



Satia Industries
Limited

34th

Annual Report

2014-15

BOARD OF DIRECTORS

DR. AJAY SATIA
SH. R.K.BHANDARI
SH. AVINASH CHANDER AHUJA
SH. A.KRISHNA
SH. S.K. ARORA
SH. DINESH SHARMA
SH. I.D. SINGH
SMT. BINDU SATIA
SH. CHIRAG SATIA
SH. J.R. SHARMA

CHAIRMAN CUM MANAGING DIRECTOR
WHOLE TIME DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
DIRECTOR
EXECUTIVE DIRECTOR
DIRECTOR (LEGAL)

Chief Financial Officer

Sh. Ashok Kumar Khurana

Company Secretary

Mr Rakesh Kumar Dhuria

Statutory Auditors

M/s.Rakesh Bansal & Co.
Chartered Accountants
Muktsar-152026

Registered Office & Works

Malout - Muktsar Road,
Village Rupana
Distt. Muktsar - 152032
(Punjab)

Branch Offices

613-615, Naurang House,
21 K.G. Marg, New Delhi-110001

SCO 90-92, Sector 80 C,
Madhya Marg,
Chandigarh - 160018

304, Navjeevan Complex,
29 Station Road,
Jaipur - 302006

BANKERS

Punjab National Bank
Central Bank of India

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Registrar and Transfer Agent

Beetal Financial & Computer Services (P) Ltd
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Complex,
Near Dada Harsukhdas Mandir, New Delhi-110062
Phone : 011-29961281-83, Fax:011-29961284
Email: beetal@rediffmail.com



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of the Members of Satia Industries Ltd. will be held on Wednesday, 30th September, 2015 at 10:00 A.M. at the Registered Office of the Company at VPO Rupana, Malout Muktsar Road, Distt: Muktsar to transact the following businesses:-

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and Profit and Loss Account for the year ended on that date along with the Report of the Auditors and Directors thereon.
2. To declare dividend, if any for the Financial Year 2014-15
3. To appoint a Director in place of Sh. R.K.Bhandari, who retires by rotation, being eligible and offers himself for re-appointment
4. **To Consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:-**

“RESOLVED that consent of the Company be and is hereby accorded to the ratification of the appointment of M/s Rakesh Bansal & Co., Chartered Accountants, Muktsar (ICAI Registration No.090278), who were appointed to hold office from the conclusion of 33rd Annual General Meeting until the conclusion of the 36th Annual General Meeting as a statutory Auditors of the Company on such remuneration as may be fixed by the Board of Directors of the Company”.

Special Business

- 5 **To appoint Sh S.K.Arora (DIN: 01647525) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all

other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sh S.K.Arora (DIN: 01647525), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company in the calendar year, 2020”

- 6 **To appoint Sh I.D.Singh (DIN: 00825892) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sh I.D.Singh (DIN: 00825892), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company in the calendar year 2020”



- 7 **To appoint Smt Bindu Satia (Din 01164115) as a Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED that Smt. Bindu Satia (Din No 01164115) , who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company subject to annual retirement under the Articles of Association of the Company"

- 8 **To appoint Sh Chirag Satia (Din 03426414) as a Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED that Sh. Chirag Satia (Din No 03426414) , who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company subject to annual retirement under the Articles of Association of the Company"

- 9 **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED that pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-

enactments thereof), the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the Members be and is hereby accorded to the Company, to sell, mortgage and / or charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms and conditions as the Board of Directors and / or the Committee of Directors may determine, on all or any of the movable and / or immovable properties of the Company, and / or the interest held by the Company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the Company, together with the power to take over the management of business and concern of the Company in certain events of default, in favor of lender(s), agent(s), and trustee(s) for securing the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and / or non-convertible debentures with or without detachable or non-datchable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company, from time to time, subject to the limits of Rs 1000/- crore from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the agent(s) and / or trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other agreement / document, entered into / to be entered into between the Company and the lender(s) / investor(s) / agent(s) and / or trustee(s), in respect of the said loans, borrowings



/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and / or the Committee of Directors and the lender(s), agent(s) and / or trustee(s)."

"RESOLVED FURTHER that in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of passing the above resolution"

10 Re-appointment of Dr Ajay Satia, Chairman Cum Managing Director and fixation of his remuneration

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and / or any other guidelines issued by the Central Government from time to time (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, if and to the extent necessary, consent of the Company be and is hereby accorded to the re-appointment of Dr. Ajay Satia (DIN : 00850792) as the Chairman cum Managing Director of the Company and to his receiving remuneration, benefits and amenities as the Chairman Cum Managing Director for a period from 01st October, 2015 to 30th September, 2018, upon the terms, conditions and stipulations contained in the Agreement entered into between the Company and Dr. Ajay Satia, Chairman Cum Managing Director and as stated herebelow:-

1. Terms:

a) Salary : Rs 1200000/-PM

b) Perquisites/benefits

- i) Company owned/ leased accommodation or reasonable house rent allowance while posted in any place other than Muktsar.
- ii) Reimbursement of medical and hospitalization expenses including dental and optical treatment for self and family and mediclaim insurance premium.
- iii) First class air fare or first class air conditioned railway fare and other actual expenses borne for self and family anywhere in India or abroad once a year while on leave including boarding lodging and surface travel expenses. The necessary foreign exchange for the purpose, if required will be provided by the company but subject to any regulation prescribed by Reserve Bank of India and in force for the time being.
- iv) Personal Accidental Insurance.

"RESOLVED FURTHER that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors be and is hereby authorized to vary the terms and conditions of appointment, including determination of remuneration payable to Dr. Ajay Satia, in such manner as the Board may in its absolute discretion deem fit, provided, however, that the remuneration payable to Dr. Ajay Satia, shall not exceed the maximum limits for payment of managerial remuneration specified in Section 197 of the Companies Act, 2013 and Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time or the maximum limits for payment of managerial remuneration as may be prescribed in accordance with the laws, policies, rules, regulations and guidelines in force from time to time"

"RESOLVED FURTHER that where in any financial year during the tenure of office of Dr. Ajay Satia, the Company has no profits or its profits are inadequate, the Company shall pay remuneration, benefits and amenities to Dr. Ajay



Satia as specified in the draft Agreement referred to above, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Central Government, if and to the extent necessary or in the alternative, pay remuneration to Dr. Ajay Satia by way of salary, dearness allowance, perquisites and any other allowances within the ceiling limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time.

“RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

11 Re-appointment of Sh R.K.Bhndari, Whole Time Director and fixation of his remuneration.

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED that in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and / or any other guidelines issued by the Central Government from time to time (including any statutory modification (s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, if and to the extent necessary, consent of the Company be and is hereby accorded to the appointment of Sh R.K.Bhandari, (DIN : 00732588) as Whole Time Director of the Company and to his receiving remuneration, benefits and amenities for a period from 01st October, 2015 to 30th September, 2018, upon the terms, conditions and stipulations contained in the Agreement to be entered into between the Company and Sh R.K.Bhandari, a draft whereof is placed before the meeting and initialed by the Chairman for the

purpose of identification and as stated herebelow”

I. Terms:

- 1) Salary: Rs. 260000/- PM with an annual increment of Rs 25000/- PM as per agreement.
- b) Perquisites/ benefits
 - i) Company owned/ leased accommodation or reasonable house rent allowance while posted in any place other than Muktsar.
 - ii) Reimbursement of medical and hospitalization expenses including dental and optical treatment for self and family and mediclaim insurance premium.
 - iii) First class air fare or first class air conditioned railway fare and other actual expenses borne for self and family anywhere in India or abroad once a year while on leave including boarding lodging and surface travel expenses. The necessary foreign exchange for the purpose, if required will be provided by the company but subject to any regulation prescribed by Reserve Bank of India and in force for the time being.
 - iv) Personal Accidental Insurance.
 - v) In addition to above Sh R.K.Bhandari, shall be entitled to all such perquisites/ benefits which he was enjoying as Whole Time Director of Company the total value of which shall not exceed Rs 150000/- in a year.
 - vi) Sh R.K.Bhandari will be entitled to one month's leave in a year and also to the benefit of provident Fund, Gratuity and superannuation Fund as per the applicable rules and the Company's policy.

“RESOLVED FURTHER that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors



be and is hereby authorized to vary the terms and conditions of appointment, including determination of remuneration payable to Sh R.K.Bhandari, in such manner as the Board may in its absolute discretion deem fit, provided, however, that the remuneration payable to Sh R.K.Bhandari, shall not exceed the maximum limits for payment of managerial remuneration specified in Section 197 of the Companies Act, 2013 and Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time or the maximum limits for payment of managerial remuneration as may be prescribed in accordance with the laws, policies, rules, regulations and guidelines in force from time to time;

“RESOLVED FURTHER that where in any financial year during the tenure of office of Sh R.K.Bhandari, the Company has no profits or its profits are inadequate, the Company shall pay remuneration, benefits and amenities to Sh R.K.Bhandari as specified in the draft Agreement referred to above, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Central Government, if and to the extent necessary or in the alternative, pay remuneration to Sh R.K.Bhandari by way of salary, dearness allowance, perquisites and any other allowances within the ceiling limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time. In that event, the following perquisites shall, however, not be included in the computation of the ceiling on remuneration specified hereinabove:

- (a) Contribution to provident fund, superannuation fund or annuity fund and benefits under the Company's Pension Scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

- (c) Encashment of leave at the end of the tenure;
- “RESOLVED FURTHER** that the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

12 Appointment of Sh Chirag Satia as Executive Director and fixation of his remuneration

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED that in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and / or any other guidelines issued by the Central Government from time to time (including any statutory modification (s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, if and to the extent necessary, consent of the Company be and is hereby accorded to the appointment of Sh Chirag Satia (DIN : 03426414) as Executive Director of the Company and to his receiving remuneration, benefits and amenities for a period from 01st October, 2015 to 30th September, 2018, upon the terms, conditions and stipulations contained in the Agreement to be entered into between the Company and Sh Chirag Satia, a draft whereof is placed before the meeting and initialed by the Chairman for the purpose of identification and as stated herebelow”

I. Terms:

- 1) Salary: Rs. 300000/- PM with an annual increment of Rs 25000/- PM as per agreement.
- b) Perquisites/ benefits
 - i) Company owned/ leased accommodation or reasonable house rent allowance while posted in any place other than Muktsar.
 - vii) Reimbursement of medical and



hospitalization expenses including dental and optical treatment for self and family and mediclaim insurance premium.

