,087
Total	18,715,868	18,401,602
SCHEDULE - "21"		
ADMINISTRATIVE EXPENSES		
Rent, Rates And Taxes	1,199,931	1,630,205
Telephone & Fax	372,291	415,762
Printing & Stationery	223,923	248,746
Postage & Telegram	14,039	26,385
Legal & Professional Charges	248,659	212,004
Bank Charges	73,790	103,615
Office And General Expenses	1,132,290	1,050,421
Filing Fees	9,232	6,313
Traveling Expenses	157,897	70,983
Total	3,432,052	3,764,434
SCHEDULE - "22"		
SELLING AND DISTRIBUTION EXPENSES		
Freight On Sales	97,246	155,596
Clearing & Forwarding	16,728	26,090
Brokerage, Commission and Discount	45,030	13,800
Exchange Rate Difference	30,429	11,581
Total	189,433	207,067

SAM INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	Current Year	Previous Year
SCHEDULE - "23"		
OTHER EXPENSES		
Audit Fees	50,000	35,000
Tax Audit Fees	25,000	15,000
Preliminary Expenses Written Off	52,943	52,943
Public Issue Expenses Written Off	0	91,900
Loss on Sale of Assets	0	1,202,216
Miscellaneous Accounts written off	145,425	1,122,523
Total	273,368	2,519,582
SCHEDULE - "24"		
INTEREST/FINANCIAL CHARGES		
On Secured and Unsecured Loan	2,452,102	4,285,494
Total	2,452,102	4,285,494

SAM INDUSTRIES LIMITED

C. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARA 3 AND 4 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

		2008-2009		(Amount in Rupees) 2007-2008		
No.	Particulars	Licensed	Installed	Licensed	Installed	
Soya and Welding Division						
A. Capacity (Qty.in M.T.)						
(a)	Solvent Extraction Plant	1200 TPD	1200 TPD	1200 TPD	1200 TPD	
(b)	Refinery	50 TPD	50 TPD	50 TPD	50 TPD	
(c)	Electrodes	2400 TPA	2400 TPA	2400 TPA	2400 TPA	
Production						
		QTY.	QTY.	QTY.	QTY.	
		Sales Value (Rs.)		Sales Value (Rs.)		
B. Particulars of Production & Sales						
(i) Sales						
(a)	Deoiled Cake	17,131	17,131	-	-	
(d)	Raw oil	2,539	2,539	-	-	
(c)	Degummed Oil	1,193	1,193	-	-	
(a)	Lecithin (M.T.)	146	109	244	284	
(d)	C O -2 Wire/Welding Rod (Pcs In Thousand)	-	-	-	-	
(e)	Others	-	-	-	3,402,147	
(f)	Sales of raw material S.S.Wire (Processed)	-	-	-	-	
(g)	Others	-	-	-	1,067,599	
(ii) Job Work (Processing)						
(a)	Soya Seed (MT)	7,049		126,387		
(d)	Raw oil Refined (MT)	2,221		5,966		
		<u>389,084,973</u>		<u>12,115,145</u>		
		Qty.	Value (Rs.)	Qty.	Value (Rs.)	
C. Raw Material Consumed						
	Soya Seed	21,054	349,213,185			
	Hexane (in Ltrs)	111,126	4,633,218	591,878	22,071,294	
	Goods Purchased (Trading)	-	-	-	-	
	Raw Material Consumed (WELD DIVI)	-	12,017		1,634,271	
	(incl.sales of raw material 20.225 M.T.)		<u>353,858,420</u>		<u>23,705,565</u>	
Stock As On 31.03.2009			Stock As On 31.03.2009			
D. Opening and closing stock of finished goods						
		Qty	Value (Rs.)	Qty.	Value (Rs.)	
(a)	Lecithin	75	3,585,493	38	1,218,030	
(d)	Others	-	464,891	-	1,219,163	
			<u>4,050,384</u>		<u>2,437,193</u>	
As On 31.03.2009			As On 31.03.2009			
		Qty	Rate	Qty.	Rate	Value (Rs.)
Real Estate Division						
(a)	Opening Stock (Sq. Feet)	437688	108.51	439548	97.89	43,027,860
(b)	Cost of Sales (Sq. Feet)	-	-	1860	-	-
(c)	Closing Stock (Sq. Feet)	437688	121.41	437688	108.51	47,495,453

SAM INDUSTRIES LIMITED

C. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARA 3 AND 4 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