- viii) First class air fare or first class air conditioned railway fare and other actual expenses borne for self and family anywhere in India or abroad once a year while on leave including boarding lodging and surface travel expenses. The necessary foreign exchange for the purpose, if required will be provided by the company but subject to any regulation prescribed by Reserve Bank of India and in force for the time being.
- ix) Personal Accidental Insurance.
- x) In addition to above Sh Chirag Satia, shall be entitled to all such perquisites/ benefits which he was enjoying as Whole Time Director of Company the total value of which shall not exceed Rs 150000/- in a year.
- xi) Sh Chirag Satia will be entitled to one month's leave in a year and also to the benefit of provident Fund, Gratuity and superannuation Fund as per the applicable rules and the Company's policy.

"RESOLVED FURTHER that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors be and is hereby authorized to vary the terms and conditions of appointment, including determination of remuneration payable to Sh Chirag Satia, in such manner as the Board may in its absolute discretion deem fit, provided, however, that the remuneration payable to Sh Chirag Satia, shall not exceed the maximum limits for payment of managerial remuneration specified in Section 197 of the Companies Act, 2013 and Schedule V to the Companies Act, 2013 or any amendments

thereto as may be made from time to time or the maximum limits for payment of managerial remuneration as may be prescribed in accordance with the laws, policies, rules, regulations and guidelines in force from time to time;

"RESOLVED FURTHER that where in any financial year during the tenure of office of Sh Chirag Satia, the Company has no profits or its profits are inadequate, the Company shall pay remuneration, benefits and amenities to Sh Chirag Satia as specified in the draft Agreement referred to above, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Central Government, if and to the extent necessary or in the alternative, pay remuneration to Sh Chirag Satia by way of salary, dearness allowance, perquisites and any other allowances within the ceiling limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time. In that event, the following perquisites shall, however, not be included in the computation of the ceiling on remuneration specified hereinabove:

- (d) Contribution to provident fund, superannuation fund or annuity fund and benefits under the Company's Pension Scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;
- (e) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- (f) Encashment of leave at the end of the tenure;

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Place : Rupana
Dated : 13.08.2015

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
Company Secretary

**NOTES:**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint proxy to attend and vote on poll instead of himself and the proxy need not be a Member of the Company. The proxies should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
 2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
 - 3) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting
 - 4) Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report
 - 5) Members are requested to bring their copies of Annual Report at the Meeting.
 - 6) Members are requested to notify immediately any change in their address, to the Registered Office of the Company.
 - 7) All documents as referred in the above notice and explanatory statement are open for inspection at the Registered Office of the Company during office hours on all working days between 11:00 A.M. to 1:00 P.M. up to the date of Annual General Meeting.
 - 8) Members seeking any information with regards to Annual Accounts at the time of Meeting, are requested to send their queries to the company so as to reach at least ten days before the date of Meeting, to enable the management to keep the relevant information ready at the time of Meeting.
 - 9) The Register of Members and Share Transfer Books of the Company will remain closed from 25.09.2015 to 30.09.2015 both days inclusive.
 10. The Company shares are listed at the BSE Limited w.e.f 07.07.2015 and admitted for dealing at T Group
 - 11) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Shareholders are informed that the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate E-voting. E-voting is optional and Members shall have the option to vote either through e-voting or in person at the General Meeting. The detailed procedure is mentioned below. For the aforesaid purpose, the Company has appointed Mr Gourav Bansal, C.A as scrutinizer for scrutinizing e-voting process in a fair and transparent manner
 - 12) In pursuance to the provisions of Section 110 of the Companies Act, 2013. Special resolution proposed at item No 9 are required to be passed by shareholders by way of postal ballot only and therefore, the proposed resolution is being separately circulated to the Members and Members are requested to exercise their voting right
- The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on 27.09.2015 9.00AM and ends on 29.09.2015 5.00PM.



During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.09.2015 (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (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 the first two letters of their name and the 8 digits of the sequence number in the PAN Field. Sequence number is printed on |

| | |
|---|--|
| | the label of address affixed on Annual Report. 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 |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both 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 (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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 on which they are eligible to vote, provided that company opts for 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 e-voting on the resolutions contained in this Notice.



- (xii) Click on the EVSN for the Satia Industries 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 "OK", else to change 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.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (i) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e 23.09.2015 may follow the same instructions as mentioned above for e-Voting.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
13. Mr. Gourav Bansal, C.A in practice, have appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner(including the ballot forms).The Scrutinizer shall with in a period of two working days for the conclusion e-voting period, unblock the votes in presence of at least 2 witnesses not in employment of the Company and make a report of the vote cast in favour or against, any, forthwith to the Chairman of the Company.
14. The Results shall be declared within two working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be placed in the company website.



- 10) Explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of item No. 5 to 8 of the notice is annexed herewith.

FOR KIND ATTENTION OF THE MEMBERS OF THE COMPANY

Members of the Company holding shares in physical form, are requested to surrender their share certificates, in original, to your Depository Participants (DPs) for dematerialization.

2. The company to send the communications including Notices for AGM and EGM, Explanatory Statements thereto, Balance Sheets, Directors' Reports, Auditor's Reports, and Financial Results etc. through email to shareholders whose emails are registered with the Company. While going through the Register of Members, we have noticed that there are members who have not registered their email IDs with the Company. Consequently, we are unable to send communications to them electronically. In compliance with provisions of Rule 18 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of the Companies Act, 2013 and Rules made there under, we request the members to register their email IDs with the Company or their Depository Participants if they are holding shares in electronic form by adhering to the following procedure: 1. Shareholders holding shares in physical form may kindly register / send their email IDs at the RTA of the Company at the following address either by post or by e-mail :

Beetal Financial & Computer Services (P) Limited

Unit : Satia Industries Limited
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi- 110062

Email: beetalrta@gmail.com Telephone:
011-29961281

1. Shareholders holding shares in electronic/ demat mode may kindly register their email IDs with their respective DPs.
2. Shareholders whose email IDs have undergone any change or whose IDs require any correction, may kindly follow the procedure detailed in 2, above

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

Item No 5 and 6

Shri S.K.Arora and Sh I.D.Singh are Independent Directors of the Company and have held the positions of Independent Directors. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Sh S.K.Arora and Sh I.D.Singh as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 39th Annual General Meeting of the Company in the calendar year 2020.

Shri S.K.Arora and Sh I.D.Singh are not disqualified from being appointed as Directors in terms of Section 164 of the Act and they have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri S.K.Arora and Sh I.D.Singh for the office of Directors of the Company.

The Company has also received declarations from Shri S.K.Arora and Sh I.D.Singh that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri S.K.Arora and Sh I.D.Singh fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri S.K.Arora and Sh I.D.Singh are independent of the management.



Brief resume of Shri S.K.Arora and Sh I.D.Singh, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Shri SK.Arora and Sh I.D.Singh as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board recommends the Ordinary Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the shareholders

Item No 7

Smt Bindu Satia was appointed as an Additional Director on the Board w.e.f.12.11.2014 in term of Articles 89 of the Articles of Association of the Company and to make the compliance of clause 49 relating appointment of one woman Director on the Board. Pursuant to Section 161 of the Companies Act, 2013 she holds office upto the date of this Annual General Meeting and is eligible for appointment as Director. The Company has received a notice in writing from a shareholder under Section 160 of the Act proposing her name for the appointment as Director of the Company. She holds 751094 equity share of the Company. the Board recommends her appointment.

A brief profile of Smt. Bindu Satia and other information as per clause 49 of the listing agreement with Stock Exchange are provided here blow. None of the Director expect Smt Bindu Satia, Dr Ajay Satia and Sh Chirag Satia being related to her is interested in the resolution.

Item No 8

Sh Chirag Satia was appointed as an Additional

Director on the Board w.e.f. 13.02.2015 in term of Articles 89 of the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 he holds office upto the date of this Annual General Meeting and is eligible for appointment as Director. The Company has received a notice in writing from a shareholder under Section 160 of the Act proposing his name for the appointment as Director of the Company. He holds 455165 equity share of the Company. the Board recommends his appointment.

A brief profile of Sh Chirag Satia and other information as per clause 49 of the listing agreement with Stock Exchange are provided here blow. None of the Director expects Sh Chirag Satia, Smt Bindu Satia and Dr Ajay Satia being related to him are interested in the resolution

Item No 9

As per the provisions of Section 180(1)(a) of the Companies Act, 2013, a company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Shareholders is obtained by way of a Special Resolution. In connection with the loan/credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favor of its lenders (up to the limits approved under Section 180(1)(c) of the Companies Act, 2013), for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant Loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties and licenses including the rights of sale/disposal thereof, creation of charge/s as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default would amount to a sale/disposal of the whole or Substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180 (1)(a) of the Companies Act, 2013.



Accordingly, the Board recommends the Special Resolution set forth in Item No.8 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

Item No10

Keeping in view the performance of the Company under the leadership of Dr.Ajay Satia in the past and ongoing projects and up gradation of projects of the Company, the remuneration Committee and Board of Directors in their respective meeting held on 13.08.2015 have approved the re-appointment of Dr.Ajay Satia, as Chairman Cum Managing Director of the Company for a period of three years with effect from 01.10. 2015 and payment of remuneration thereof on the terms and conditions as are set out in the resolution. As per the provisions of the Companies Act, 2013, read with schedule V thereof, approval of shareholders is required for the purpose. Hence the Board recommends the resolution for your approval by way of a special resolution.

The information as required under Schedule V of the Companies Act, 2013 is stated herebelow:

1. General Information

Nature of Industry

Satia Industries limited is manufacturing writing and printing paper

Commercial Production

As on March. 31st, 2015 the Company is having capacities for manufacture as hereunder:-

| Sr No | Particular of Manufacturing | Licensed Capacity |
|-------|-----------------------------|-------------------|
| 1 | Writing and Printing Paper | 75000 |

Financial Performance

During the financial year 2014-15, net revenue from operation was Rs 39313.32 lac and the net profit after tax of the Company is Rs 784.12 lac

11 Information about the appointee

Background details

Dr Ajay Satia aged 62 years is a MBBS founder of Satia Industries Limited and has been serving the Company as Managing Director since incorporation. The Company has performed well under the leadership of Dr Ajay Satia, Chairman Cum Managing Director of the Company. He is person behind the growth of the Company.

Job Profile and his suitability

Dr Ajay Satia shall be responsible for the overall affairs of the Company.

Remuneration proposed

Keeping in view the responsibilities assigned to Dr Ajay Satia and his role in the development of the Company, it is proposed to re-appoint Dr Ajay Satia as Chairman Cum Managing Director of the Company on the monthly salary of Rs 1200000/- PM plus other allowance and perquisites as specified in resolution.

Comparative remuneration profile with respect to the Industry size of the Company profile of position and person

The Salary structure of the managerial personnel has undergone a major change in the Industry in the recent past. Keeping in view the type of the Industry, size of the Company responsibilities and capabilities of Dr Ajay Satia Chairman Cum Managing Director the proposed remuneration is competitive with remuneration paid by other Companies to such similar position.

Pecuniary relationship with the Company or relationship with managerial personnel.

Dr Ajay Satia is the promoter Director of the Company.

111 Other information

Keeping the overall scenario of the industry, the Company is performing reasonably well. The Company is strengthening its focus on quality control, strategic market alliances and expansions.

The above may also be treated as an abstract of the terms of Contract/Agreement entered into between the



Company and Dr Ajay Satia, pursuant to Section 190 of the Companies Act, 2013

None of the Directors is interested in the above resolution except Dr Ajay Satia himself, smt.Bindu Satia and Sh Chirag Satia being related to him..

Item No 11

Keeping in view the performance of the Company under the management and control of Sh.R.K.Bhandari ,Whole Time Director, the remuneration Committee and Board of Directors in their respective meeting held on 13.08.2015 have approved the re-appointment of Sh,R.K.Bhandari as Whole Time Director of the Company for a period of three years with effect from 01.10.2015 and payment of remuneration thereof on the terms and conditions as are set out in the resolution. As per the provisions of the Companies Act, 2013, read with schedule V thereof, approval of shareholders is required for the purpose. Hence the Board recommends the resolution for your approval by way of a special resolution.

The information as required under Schedule V of the Companies Act, 1956 is stated herebelow:

1. General Information

Nature of Industry

Satia Industries limited is manufacturing writing and printing paper

Commercial Production

As on March. 31st, 2015 the Company is having capacities for manufacture as hereunder:-

| Sr No | Particular of Manufacturing | Licensed Capacity |
|-------|-----------------------------|-------------------|
| 1 | Writing and Printing Paper | 75000 |

Financial Performance

During the financial year 2014-15, net revenue from operation was Rs 39313.32 lac and the net profit after tax of the Company is Rs 784.12 lac.

11 Information about the appointee

Background details

Sh R.K.Bhandari is a MBA and associated with the Company since 01st December, 1986 and is looking after the day to day affairs of the Company and he is completely aware with all aspects of the Company's business

Job Profile and his suitability

Sh R.K.Bhandari shall be responsible for the management and control of day to day affairs of the company. He has been serving the Company since 1986. The Company has performed well under the able guidance of Sh R,K,Bhandari, Whole Time Director

Remuneration proposed

Keeping in view the responsibilities assigned to Sh R.K.Bhandari, Whole Time Director and his role in the day to day management and control of the Company. It is proposed to re-appoint Sh R.K. Bhandari the responsibilities and capabilities of Sh R.K.Bhandari, the proposed remuneration is competitive with remuneration paid

Comparative remuneration profile with respect to the Industry size of the Company profile of position and person

The Salary structure of the managerial personnel has undergone a major change in the Industry in the recent past. Keeping in view the type of the Industry, size of the Company responsibilities and capabilities of Dr Ajay Satia Chairman Cum Managing Director the proposed remuneration is competitive with remuneration paid by other Companies to such similar position.

Pecuniary relationship with the Company or relationship with managerial personnel.

Sh R.K.Bhandari is not having any pecuniary relation with the Company

111 Other information

Keeping the overall scenario of the industry, the Company is performing reasonably well. The Company is strengthening its focus on quality control, strategic market alliances and expansions.

The above may also be treated as an abstract of the terms of Contract/Agreement entered into between the Company and Dr Ajay Satia, pursuant to Section 190 of the Companies Act, 2013



None of the Directors is interested in the above resolution except Sh R.K.Bhandari

Item No 12.

Keeping in view the performance of the Company, expansion in the area of co-generation of power and recovery, remuneration Committee and Board of Directors in their respective meetings held on 13.08.2015 have approved the appointment of Sh Chirag Satia, as Executive Director of the Company for a period of three years with effect from 01.10.2015 and payment of remuneration thereof on the terms and conditions as are set out in the resolution. As per the provisions of the Companies Act, 2013, read with schedule V thereof, approval of shareholders is required for the purpose. Hence the Board recommends the resolution for your approval by way of a special resolution.

The information as required under Schedule V of the Companies Act, 1956 is stated herebelow:

1. General Information

Nature of Industry

Satia Industries limited is manufacturing writing and printing paper

Commercial Production

As on March. 31st, 2015 the Company is having capacities for manufacture as hereunder:-

| Sr No | Particular of Manufacturing | Licensed Capacity |
|-------|-----------------------------|-------------------|
| 1 | Writing and Printing Paper | 75000 |

Financial Performance

During the financial year 2014-15, net revenue from operation was Rs 39313.32 lacs and the net profit after tax of the Company is Rs 784.12 lacs

11 Information about the appointee

Background details

Place : Rupana
Dated : 13.08.2015

Sh Chirag Satia aged 23 years is a C.A.(Inter).

Job Profile and his suitability

Sh Chirag Satia shall be responsible for the financial matter and overall day to day management of the Company.

Remuneration proposed

Keeping in view the responsibilities assigned to Sh Chirag Satia and his role in the development of the Company, it is proposed to appoint Sh Chirag Satia as Executive Director of the Company on the monthly salary of Rs 300000/- PM plus other allowance and perquisites as specified in resolution.

Comparative remuneration profile with respect to the Industry size of the Company profile of position and person

The Salary structure of the managerial personnel has undergone a major change in the Industry in the recent past. Keeping in view the type of the Industry, size of the Company responsibilities and capabilities of Sh Chirag Satia as Executive Director the proposed remuneration is competitive with remuneration paid by other Companies to such similar position.

Pecuniary relationship with the Company or relationship with managerial personnel.

Sh Chirag Satia is a son of Dr Ajay Satia, promoter Director of the Company.

111 Other information

Keeping the overall scenario of the industry, the Company is performing reasonably well. The Company is strengthening its focus on quality control, strategic market alliances and expansions.

The above may also be treated as an abstract of the terms of Contract/Agreement entered into between the Company and Sh Chirag Satia, pursuant to Section 190 of the Companies Act, 2013

None of the Directors is interested in the above resolution except Sh Chirag Satia himself and Dr Ajay Satia and smt.Bindu Satia being related to him.

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
GM & Company Secretary



**Brief Profile of Directors Seeking appointment and re-appointment
(In Pursuance of Clause 49 of Listing Agreement)**

| Name | Sh.S. K. Arora | Sh. I.D. Singh | Sh.R.K. Bhandari | Smt. Bindu Satia | Sh Chirag Satia |
|---|----------------------|------------------|--|------------------|-----------------|
| Date of Birth | 07.12.1954 | 15.04.1950 | 25.10.1957 | 29.10.1958 | 28.05.1992 |
| Qualification | Chartered Accountant | B.COM, LLB,CAIIB | M.B.A | Graduation | C.A (Inter) |
| Experience in specific functional Area | In practice | Banking | 29 Years in the Industry as Executive Head | Industrial | Finance |
| Directorship in others Companies | Nil | Nil | Nil | Nil | 2 |
| Chairman/ member of Committee of Board of directors of other Companies in which he has a Director | Nil | Nil | Nil | Nil | Nil |
| Share held in Satia Industries Ltd | Nil | Nil | Yes | Yes | Yes |



DIRECTORS' REPORT

Dear Members,

The Directors have the pleasure of presenting the 34th Annual Report of your Company for the Financial Year 2014-15.

Financial Result:

The financial performance of your Company for the year ended March 31, 2015 is summarized below:-

(Rs in Lacs)

| | Current Year | Previous Year |
|---|--------------|---------------|
| Revenue and other income | 39821.44 | 38691.80 |
| Gross Profit before interest and depreciation | 6941.88 | 5318.49 |
| Interest and Financial charges | 1634.78 | 1557.85 |
| Depreciation | 5298.66 | 2670.53 |
| Profit from operations (before extra-ordinary item and tax) | 8.44 | 1090.11 |
| Extraordinary Items | 9.91 | 38.01 |
| Profit before Tax | -1.47 | 1052.10 |
| Current Tax | 127.00 | 710.00 |
| Deferred Tax | -912.59 | -1007.57 |
| Net Profit/ (Loss) after tax | 784.12 | 1349.67 |
| Less: Appropriation | | |
| Proposed Dividend | 100.00 | 0.00 |

Operational Review

During the financial year 2014-15, net revenue from operation was Rs 39821.44 lac as compared to Rs 38691.80 lac during the corresponding period of previous year 2013-14. The net profit after tax of the Company is Rs 784.12 lacs as compared to Rs 1349.67 lac for the previous year.