Value of Raw Material and Stores & Spares consumed		(Amount in Rupees)			
No.	Particulars	2008-2009		2007-2008	
		Licensed	Installed	Licensed	Installed
		%	TOTAL (Rs.)	%	TOTAL (Rs.)
Raw Material Soya Division					
	Imported	-	-	-	-
	Indigenous	100.00	353,846,403	100.00	22,071,294
		100	353,846,403	100.00	22,071,294
Raw Material Welding Division					
	Imported	-	-	0.00	-
	Indigenous	100.00	12,017	100.00	1,634,271
		100.00	12,017	100.00	1,634,271
Stores & Spares and Packing Materials					
SOYA DIVISION					
	Imported	-	-	-	-
	Indigenous	100	18,164,656	100.00	56,371,475
		100	18,164,656	100.00	56,371,475
Stores & Spares and Packing Materials					
WELDING DIVISION					
	Imported	-	-	-	-
	Indigenous	100	3,152,382	100.00	3,253,515
		100	3,152,382	100.00	3,253,515
Foreign Exchange Transactions					
CIF Value of imports					
	(a) Capital Goods	-	-	-	-
	(b) Raw Materials	-	-	-	-
	(c) Stores & Spares	-	-	-	-
Expenditure in Foreign Currency (Rs.)					
-					
Earning in foreign Exchange					
	FOB Value of Exports (Rs.)		938,385		1,144,598

Previous year figures have been regrouped wherever necessary to correspond with those of current year

AS PER OUR REPORT OF EVEN DATE ATTACHED

For M/s. M. Mehta & Company
Chartered Accountants

(P.R. Bandi)

Partner

M.No.16402

Place : Indore

Dated : 21st August 2009

FOR AND ON BEHALF OF THE BOARD

Om Agrawal, Chairman

Anil Maloo, Executive Director

Brij Kishore Jalan, Director

Ashish Dave, Director

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

SCHEDULE - "25"

A. **SIGNIFICANT ACCOUNTING POLICIES :**

1. **System of Accounting**

- a. The financial statements have been prepared under the historical cost conventions in accordance with the generally accepted accounting principles.
- b. The accounts of the company are prepared using accrual method of accounting except for dividend that is accounted for on receipt basis.

2. **Sales**

Sales are inclusive of excise duty and VAT Collected and are net of trade discounts, if any.

3. **Fixed Assets**

Fixed assets are stated at historical cost to the company and include financing cost relating to acquisition of fixed assets up to the date the asset is put to use.

4. **Depreciation**

Depreciation on fixed assets has been provided for under straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis.

5. **Inventories**

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

6. **Investment**

Investments are valued at cost and provision has been made towards diminution in the market value of such investments.

7. **Amortization**

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

8. **Retirement benefits**

Retirement benefits are dealt with in the following manner.

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

9. **Central Value Added Tax (CENVAT)**

CENVAT claimed on capital goods is reduced from the cost of plant and machinery \capital work in progress. CENVAT claimed on purchase of raw material and others is reduced from the cost of such material.

10. **Lease Rent**

The payment of lease rent for office premises taken on leave and license basis are recognized as expenditure in the profit and loss account.

SAM INDUSTRIES LIMITED

Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

11. Impairment of Assets

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been upward change in the estimate of the recoverable amount.

12. Foreign currency transaction

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

13. Segment Accounting

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

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

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

- a) Segment revenue includes sales and other income directly identifiable with or allocable to a particular segment.
- b) Segment expenses that are directly identifiable with \allocable to a segment are considered for determining the segment results. The expenses, which relates to the company as a whole and not allocable to a particular segment are included under un-allocable expenses.
- c) Income, which relates to the company, as a whole and not allocable to a segment is included under un-allocable income.
- d) i) Segment assets include those assets which are directly identifiable with respective segments and employed by a segment in its operating activities but does not include income tax assets.
ii) Segment liabilities include those liabilities directly identifiable to a segment and operating liability that result from operating activities of a segment, but does not include income tax liabilities and financial tax liabilities

14. Taxation

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

15. Borrowing Cost

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

16. Provision Contingent Liability & Contingent Assets

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

SAM INDUSTRIES LIMITED

Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

B. NOTES ON ACCOUNTS :

(Rs. in Lacs)

1. Contingent liability

2008-2009 2007-2008

		2008-2009	2007-2008
a)	Estimated amount of contracts remaining to be executed on capital amount and not provided for	5.13	36.51
b)	Contingent Liability not Provided for		
I.	Guarantee issued / Letter of credit issued by the bankers covered by the counter Guarantee of the company	Nil	Nil
II.	Sales tax demands (in appeal / revision)	7.85	7.85
III.	Excise Duty (in appeal)	Nil	Nil
IV.	Guarantee to financial institution for	Nil	Nil
V.	Compound Interest, Commitment Charges & Liquidated Damage due to Secured Creditors (not provided / not ascertainable)	Nil	Nil
VI.	Income tax demands (in appeal)	Nil	Nil

2. The Company, to conform to accounting standard i.e. accounting for investment issued by the Institute of chartered Accountants of India that are mandatory, value the carrying amount of current investments at lower of cost or fair market value. Accordingly the company has made provision for diminution in the value of investments to the extent of Rs. 51.07 Lacs during the year. (Previous Year 21.25 lacs)

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

4. Actuarial Valuation :

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

(B) The Liability relating to current year has been debited to profit & loss account and gain/excess provisions relating to earlier years has been reduced from reserves.

(C) Defined Benefit Plans/ Long Term Compensated Absence as per Actuarial Valuation on 31st March 2009 :-

SAM INDUSTRIES LIMITED

Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

Leave Encasement

No.	Particulars	2008-09	2007-08
A.	Expense recognized in the statement on profit & Loss Account for the year ended March 31' 2009		
1.	Current Service Cost	185,179	1,23,087
2.	Interest Cost (On PBO as of 31.03.2009)	60,673	-
3.	Employee Contributions		-
4.	Expected return on Plan Assets		-
5.	Actuarial (Gains)/ Losses	(-) 2,75,932	6,69,123
6.	Plant Service Cost	(-) 2,75,932	6,69,123
7.	Settlement Cost		-
8.	Total Expense		-
B.	Net Asset/(Liability) recognized in the Balance Sheet as at March 31st 2009		
1.	Present Value of Defined benefit obligation as at March 31 ' 2009	6,28,330	7,58,410
2.	Fair Value of Plan Assets as at March 31'2009	NIL	NIL
3.	Funded status Surplus (Deficit)	(-) 6,28,330	(-) 7,58,410
4.	Net Asset/(Liability) as at March 31' 2009	(-) 6,28,330	(-) 7,58,410
C.	Change in obligation during the year ended March 31' 2009		
1.	Present Value of Defined benefit obligation at the beginning of the year 01.04.2008	7,92,210	6,69,123
		85,179	1,23,087
2.	Current Service Cost	60,673	-
3.	Interest Cost(On PBO as of 31.03.2009)		-
4.	Settlement Cost		6,69,123
5.	Past Service Cost		-
6.	Employee Contributions	(-) 3,09,732	-
7.	Actuarial (Gains) / Losses	-	33,800
8.	Benefits Payments	6,28,330	7,58,410
9.	Present Value of Defined benefit obligation at the end of the year		
D.	Change in Assets during the year ended March 31' 2009		
1.	Plan Assets at the beginning of the year 01.04.2008	-	-
2.	Assets acquired in amalgamation in previous year	-	-
3.	Settlements	-	-
4.	Expected return on plan assets	-	-
5.	Contributions by employees	-	-
6.	Actual benefits paid	-	-
7.	Actuarial gains/ (Losses)	-	-
8.	Plan Assets at the end of the year	-	-
9.	Actual return on plan assets	-	-
E.	The major categories of plan assets as a percentage of total plan		
1.	Qualifying insurance policy	-	-
F.	Actuarial Assumption		
1.	Discount Rate	8 %	8 %
2.	Future Salary Increase	5.50%	5.50%

SAM INDUSTRIES LIMITED

(C) Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

5. **SSI STATUS :**

- (a) In view of insufficient information from the suppliers regarding their status as Small Scale Industrial (SSI) Unit, amount overdue to Small SSI Undertakings as on 31st March, 2009 cannot be ascertained at present.
- (b) The company is still in the process of compiling details as required under the Micro small and medium Enterprise Development Act, 2006

6. Reserve of Rs. 1,05,00,000/- (Previous Year Rs. 2,10,00,000/-) towards redemption of 9% Cumulative Redeemable preference Shares of Rs. 100/- each has been made during the year as per Board Resolution out of current profits as per Profit & Loss Account.