Dividend

Your Directors have pleasure in recommending for approval of the members at the Annual General Meeting a dividend of Rs 1.00 per share (i.e 10%) for the financial year ended 31st March, 2015. The dividend of 10% if approved at the forthcoming Annual General Meeting will result in out flow of Rs 100.00 lacs in addition to Rs 20.47 lacs by way of dividend distribution tax.

Financial Review

Share Capital

The paid up equity capital as on march 31, 2015 was Rs.100000000/-. During the year under review, the Company has not issued any shares during the year.

Finance

The Company has raised fresh Long Term Loan of Rs 6993.10 lacs for its various projects in progress during the year and focusing primarily on managing its working capital judiciously.

Reserves

The Company does not propose to carry any amount to any reserves.

Fixed Deposit

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees or Investments:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company is given in the notes to the financial statements.

Internal Control Systems and their adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal auditor reports to the Whole Time Director and the quarterly reports are placed before the Audit Committee.



Based on the report of internal audit, the audit committee recommends corrective actions, the respective department needs to undertake in their respective areas and thereby strengthen the controls.

Corporate Social Responsibility Initiatives

As part of its initiatives under "corporate social responsibility" (CSR), the company has contributed funds for the schemes of promotion of education and medical aid.

The Annual Report on CSR activities is annexed herewith as: Annexure:- IV

Directors:

In term of Section 149 and Section 152 of the Companies Act, 2013 an independent Directors are not required to retire by rotation and may be appointed on the Board of the Company for maximum of two term of upto five years each. Accordingly, it is proposed to appoint the existing independent non executive Directors namely Shri S.K.Arora and Shri I.D.Singh, for the terms of five years effective from 30.09.2015. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board has appointed Mrs Bindu Satia and Mr Chirag Satia as Additional Director at their meeting held on 12.11.2014 and 13.02.2015 respectively and they holds office upto the date of ensuing Annual General Meeting and are eligible for appointment as Directors.

The Company has received a separate notice together with the requisite amount as per the provision of Section 160 of the Companies Act, 2013 for the appointment of aforesaid Directors on the Board of the Company.

Board Evaluation

Pursuant to the provision of the companies Act. 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance. The directors individually as well as the evaluation of

the working of its Audit, Remuneration Committees, the manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Key Managerial Personnel

The following employees were designated as whole time key Managerial personnel by the Board of Directors during the financial year:-

Dr Ajay Satia: CMD & CEO

Sh Ashok Kumar Khurana: CFO

Sh Rakesh Kumar Dhuria: Company Secretary

Remuneration Policy

The Board has on the recommendation of the Remuneration Committee framed a policy for selection & appointment of Directors. Senior Management and their remuneration. The Remuneration Policy is stated in the Annexure-I.

Meetings

During the year four board meeting and four Audit Committee Meetings were convened and held. The detail 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.

Director Responsibility Statement

Pursuant to requirement of Section 134 (5) of the Companies Act, 2013, your Directors confirm that :

- (a) in the preparation of the annual accounts, the applicable accounting standards have 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 profit or loss of the company for the period.



- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 in the case of listed Company had laid down internal financial control 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 provision of all applicable laws and that such system were adequate and operating effectively.

Statutory Auditors:

M/s Rakesh Bansal & Co., Chartered Accountants, Muktsar, were appointed as statutory auditors of the company to hold office till the conclusion of the 36th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013 the appointment of statutory auditor shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Rakesh Bansal & Co., Chartered Accountants, Muktsar as statutory auditor is placed for ratification by the shareholders. The Company has received letters from the Auditor to the effect that their re- appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that he is not disqualified for re-appointment.

The Auditors' Report on the Accounts is self explanatory and requires no comments.

Secretarial Audit:

Pursuant to provision 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 S. Parnami & Associates, a firm of company Secretaries in practice to undertake the Secretarial Audit of the company. The

Secretarial Audit report is annexed herewith as "Annexure-V

The secretarial audit report for the year under review requires no comments.

Internal Auditors

During the year under review M/s Rakesh Doomra and Associates, Muktsar carried out the internal audit and submitted their report.

Cost Audit

Pursuant to the provisions of the Companies Act, 2013 M/s R.J.Goel & Co., Cost Accountants, New Delhi has conducted the cost audit of the Company.

Related Party Transaction:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Subsidiary Companies

The Company does not have any subsidiary.

Code of Conduct

A Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of conduct" The Code has been posted on the Company's website

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior



from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

Extract of Annual Return:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure VI".

Business Risk Management:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the listing agreement, the company has Constituted a business risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards Report. At present the company has not identified any element of risk which may threaten the existence of the company.

Particulars of Employees

Information as required under Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is appended as Annexure-II and forms an integrated part of this report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

The Particulars as prescribed under section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Company (Accounts) Rules 2014 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is appended as an Annexure-III to the Director's Report.

Industrial Relations:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices.

The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance

Management Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

Acknowledgement:

The Directors wish to place on record their sincere gratitude and appreciation for the assistance and co-operation received from the Government of India, Government of Punjab, the Financial Institutions, Punjab National Bank, Central Bank of India, Members, Customers and Business Constituents for their continued support and co – operation.

We also place on record our sincere appreciation for the contribution made by the employees at all levels. Our consistent growth is made possible by their devout, sincere and unstinted services.

for and on behalf of the Board of Directors

PLACE : Rupana
DATE : 13.08.2015

(Dr Ajay Satia)
CHAIRMAN-CUM- MANAGING DIRECTOR

(R. K. BHANDARI)
Whole Time Director



Annexure-I

The Key provisions of the Nomination and Remuneration policy are given below:

The Remuneration policy principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives. The Nomination and Remuneration Committee while considering a remuneration package must ensure a balance approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance. In determining package of remuneration, the Committee may consult with the Chairman Cum Managing Director .

Information on the total remuneration of members of the Company's Board of Directors and KMP's shall be disclosed in the Company's Annual Report.

The Company may grant any advance salary/loan to employees of the Company at concessional/Nil interest rates as it deem fit subject to tax laws.

The Board may delegate the appointment and remuneration powers in case of Sr.Management Personnel (Except KMPs and Directors) to the Chairman & Managing Director CEO/or Whole Time Director .

Annexure-II

The information required pursuant to Section 197 read with Rule 5 (1) and (2) of Chapter X111, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished hereunder:

| Name of the Director/KMP and Designation | Remuneration in fiscal, 2015 Rs in lacs | % increase in remuneration from previous year | Ratio of Remuneration to MRE* | Comparison of the remuneration of the KMP against the Performance of the Company | |
|--|---|---|-------------------------------|--|---------------|
| | | | | % of Net Profits | % of Turnover |
| Dr.Ajay Satia Chairman & Managing Director | 144.00 | Nil | 66.1 | 18.36 | 0.361 |
| Sh.R.K.Bhandari Whole Time Director | 27.43 | 9.59% | 13.1 | 3.67 | 0.068 |
| Sh.Ashok Kumar Khurana, CFO | 14.15 | 9.27% | 7.1 | 1.80 | 0.035 |
| Sh.R.K.Dhuria Company Secretary | 10.88 | 7.50% | 5.1 | 1.39 | 0.027 |

- 2) The median Remuneration of Employees based on annualized salary.
- 3) In the financial year, there was an increase of 7.50% in the median remuneration of employees.
- 4) There were 1047 permanent employees on the rolls of the Company as on March 31, 2015

- 5) Relationship between average increase in remuneration and Company performance:-

The following factors are considered while giving increase in remuneration:

- (a) Financial performance of the Company.
- (b) Comparison with peer companies, and



- (c) Industry benchmarking and consideration towards cost of living adjustment/inflation
- (d) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the Company:-

ANNEXURE III

INFORMATION UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES 2014 AND FORMING PART OF THE REPORT OF THE BOARD OF DIRECTORS.

Conservation of Energy

A) Energy conservation is an ongoing process in the Company

- i) Steps taken or impact on conservation of energy
- ii) Installed energy efficient (premium efficiency IE3) motors in paper machine, pulp mill.
- iii) BIO Gas Engine installation to generate power from effluent.
- iv) PM2 press and silent drive installation to increase productivity and reduce specific steam and specific power consumption.
- v) Energy efficient Turbo blowers installed in ETP IPO inefficient blower to reduce the specific power consumption.
- vi) VFD installed in RO plant blower for energy conservation.
- vii) VFD installed in CRP ID/FD/PA FANS
- viii) Energy efficient LED light installed
- ix) Modification and insulation in steam lines/network to improve system and saving.

B) Technology Absorption

Your Company is keeping constant watch in technology up gradation in existing products

i) Efforts made towards technology up-gradation:-

- a) Pm/c-2 rebuild by changing its conventional press part to Binip efficiency press part resulted 36% to 42% outgoing to dryers AC frequency drives incorporated resulted 100

mtr/M speed increase & production enhancement.

- b) High efficiency 2 No blowers added in ETP plant replacing the old less efficiencies roots blower results approximates 25Kw/hr less power consumption.
- c) Synchro cutter installed in finishing house for accurate cutting of paper.
- d) Gas engine installed in gas plant successfully generating approximately 5000 Units of power/day from Methane gas.
- e) New heat exchanger installed in Power plant to save energy from contaminated and foul condensate.

ii) Benefits Derived

- a) Improving Productivity and Process control
- b) Improving Paper Quality
- c) Expenditures incurred on Research and Development Expenditure incurred on research and developments are assigned to the respective head and cannot be quantified separately.

iv. FOREIGN EXCHANGE EARNINGS AND OUT GO:

Expenditure for the year ended 31st March, 2015 is as under :-

| | (Rs. in Lacs) |
|---|---------------|
| (i) Earning in foreign exchange | 00.00 |
| (ii) Expenditure in foreign currency. (CIF Value of imports) | |
| (a) Capital Goods | 1819.36 |
| (b) Store & Spares | 89.40 |
| (c) Raw Material | 1733.95 |
| Interest | 11.93 |
| Bank Charges | 1.38 |
| Travelling | 6.60 |
| Legal, Fees and subscription | 0.67 |

for and on behalf of the Board of Directors

PLACE : Rupana (Dr Ajay Satia) (R. K. Bhandari)
 DATE : 13.08.2015 Chairman-cum Whole Time
 -Managing Director



Annexure IV

Corporate Social Responsibility(CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the

web-link to the CSR policy and projects or programs.

2. The Composition of the CSR Committee.

1. Sh. A.C.Ahuja:- Chairman
2. Sh. R. K. Bhandari- Whole Time Director:- Member
3. Sh. J. R. Sharma: Director(Legal) - Member

| Particulars | 31.03.2014 | 31.03.2013 | 31.03.2012 | Average |
|-------------|------------|------------|------------|---------|
| Net Profit | 497.70 | 1894.44 | 1052.10 | 1148.08 |

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

The Company is required to spend Rs.20.91 lac towards CSR.

5. Details of CSR spent during the financial year

- (a) Total amount spent during the financial year: Rs 7.92 Lacs
- (b) Amount unspent, if any: Rs. 15.04 lacs

© Manner in which the spent during the financial year

| S No. | CSR project or activity identified | Sector in Which The Project is covered | Projects or programs(1) Local area or Other(2) Specify the State and district where projects or Program was undertaken | Amount Outlay (budget) Projects or Program wise | Amount Spent on the projects or programme Sub-heads (1) Direct Expenditure on projects or programs (2)Overheads | Cumulative Expenditure Upto to the Reporting period | Amount Spent Direct or Through Implementing Agency |
|-------|--|--|--|---|---|---|--|
| 1 | Promoting Education, eradication Poverty, hunger and malnutrition, especially in rural areas, empowering women economically, supplementing primary education | Community Welfare | Sri Muktsar Sahib(Punjab) | 623520 | 623520 | 623520 | Direct |



| | | | | | | | |
|---|--|-------------------|--|--------|--------|--------|----------|
| | and participating in rural capacity building programmes and such other initiatives | | | | | | |
| 3 | Promoting preventive Healthcare, sanitation, family Welfare, community hospital and rural development programmes especially in rural areas | Community Welfare | VPO: Koni, District: Sri Muktsar Sahib | 169000 | 169000 | 169000 | Director |

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. The CSR Committee plans to procure and provide the Solar Energy Equipments to a Local School –for promoting

education. The expenditure for which shall be incurred in next year as and when the same is finalized.

7. The CSR Committee do hereby undertake that the implementation and monitoring of CSR Policy, in compliance with CSR objectives and Policy of the Company.

(Sd/-)

A.C.Ahuja

(CHAIRMAN-CSR COMMITTEE)

(Sd/-)

R. K. Bhandari

EXECUTIVE DIRECTOR



Annexure-V

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED
31st March, 2015**

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

To,
The Members,
SATIA INDUSTRIES LIMITED
Vill. Rupana, Malout-Muktsar Road,
MUKTSAR (PUNJAB)
(CIN: L21012PB1980PLC004329)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SATIA INDUSTRIES LIMITED. 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.

We report that-

- a) 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.
- b) 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statement of the company.
- d) Where-ever required, we have obtained the management representation about the

compliances of laws, rules and regulations and happening of events etc.

- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and produced before us 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 31st March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SATIA INDUSTRIES LIMITED and produced before us for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

- (ii) The Company has complied with the relevant provisions of Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under where ever applicable to the company.



- (iii) The Company has complied with the relevant provisions of the Depositories Act, 1996 and the Regulations and Bye-laws framed there under where ever applicable to the company.
- (iv) There were no issues which required specific compliance of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
- (v) The following Regulations and Guidelines complied under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) There were no issues which required specific approval of the provisions of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 amended upto date.
- (b) There were no issues which required specific approval of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 amended upto date.
- (c) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 amended upto date.
- (d) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 amended upto date.
- (e) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 amended upto date.
- (f) There were no issues which required the specific compliance/approval of 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 amended upto date.
- (g) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 amended upto date; and
- (h) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 amended upto date;
- (vi) The Company is into the business of manufacturing of writing and printing papers and as per representation given by the company following are some of the laws which are specifically applicable to the Company viz:-
- Water (Prevention and Control of Pollution) Act,
 - Air (Prevention and Control of Pollution) Act,
 - Environment Protection Act,
 - The Hazardous Wastes (Management and Handling) Rules 1989
 - Labour Laws
 - Industrial Dispute Act, 1947
 - National Green Tribunal Act, 2010
 - Bureau of Indian Standards Act, 1986
 - Energy Conservation Act, 2001
 - Standards for Discharge of environmental Pollutants. The company has complied with all the provisions of the above mentioned Acts.
- We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by the Institute of Company Secretaries of



India (ICSI) – ICSI had issued Secretarial Standards numbering 1 to 10 with reference to the provisions of the Companies Act, 1956 which were recommendatory in nature and the management had voluntarily decided to adhere to them. During the period under review ICSI had not issued Standards corresponding with reference to the provisions of the Companies Act, 2013; nonetheless, the management had decided to continue to adhere to Standards issued earlier

- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above. However, the Company has an unspent amount of Rs 12.99 lac during the year in the amount to be spent towards Corporate Social Responsibility.

We have checked the compliance management system of the company to obtain reasonable assurance about the adequacy of the system in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the company is seems adequate to ensure compliance of laws specifically applicable to the company.

We further report that the Board of

Place : BATHINDA
Date : 08.08.2015

Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and no system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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 had the following events which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc:

- a) The Members had passed a Special Resolution under Section 180(1)(c) of the Act, for borrowing monies, which may exceed the aggregate of the paid up capital of the Company and free reserves, such that the total outstanding amount so borrowed should not exceed 1000 crore at any point of time.

For S Parnami & Associates
Company Secretaries



Corporate Governance Report 2014-15

In accordance with Clause 49 of the Listing Agreement, the report containing the details of corporate governance systems at Satia Industries Limited is as follows

1. Company's Philosophy

Board of Directors of Satia Industries Ltd view corporate governance in its widest sense, almost like trusteeship, integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's business practices to ensure ethical and responsible leadership both at the Board and at the Management Level. The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company, sustainable return to its stakeholders i.e. the society at large by adopting best corporate practices in fair and transparent manner by aligning interest of the Company with that of its shareholders/other key stakeholders. Corporate Governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of Company's objects

3. Board of Directors

a) Composition of Board

The Board of Directors comprised of an Executive Chairman-Cum-Managing Director, two whole time Directors, five independent non-executive Directors and one woman Director and one non-executive Director. The Independent Directors on the Board are experienced, competent and highly reputed

persons from their respective fields. The Independent Directors take active part at the Board and Committee Meetings, which adds vision, strategic direction and value in the decision making process of the Board of Directors. As on 31st March, 2015 the composition of the Board of Directors is given herein below:

The Composition of the Board is in conformity with clause 49, which requires that at least 50 percent of the Board consist of non-executive Directors and in case the Chairman is a non executive Director at least one third of the Board should comprise of independent Directors.

Number of Board Meetings

The Board monitors compliance of objectives by holding management accountable for its activities through quarterly performance reporting. Board and committee meetings are held in an atmosphere of intellectual honesty, requiring reporting of the highest standard by management and constructive debate among Board and Committee Members.

During the financial year 2014-15, four Board Meetings were held on the following dates:-

- 1) 06-05-2014
- 2) 05-08-2014
- 3) 12-11-2014
- 4) 13-02-2015

The Maximum time gap between any two consecutive meetings was less than four months.



Satia Industries Limited

The Composition of Board of Directors and their attendance at the Board meetings during the year and at last Annual General Meeting of the Company as

also the number of other Directorship and committee Membership/ Chairmanship as on 31.03.2015 are as follows:-

| Sr. No. | Name of Director | Category of Directorship | No. Board Meetings attended | Attendance Last AGM | No. of other Directorship (See note) | No. of Committee Membership | |
|---------|-------------------|------------------------------|-----------------------------|---------------------|--------------------------------------|-----------------------------|----------|
| | | | | | | Member | Chairman |
| 1. | Dr. Ajay Satia | Chairman & Managing Director | 4 | Yes | - | - | - |
| 2. | Sh. R. K.Bhandari | Whole Time Director | 4 | Yes | - | - | - |
| 3. | Sh. A. Krishna | Independent Director | 3 | No | - | - | - |
| 4. | Sh. A. C. Ahuja | do | 4 | Yes | 2 | 1 | 1 |
| 5. | Sh J.R. Sharma | Whole Time Director | 3 | Yes | - | - | - |
| 6. | Sh S.K.Arora | Independent Director | 2 | No | - | - | - |
| 7. | Sh Dinesh Sharma | Independent Director | 3 | No | - | - | - |
| 8. | Sh I.D.Singh | Independent Director | 3 | No | - | - | - |
| 9. | Smt.Bindu Satia | Non-Executive Director | 2 | yes | - | - | - |
| 10. | Sh Chirag Satia | do | 1 | yes | - | - | - |

Smt Bindu Satia has been appointed as Additional Director w.e.f 12.11.2014

Sh Chirag Satia has been appointed as Additional Director w.e.f 13.02.2015

Note : 1. Includes directorship in public limited companies only

➤ apart from receiving Directors remuneration i.e sitting fees, do not have any material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its associates which may affect independence of the Directors.

- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- have not been executive of the Company in the immediately preceding three financial years.
- Are not partner or executives or were not partner or an executives during the preceding three years
- Statutory Audit firm or the internal Audit Firm that is associated with the Company.
- Legal firm and consulting firm that is associated with the Company



- Are not material suppliers, service providers or customers or lessees of the Company which may affect independence of the Directors.

As provided in Clause 49 of the Listing Agreement, none of the Directors is member of more than 10 Board level committees or a Chairman of more than 5 such committees.