7. Director remuneration paid is as per approval of share holders and schedule XIII of the Companies Act 1956

	2008-2009	2007-2008
To Whole time Directors (Gross)		
(a) Salary	10,56,000/-	7,08,000/-
(b) Provident Fund	69,948/-	65,520/-
(c) Other Perquisites	24,000/-	--

8. In respect of accounting Standard AS-19 "lease" issued by the Institute of chartered Accountants of India that is mandatory w. e. f. 1st April 2001 and is applicable to all leased assets for which lease commences on or after 1st April 2001, the company has not taken so far any asset on finance lease during the year. In respect of operating lease of office premises the leasing arrangements which are not non cancelable range between 11 months and 39 months generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate of lease rental payable are charged as rent under the head "office and administrative expenses Rs.5.42 Lacs (Previous Year Rs. 4.05 Lacs) has been charged to revenue accordance with the terms and conditions of respective lease agreement.

9. On the basis of the information and explanation given to us by the management, No impairment loss in respect of assets has been recognized during the financial year 2008-09.

10. **Segment Reporting**

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

- (a) Holding Company - Sam Exim Limited
- (b) Associated Companies Dwekam Electrodes Private Limited and Dwekam Weld-Tech Limited.
- (c) Key Managerial Person Mr. Anil Maloo, Executive Director, Mr. Ashutosh A Maheshwari, Vice Chairman, Mr. Ashish Dave, Technical Director and Mr. Brij Kishore Jalan, Director
- (d) Relative Mr. Arvind A. Maheshwari and Mrs. Seema A. Maheshwari

SAM INDUSTRIES LIMITED

Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

(Amount in Rs.)

Sr. No.	Nature of Transaction	Holding Company	Associate Company	Key Managerial Person	Relative	Total
1.	Sale of Goods	--	0	--	--	0
2.	Purchase of Goods	--	3,16,275	--	--	3,16,275
3.	Remuneration	--	--	11,49,948	4,60,000	16,09,948
4.	Receivable	--	15,26,831	--	--	15,26,831
5.	Payable	--	17,42,035	--	--	17,42,035
6.	Lease Rent Paid	--	--	--	--	3,53,293
7.	Lease Rent received	--	3,60,000	--	3,53,293	3,60,000
8.	Interest Received	--	11,93,250	--	--	11,93,250

11. In accordance with Accounting Standard 22 "Accounting for Taxes on Income" the calculation of deferred tax assets/ Liabilities are as under.

(Amount in Rs.)

A) Deferred Tax Assets	31.03.2009	31.03.2008
I. Carry forward business loss	0	0
II. Unabsorbed Depreciation	0	0
III. Expenses which are debited in books of account but disallowed u/s 43B of IT, Act	1,94,154/-	2,44,793/-
Sub Total	1,94,154/-	2,44,793/-
B) Deferred Tax Liability		
I. On account of timing difference in treatment of depreciation	(3,60,15,445/-)	(3,53,36,133/-)
(A-B)	(3,58,21,291)	(3,50,91,340/-)

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

13. Segment Reporting

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

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

SAM INDUSTRIES LIMITED

Forming part of Balance Sheet and Profit & Loss Account for the year 2008-09

- a. Segmental revenue includes sales and other income directly identifiable with \allocable to the Particular segment.
- b. Segmental expenses that are directly identifiable with \allocable to particular segment are considered for determining the segment result.

(Rs. in Lacs)

Sr. No.	Particulars	Soya Division		Welding Division		Real Estate Division		Investment Division		Biotech Division		Total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
1.	Segmental Revenue	3,952.00	1,265.71	890.90	890.90	0.24	0.13	49.46	217.28	0.00	0.00	4892.62	2283.21
2.	Segmental Expenses	4,178.17	1,512.80	345.38	336.64	0.00	0.01	9.27	18.80	4.42	0.00	4537.25	1868.25
3.	Segmental Profit/(Loss) (before tax & deferred tax)	-226.17	-247.08	545.52	463.45	0.24	0.13	40.19	198.47	(4.42)	-	355.36	414.96
4.	Segmental Assets[A]	2,158.08	2,398.91	955.49	803.89	545.28	509.58	585.54	710.62	4.474	50.25	4249.13	4473.26
5.	Segmental Liability [B]	461.53	663.61	458.63	359.68	90.42	114.96	7.18	17.65	0.09	1.80	1012.86	1157.71
6.	Capital Employed [A-B]	1,696.54	1,735.30	501.86	444.22	454.86	394.62	578.36	692.97	4.64	48.44	3236.27	3315.55

14. Earning per share

(Rs. in Lacs)

As on 31.3.2009

As on 31.3.2008

a)	Profit after Depreciation and tax	175.08	357.47
b)	Number of Equity Share of Rs 10 each	1,10,88,470	1,10,88,470
c)	Earning per Share (basic) (in Rs.)	1.58	3.22

15. Auditors Remuneration constitutes of the following :

(Amount in Rs.)