Board evaluation

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 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 the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the directors 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. The evaluation process has been explained in the Corporate governance report section in this Annual Report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

Training of independent directors

Every new independent directors of the Board attends an orientation program. To familiarize the new inductees with the strategy operation and function of our Company the executive directors/senior managerial personnel make presentation to the

inductees about the Company's strategy, operations, product and servicing offering, markets, software delivery organization structure, finance and human resources, technology, quality, facilities and risk management. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, Function, duties and responsibilities as a director. The format of the letter of appointment is available in our website.

COMMITTEES OF THE BOARD

4. AUDIT COMMITTEE

a. Audit Committee and Attendance at its meeting is given hereunder:-

The Audit Committee as on March 31, 2015 comprised of four Directors, Three being non-executive and independent Directors viz. Sh. A.C.Ahuja, Sh. S.K. Arora, Sh Inderdev Singh & One Whole Time Director viz. Sh. R. K.Bhandari. The terms of reference of Audit Committee are as contained in the Section 177 (4) of the Companies Act, 2013 and also as contained in the clause 49 of the Listing Agreement. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting.

During the year under review, four (4) Meetings of Audit Committee were held on 06.05.2014, 05.08.2014, 12.11.2014, 13.02.2015. The composition of Audit Committee attendance of the members at the Committee Meetings during the year are as under:-

| Sr. No. | Name of Member | Status in Committee | Directorship | No. of Meetings attended |
|---------|-----------------------|---------------------|----------------------|--------------------------|
| 1. | Sh.A.C.Ahuja | Chairman | Independent Director | 4 |
| 2. | Sh. R. K. Bhandari | Member | Whole Time Director | 4 |
| 3. | Sh A.Krshna* | Member | Independent Director | 1 |
| 4. | Sh S.K.Arora** | Member | Independent Director | 1 |
| 5. | Sh Inder Dev Singh*** | Member | Independent Director | 3 |



Satia Industries Limited

* Member till 06th May, 2014, ** Member w.e.f 06th May, 2014, *** Member w.e.f 06th May, 2014

Nomination and Remuneration Committee

1. Term of Reference:

The term of reference of this committee are wide

enough covering the matter specified under the listing agreement and the Companies Act, 2013

The Composition of the Remuneration Committee & attendance of the members at the Committee Meetings during the year ended 31.03.2015 are as follows:-

| Sr. No. | Name of Member | Status in Committee | Directorship | No. of Meetings attended |
|---------|----------------------|---------------------|----------------------|--------------------------|
| 1. | Sh. A. C. Ahuja | Chairman | Independent Director | 2 |
| 2. | Sh. A. Krishna | Member | Independent Director | 2 |
| 3. | Sh. S. K. Arora ** | Member | Independent Director | 0 |
| 4. | Sh. Inder Dev Singh* | Member | Independent Director | 0 |

* Member w.e.f 06th May, 2014, ** Member till 06th May, 2014

Nomination and Remuneration Policy

The Nomination and Remuneration policy of the Company is designed to attract, motivates and retain manpower in competitive market. The main provision of this policy is given in the Board's Report.

REMUNERATION OF DIRECTORS

Managing Director and Whole Time Directors are appointed as per agreement and are being paid remuneration as approved by the Board and the shareholders. Sitting fees are paid to the Directors for attending the meetings of the Board of Directors/ Committees thereof. The detail of remuneration paid to directors during the period ended March 31, 2015 is as under:-

| Sr. No. | Name of Director | Sitting Fee (Rs.) | Salary | P.F | Others | Total (Rs.) |
|---------|------------------|-------------------|----------|-------|--------|-------------|
| 1 | Dr Ajay Satia | - | 14400000 | 2340 | 186000 | 14588340 |
| 2 | Sh R.K.Bhandari | - | 2743226 | 16500 | 69475 | 2829201 |
| 3 | Sh A.Krishna | 26000 | - | - | - | 26000 |
| 4 | Sh A.C.Ahuja | 60000 | - | - | - | 60000 |
| 5 | Sh J.R.Sharma | - | 623419 | - | 22555 | 645974 |
| 6 | Sh S.K.Arora | 19000 | - | - | - | 19000 |
| 7 | Sh Dinesh Sharma | 21000 | - | - | - | 21000 |
| 8 | Sh I.D.Singh | 43000 | - | - | - | 43000 |
| 9 | Smt Bindu Satia | - | - | - | - | - |
| 10 | Sh Chirag Satia | - | - | - | - | - |



Corporate Social Responsibility

(CSR) Committee

As required under Section 135 of the Companies Act, 2013 the Company has formed a CSR Committee.

| Name of the Member | Designation |
|--------------------|-------------|
| Sh A.C.Ahuja | Chairman |
| Sh R.K.Bhandari | Member |
| Sh J.R.Sharma | Member |

The Committee met 1 time during the financial year ended March 31, 2015. All the members of CSR Committee were present at the meeting held on 13th February, 2015 under the chairmanship of Sh A.C.Ahuja, Independent Director

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on 13th February, 2015 inter alia to :

1. Review the performance of Non independent Directors and the Board of Directors as a Whole:
2. Review the performance of the Chairman of the Company, taking into accounts the views of the Executive and Non Executive Directors.
3. Review the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Business Risk Management Committee

The company has formed a business risk evaluation/

management committee consisting of the following members

- 1) Sh R. K. Bhandari, Whole Time Director (Chairman)
- 2) Sh J. R. Sharma Director(Legal) – (Member)
- 3) Sh A. K. Khurana CFO-(Member)
- 4) Sh. A. Krishna Independent Director

Business Risk Evaluation and Management is an ongoing process within the Organization. The company has a risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management:
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines.
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle:
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan

General Body Meetings

The last three Annual General Meetings were held as under:-

| S. No. | Financial year | Date | Time | Location | No of Special Resolution Passed |
|--------|----------------|------------|---------|---|---------------------------------|
| 1 | 2013-14 | 30.09.2014 | 10.00AM | At Regd. Office; Muktsar- Malout Road, Vill.Rupana Distt. Muktsar | One |
| 2 | 2012-13 | 30.09.2013 | 10.00AM | At Regd. Office; Muktsar-Malout Road, Vill.Rupana Distt. Muktsar | Two |
| 3 | 2011-12 | 29.09.2012 | 10.00AM | At Regd. Office; Muktsar-Malout Road, Vill.Rupana Distt. Muktsar | Four |



Disclosures

There was no materially significant related party transaction, pecuniary transactions or relationships between the Company and its Directors, Promoters, or the management that may have potential conflict with the interest of the company.

Compliance made by the Company

- The Company has made the compliance of the stock exchanges, SEBI and other statutory authorities on all matters related to capital market.
- There were no penalties or strictures imposed on the company by Stock Exchanges or SEBI, any statutory authority on any matter related to the above.
- The management discussion and Analysis Report forms part of the Annual Report as an addition to the Directors' Report.

Means of Communication

The quarterly, half yearly and Annual Financial results were published in The Financial Express and also sent to the Stock Exchanges.

SCORES (Sebi Complaints Redressal System): The Investor Complaints are processed in a centralized web based complaints redressal system on www.scores.gov.in, a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR's) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company has no pending complaints filed through scores.

Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the code of conduct. The reportable matter may be disclosed to the Chairman of audit Committee. During the year under review, no employee was denied

access to the audit committee.

General Shareholders information

Annual General Meeting

Date and time : 30th September, 2015 (10 AM)

Venue : At Regd. Office :VPO Rupana
Muktsar-Malout Road,
Distt. Muktsar – 152032

Financial Calendar

Next Financial Year : April 1, 2015 to March 31, 2016

The quarterly financial results will be adopted as per the following tentative schedule

| Results | Announced on |
|---|----------------|
| For 1 st Quarter ended on 30.06.2015 | August, 2015 |
| For 2 nd Quarter ended on 30.09.2015 | November, 2015 |
| For 3 rd Quarter ended on 31.12.2015 | February, 2016 |
| For the year ended on 31.03.2016 | May, 2016 |

e) **Date of Book closure** : 25th September, 2015 to 30th September, 2015 (Both days inclusive)

f) **Dividend payment date** : Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting.

g) **Listing on Stock Exchanges** : Equity shares of the company has been included in the "T-group/ Index of ESE Limited, Mumbai(BSE)

h) **Stock Code** :
BSE Limited : 539201
ISIN Number : INE 170E01015
Corporate Identification Number : L21012PB1980PLC004329



i) Market Price Data

There was no trading of shares on the stock exchange during the F.Y.2014-15

Distribution of shareholding as on March 31, 2015

| No. of equity shares held | No of Share-holders | %age | Shares | %age total |
|---------------------------|---------------------|--------|----------|------------|
| UPTO 5000 | 427 | 81.96 | 40450 | 0.4045 |
| 5001 – 10000 | 36 | 6.91 | 26250 | 0.2625 |
| 10001- 20000 | 16 | 3.07 | 21300 | 0.2130 |
| 20001 – 30000 | 4 | 0.77 | 9625 | 0.0963 |
| 30001 – 40000 | 4 | 0.77 | 12500 | 0.1250 |
| 40001 – 50000 | 2 | 0.38 | 96000 | 0.0960 |
| 50001 – 100000 | 1 | 0.19 | 6500 | 0.0650 |
| 100001 AND ABOVE | 31 | 5.95 | 9873775 | 98.7378 |
| TOTAL | 521 | 100.00 | 10000000 | 100.0000 |

(I) Categories of shares as on 31.03.2015

| Sr. No. | Particulars | No. of shares | Amount (Rs. in lacs) | %age |
|---------|------------------------|---------------|----------------------|--------|
| 1. | Promoter | | | |
| | (a) Core Promoter | 4088156 | 408.82 | 40.88 |
| | (b) Friends/ Relatives | 1572800 | 157.28 | 15.73 |
| 2. | Financial Institutions | 0 | 0 | 0.00 |
| 3. | Public | 4339044 | 433.90 | 43.39 |
| 4. | Banks | 0 | 0 | 0.00 |
| 5. | Others | 0 | 0 | 0.00 |
| | Total | 10000000 | 1000.00 | 100.00 |

(c) Dematerialization of shares & liquidity

The shares of the Company are in demat and available in depository system of both NSDL and CDSL.

(h) Registrar & Transfer Agents :

The details of Registrar & Transfer Agent appointed by the Company are as under:-

Beetal Financial & Computer Services (P) Ltd
Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
New Delhi

Share Transfer System

In order to expedite the process of transfer of securities, the Board of Directors has constituted a Share Transfer Committee comprising of Dr Ajay Satia and Sh R.K.Bhandari, Four share Transfer Committee Meeting were held during the year ended 31.03.2015 as below and there is no pending transfer of shares.

| Sr No | Date of Meetings |
|-------|------------------|
| 1 | 28.05.2014 |
| 2 | 07.06.2014 |
| 3 | 28.06.2014 |
| 4 | 24.07.2014 |

Investor Grievance Committee

The Investor Grievance Committee of the Company for the year ended 31.03.2015 under the Chairmanship of Sh. A.Krishna, a non executive Director looks after the work of redressal of investors/ shareholders complaints. The other members of the Committee are Dr. Ajay Satia & Sh. R. K. Bhandari. No meeting of Investor Grievance Committee was held during the year under review, as the company has not received a single grievance/complaint from the investors/ shareholders.

(k) Plant location : Muktsar-Malout Road,
Vill. Rupana
Distt. Muktsar
(Punjab)

(l) Investors correspondence : Muktsar-Malout Road,
Vill. Rupana,
Distt. Muktsar-
152026 (Punjab)



Website The Company's website (www.satiagroup.com) contains a separate dedicated section "Investor Relation" where shareholders information is available. The Company's Annual Report is also available in a user-friendly and downloads form.

for and on behalf of the Board of Directors

PLACE : Rupana
DATE : 13.08.2015

(Dr Ajay Satia) (R. K. Bhandari)
Chairman-cum Whole Time
-Managing Director
Director

Management Discussion & Analysis

Satia Industries Ltd has a system of presentation system on quarterly basis to review the operation and performance of the Company. The Company Audit Committee and Board of Directors also meet regularly and advise for strengthening the corporate governances, the maximization of returns and minimization of risk. The Company is having writing and Printing Paper, Chemical Recovery and Co-generation plants at VPO Rupana, Malout –Muktsar Road, distt Muktsar and also engaged in the trading activities of the cotton and yarn. The Company has prepared the Balance Sheet, profit and Loss account and other statement of accounts in compliance with the requirement of the Companies Act, 2013 and as per mandatory accounting standard issued by the Institute of Chartered Accountants of India

Industry Structure and Development

The Paper Industry is considered as a touchstone of socio-economic development of the country. The century old pulp and paper industry occupies an important position in the Indian Economy for its extended role of early industrialization and social sector development.

The paper industry is one of the rapidly growing industries in india though it accounts for only about 2.6% of the global production of paper. The estimated turnover of the industry is INR 50,000 crore approximately. The industry provides employment to more than 0.5 million people directly and 1.5 million

people indirectly.

Owing to the strong domestic consumer base, share of India's paper consumption to the world' total has been rising consistently. The increasing demand for paper with its new challenges of economies of scale, efficient usage of resources, need to develop and expand sustainable use of fibre and value chain management etc. Despite the fact that the Indian Paper industry holds its importance to the national economy, unfortunately it stands fragmented.

Paper sector is dominated by small and medium size units: number of mills capacity 50000 tons per annum or more is not more than 25, less than half a dozen mills account for almost 90% production of newsprint in the country. There is a growing need to modernize the Indian mills, improve productivity and build new capacities.

Your company has a very strong pulping base having capacity to make sufficient agro waste pulp besides significant capacity to make deinked pulp. along with a Strong marketing network and loyal customer base to fulfill increasing market demand with increase in production and productivity. Three different machines that give your company flexibility to cater to a wider range of market are major strengths. At the same time, the major threat being faced by your company is the stringent environmental regulation being imposed by the government. Increasing competition with globalization and emergence of new units with latest technology, threat of Zero import duty on paper inputs, raw material shortage and economy of scale.

Segmentation or product wise performance

Your company has introduced a premium quality paper 'super snow white paper' excelling in all qualities like brightness, formation, bulk and strength properties and its share in total production is increasing. This product has made a place for itself in the market. Plans to introduce photocopier paper under a brand name in near future are underway. There has been good demand for colored and azure laid paper made by your company. There has been more than full capacity utilization of manufacturing capacity of your company.

Internal Control Systems and their adequacy

There is adequate internal control system in the



company through Internal Audit and regular operations review and efforts are being made to strengthen it.

Operating & Financial Performance

The net revenue from operation of the Company was Rs 39313.32 lac as compared to Rs 38343.37 lac during the corresponding period of the previous year 2013-14 and the net profit after tax of the Company was Rs 784.12 lac from Rs 1349.67 lac recorded for the previous year.

Development in Human Resources/Industrial Relations

The human capital of the company has been motivated and committed to bring good operating performance. The industrial relations are cordial. strives to provide the best work environment with ample

To,
The Members,
Satia Industries Ltd.
VPO: Rupana

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49(1D) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31st March, 2015 in terms of Clause 49 (1D)(ii) of the Listing Agreement entered with Stock Exchanges.

(Dr Ajay Satia)
MANAGING DIRECTOR

Place : Rupana
Date : 13.08.2015

CMD & CFO CERIFICATE

To,
The Members,
Satia Industries Ltd.
VPO: Rupana

(a) We have reviewed financial statements and the cash flow statement for the year and that to the

best of their knowledge and belief:-

- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief; no transactions entered into by the company during the year, which are fraudulent, illegal or Violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit Committee that:
- There have been no significant changes in internal control over financial reporting during the year.
- i) there has been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

there are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

Ashok Kumar Khurana
Chief Financial Officer

Dr Ajay Satia
Chairman-Cum-Managing
Director

Place : Rupana
Date : 13.08.2015



AUDITORS' CERTIFICATE

TO

The Members of Satia Industries Ltd.

We have examined the compliance of conditions of corporate governance by Satia industries limited formerly known as Satia Paper Mills Ltd., for the year ended on 31st March 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examinations were 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 statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of

Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer Committee and Shareholders/Investor Grievance Committee.

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

**For RAKESH BANSAL & CO.
Chartered Accountants**

**Place : Muktsar
Date : 13.08.2013**

**Proprietor
Membership No. 090278**



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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:

| | | |
|----|--|---|
| 1. | CIN | L21012PB1980PLC004329 |
| 2. | Registration Date | 26.11.1980 |
| 3. | Name of the Company | SATIA INDUSTRIES LIMITED |
| 4. | Category/Sub-category of the Company | PUBLIC |
| 5. | Address of the Registered office & contact details | VPO: RUPANA, MALOUT-MUKTSAR ROAD, DISTT:MUKTSAR(PUNJAB)-1520260633-262001 |
| 6. | Whether listed company | LISTED |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Beetal Financial & Computer Services (P) Ltd Beetal House, 3 rd Floor,99, Madangir, Behind Local Shopping Complex, Near Dada Harsukhdas Mandir,New Delhi-110062 CONTACT NOS 011-29961281-83, FAX 011-29961284 E-mai beetal@rediffmail.com |

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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| | Writing and printing paper | 17093 | 100 |

III. Particulars of Holding, Subsidiary and Associate Companies

The Company has no holding, Subsidiary and Associate Companies



Satia Industries Limited

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31-March-2014] | | | | No. of Shares held at the end of the year[As on 31-March-2015] | | | | % Change during the year |
|------------------------------------|--|----------|---------|-------------------|--|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | - | 4088156 | 4088156 | 40.88 | | 4088156 | 4088156 | 40.88 | - |
| b) Central Govt | - | - | | | | | | | |
| c) State Govt(s) | - | - | | | | | | | |
| d) Bodies Corp. | - | - | | | | | | | |
| e) Banks / FI | - | - | | | | | | | |
| f) Any other | - | - | | | | | | | |
| Total shareholding of Promoter (A) | - | 4088156 | 4088156 | 40.88 | | 4088156 | 4088156 | 40.88 | - |
| 2) Foreign | - | - | NIL | - | - | - | | | |
| Total Shareholding of Promoters | - | 4088156 | 4088156 | 40.88 | | 4088156 | 4088156 | 40.88 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | — | — | — | — | — | — | — | |
| b) Banks / FI | | — | | | | | | | |
| c) Central Govt | | — | | | | | | | |
| d) State Govt(s) | | - | | | | | | | |
| e) Venture Capital Funds | | - | | | | | | | |
| f) Insurance Companies | | - | | | | | | | |
| g) FIs | | - | | | | | | | |
| h) Foreign Venture Capital Funds | | - | | | | | | | |
| i) Others (specify) | | - | | | | | | | |
| Sub-total (B)(1):- | | - | | | | | | | |



| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31-March-2014] | | | | No. of Shares held at the end of the year[As on 31-March-2015] | | | | % Change during the year |
|--|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 1000 | 3365835 | 3366835 | 33.67 | 248000 | 3116535 | 3364535 | 33.65 | -0.02 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 6175 | 91300 | 97475 | 0.97 | 6800 | 92975 | 99775 | 1.00 | -0.03 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 19400 | 2428134 | 2447534 | 24.48 | 19400 | 2428134 | 2447534 | 24.48 | 0 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | 0 | | | | | | | | |
| Overseas Corporate Bodies | 0 | | | | | | | | |
| Foreign Nationals | 0 | | | | | | | | |
| Clearing Members | 0 | | | | | | | | |
| Trusts | 0 | | | | | | | | |
| Foreign Bodies - D R | 0 | | | | | | | | |
| Sub-total (B)(2):- | 26575 | 5885269 | 5911844 | 59.12 | 273900 | 5637944 | 5911844 | 59.12 | 0 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 26575 | 5885269 | 5911844 | 59.12 | 273900 | 5637944 | 5911844 | 59.12 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | | | | | | | | |
| Grand Total (A+B+C) | 26575 | 9973425 | 10000000 | 100 | 273900 | 9726100 | 10000000 | 100 | 0 |