2008-08

2007-08

Audit Fees	50000	35000
Tax Audit Fees	25000	15000
Service Tax	7725	6180

16. Provision for Income Tax has been made as per normal rates applicable to a company as per the Income Tax Act.
17. The valuation of closing stock of finished goods includes excise Duty payable Rs.3,08,344/-
18. The Company is claiming exemption from paying Vat Tax Collected Vide its notification Number A-3-(1)-95-ST-V (43) dated 6th June 1995.
19. Previous year figures have been reclassified, regrouped and rearranged wherever necessary.

SAM INDUSTRIES LIMITED

STATEMENT SHOWING PARTICULARS AS PRESCRIBED IN THE AMENDMENT OF SCHEDULE VI OF THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Amount Rs. in Lacs)

I. REGISTRATION DETAILS

Registration No.	L15143MH1994PLC164344
State Code	11
Balance Sheet Date	31.03.2009

II. CAPITAL RAISED DURING THE YEAR

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	3460.36
Total Assets	3460.36

A. Source of Funds

Paid Up Capital	1644.98
Reserve & Surplus	1233.60
Secured Loan	171.17
Unsecured Loan	52.38
Deferred tax Liability	358.21

Total Liabilities **3460.36**

B. Application of Funds

Net Fixed Assets	2110.61
Investment	106.14
Net Current Assets	1243.08
Misc. Expenditure	0.53

Total Assets **3460.36**

IV. PERFORMANCE OF THE COMPANY

Turnover & Other Income	4872.06
Total Expenditure	4548.97
Profit (Loss) Before Tax	515.38
Profit (Loss) After Tax	175.08
Earnings per share(Equity)(In Rs.)	1.58

V. GENERIC NAMES OF PRINCIPAL PRODUCTS / SERVICES IN THE COMPANY

Item Code No. (ITC Codes) -	Product Description
230400-03	Soyabean Doc
150790-00	Soyabean Oil

FOR AND ON BEHALF OF THE BOARD

Om Agrawal, Chairman
Anil Maloo, Executive Director
Brij Kishore Jalan, Director
Ashish Dave, Director

Place : Indore

Dated : 21st August 2009

Navin S. Patwa, Company Secretary

SAM INDUSTRIES LIMITED

Regd. Off. 408, Dalamal Chambers, 29, New Marine Lines, Mumbai - 400 020

ATTENDANCE SLIP

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

Name of the attending Members (In Block Letters)	Member's Folio No. / Client ID No.
Name of the Proxy (In Block Letters) (To be filled in if the proxy attends instead of the Members)	

No. of Shares held : _____

I hereby record my presence at the Fifteenth Annual General Meeting of the Company held on Wednesday 30th day of September, 2009 at 2.00 P. M. at Basement, Dalamal Chambers, 29, New Marine Lines, Mumbai 400020

Member's / Proxy Signature

Note: Shareholders/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

_____ Cut here _____

SAM INDUSTRIES LIMITED

Regd. Off. 408, Dalamal Chambers, 29, New Marine Lines, Mumbai - 400 020

PROXY FORM

I / We of in the district of being a member/ members of the Sam Industries Limited, and holding equity shares hereby appoint of or failing him of in the district of as my / our proxy to vote for me / us on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held on Wednesday, 30th day of September, 2009 at 2.00 P. M. at Basement of Dalamal Chambers, 29, New Marine Lines, Mumbai 400020 and at any adjournment thereof.

For office use	
Proxy No.	
Date of receipt	
No. of shares	

Signature of the proxy

Affix of Revenue Stamp of Rs. One
--

(Signature of Member(s)
across the stamp)

This form is to be used in favor of / against the resolution. Unless otherwise instructed, the proxy will act as he think fit.

- Note :**
- 1) The proxy must be returned so as to reach the Registered Office of the company at 408, Dalamal Chambers, 29, Marine Lines, Mumbai - 400 020 not less than **Forty Eight Hours before** the time for holding the aforesaid meeting.
 - 2) Those members who multiple folios with different joint holders may use copies of this Attendance Slip / Proxy.

BOOK - POST

If undelivered, Please return to :

SAM INDUSTRIES LIMITED

Regd. Office : 408, Dalamal Chambers, 4th Floor, 29, New Marine Lines, MUMBAI - 400 020 INDIA

Phone : 0091-22-40409191, 40409113 Fax : 0091-22-22038629

E-mail : secretarial@sam-industries.com Website : www.sam-industries.com