B) Shareholding of Promoter-

| S. N. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding 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 | Sh Anil Satia (HUF) | 16875 | 0.168 | 0 | 16875 | 0.168 | 0 | 0 |
| 2 | Dr Ajay Satia (HUF) | 19375 | 0.193 | 0 | 19375 | 0.193 | 0 | 0 |
| 3 | Sh Chirag Satia with Joint holding | 455165 | 0.680 | 0 | 455165 | 0.680 | 0 | 0 |
| 4 | Ms Saloni Satia | 174344 | 1.74 | 0 | 174344 | 1.74 | 0 | 0 |
| 5 | Smt. Krishna Satia | 212875 | 2.13 | 0 | 212875 | 2.13 | 0 | 0 |
| 6 | Ms Yachana Satia | 258750 | 2.59 | 0 | 258750 | 2.59 | 0 | 0 |
| 7 | Sh Dhruv Satia | 543169 | 5.43 | 0 | 543169 | 5.43 | 0 | 0 |
| 8 | Sh Anil Satia | 567719 | 5.68 | 0 | 567719 | 5.68 | 0 | 0 |
| 9 | Smt Bindu Satia | 751094 | 7.51 | 0 | 751094 | 7.51 | 0 | 0 |
| 10 | Dr Ajay Satia | 1475861 | 14.76 | 902200 | 1475861 | 14.76 | 902200 | 0 |
| | Total | 4435239 | 44.35 | 902200 | 4435239 | 44.35 | 902200 | 0 |

C) Change in Promoters' Shareholding (please specify, if there is no change)

| S.N. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | No Change during the year | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | No Change During the year | | | |
| | At the end of the year | No Change during the year | | | |



**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

| S N | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year (As on 31.03.2014) | | No of Shares held at the end of the year (As on 31.03.2015) | | % change in shareholding during the year |
|-----|---|--|----------------------------------|---|----------------------------------|--|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | |
| 1 | Muktsar Logistic and Trading (P) Limied | 1572800 | 15.73 | 1572800 | 15.73 | 0 |
| 2 | SDS Cotton Private Limited | 1518285 | 15.18 | 1518285 | 15.18 | 0 |
| 3 | Sh Ankit Satia | 793344 | 7.93 | 793344 | 7.93 | 0 |
| 4 | Sh Akhil Satia | 332844 | 3.33 | 332844 | 3.33 | 0 |
| 5 | White Gold Transport Private Ltd | 250000 | 2.50 | 247000 | 2.47 | -0.03 |
| 6 | Ms Sabhyata | 130000 | 1.30 | 130000 | 1.30 | 0 |
| 7 | Bhai Apminder Singh | 112750 | 1.13 | 112750 | 1.13 | 0 |
| 8 | Smt. Gurcharan Kaur | 110000 | 1.10 | 110000 | 1.10 | 0 |
| 9 | Smt. Jasinder Kaur | 106875 | 1.07 | 106875 | 1.07 | 0 |
| 10 | Sh Jaskaran Singh | 106250 | 1.06 | 106250 | 10.6 | 0 |

E) Shareholding of Directors and Key Managerial Personnel:

| S N | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year* | | Cumulative Shareholding during theyear | |
|-----|--|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | Directors | | | | |
| | Dr Ajay Satia | | | | |
| | At the beginning of the year | 1475861 | 14.76 | 1475861 | 14.76 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | | | | |
| | Sh R.K.Bhandari | | | | |
| | At the beginning of the year | 25625 | 0.256 | 25625 | 0.256 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year | | | | |



| S N | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | 25625 | 0.256 | 25625 | 0.256 |
| | Sh J.R.Sharma | | | | |
| | At the beginning of the year | 0.00 | 0.00 | 10 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | 0.00 | 0.00 | 10 | 0 |
| | Sh Chirag Satia | | | | |
| | At the beginning of the year | 68094 | 0.680 | 68094 | 0.680 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | 68094 | 0.680 | 68094 | 0.680 |
| | Smt Bindu Satia | | | | |
| | At the beginning of the year | 751094 | 7.51 | 751094 | 7.51 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | 751094 | 7.51 | 751094 | 7.51 |
| | Sh A.C.Ahuja | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | 0 | 0 | 0 | 0 |
| | Sh Dinesh Sharma | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |



| S N | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the end of the year | | | | |
| | Sh A.Krishna | 0 | 0 | 0 | 0 |
| | At the beginning of the year | | | | |
| | | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | | | | |
| | Key Managerial Personnel | 0 | 0 | 0 | 0 |
| | Sh Ashok Kumar Khurna CFO | | | | |
| | At the beginning of the year | | | | |
| | | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | | | | |
| | Sh Rakesh Kumar Dhuria, Company Secretary | 0 | 0 | 0 | 0 |
| | | 0 | 0 | 10 | 0 |

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| Principal Amount | | | | |
| Interest due but not paid | 5515.06 | 1169.88 | - | 6684.94 |
| Interest accrued but not due | 53.42 | - | - | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |
| Provision | | | | |
| Reduction | 9070.28 | 468.6 | - | |
| Increase | (1559.17) | (212.32) | - | |
| Indebtedness at the end of the financial year | | | | |
| Principal Amount | | | | |
| Interest due but not paid | 12952.05 | 1392.2 | - | 14344.25 |
| Interest accrued but not due | 118.65 | - | - | |
| Total (i+ii+iii) | | | | |
| | 13070.7 | 1392.2 | - | |

Safia Industries Limited

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Rs. in lacs

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|-----|---|-------------------------|-----------------|---------------|--------------|
| | | Dr Ajay Satia | Sh R.K.Bhandari | Sh J.R.Sharma | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 144.00 | 27.43 | 6.23 | 177.68 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 1.88 | 0.85 | 0.22 | 2.95 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 0 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | 0 |
| 4 | Commission- as % of profit-others, specify... | | | | |
| 5 | Others, please specify | | | | |
| | Total (A) | 145.88 | 28.28 | 6.45 | 180.63 |
| | Ceiling as per the Act | | | | |

B. Remuneration to other directors

| S N. | Particulars of Remuneration | Name of Directors | | | | |
|------|--|-------------------|--------------|--------------|--------------|------------------|
| | | Sh A.C.Ahuja | Sh A.Krishna | Sh I.D.Singh | Sh S.K.Arora | Sh Dinesh Sharma |
| 1 | Independent Directors | | | | | |
| | Fee for attending board committee meetings | 60000 | 26000 | 43000 | 19000 | 21000 |
| | Commission | 0 | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 | 0 |
| | Total (1) | 60000 | 26000 | 43000 | 19000 | 21000 |
| 2 | Other Non-Executive Directors | | | | | |
| | Fee for attending board committee meetings | 0 | 0 | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 | 0 | 0 |
| | Total (B)=(1+2) | 60000 | 26000 | 43000 | 19000 | 21000 |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |


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

| SN | Particulars of Remuneration | Key Managerial Personnel | | |
|----|---|--------------------------|---------|---------|
| | | CS | CFO | Total |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1088200 | 1415000 | 2503200 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | - as % of profit | | | |
| | Others, specify... | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total | 1088200 | 1415000 | 2503200 |



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SATIA INDUSTRIES LIMITED

We have audited the accompanying financial statements of Satia Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 control, 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.

Our responsibility is to express an opinion on these 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter mentioned in preceding paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its profit/loss and its cash flows for the year ended on that date.

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.



and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

- b) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories except for material lying on floor & work in progress, which has been determined during the physical verification at the year end. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company and the same have properly dealt with in the books of accounts.
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:
- According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable. The amounts outstanding are the outcome of the normal trade transaction of sale and purchase.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for 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 control.
- (v) According to the information and explanation given to us, The Company has not received any public deposits during the year.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules

made by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.

(vii) In respect of statutory dues:

- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2015 for a period of more than six months from the date they became payable except:
- (i) Department of Central Excise & Customs
Rs.3.83 Lacs
- c) According to the information and explanations given to us, there were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

(viii) The company does not have the accumulated losses at the end of financial year. The company has not incurred any Cash losses during the financial covered by our Audit and the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has



- not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) The company has given guarantees in connection with loans of Rs.1210.00 Lacs(Present Outstanding Rs.693.57 Lacs) taken by TC Spinners Private Limited, V Lalru from banks. In our opinion, and according to the information and the explanation given to us, the terms and conditions of the guarantees given are not prejudicial to the interest of the company.
- (xi) The Term loans taken by the company have been applied for the purpose for which they were raised.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

Place : MUKTSAR

Date : 13.08.2015

FOR RAKESH BANSAL & CO.
CHARTERED ACCOUNTANTS

RAKESH BANSAL

M.No.090278

FRN 011474N



Satia Industries Limited

BALANCE SHEET AS AT 31.03. 2015

(in Rs. Lacs, Except as otherwise stated)

| Particulars | Note | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|-------------------------------------|--------|---|---|
| I. EQUITY AND LIABILITIES | | | |
| SHAREHOLDER'S FUNDS | | | |
| Share Capital | 2.1 | 1000.00 | 1000.00 |
| Reserves and Surplus | 2.2 | 8138.00 | 7474.35 |
| Sub Total | | 9138.00 | 8474.35 |
| SHARE APPLICATION MONEY | | | |
| Pending Allotment | 2.3 | 0.00 | 100.00 |
| NON CURRENT LIABILITIES | | | |
| Long Term Borrowings | 2.4.1 | 11102.32 | 4117.47 |
| Deferred Tax Liabilities | 2.4.2 | 497.64 | 1410.22 |
| Other Long Term Liabilities | 2.4.3 | 8030.60 | 7262.09 |
| Long Term Provisions | 2.4.4 | 626.17 | 550.29 |
| Sub Total | | 20256.73 | 13340.07 |
| CURRENT LIABILITIES | | | |
| Short Term Borrowings | 2.5.1 | 5525.40 | 4618.03 |
| Trade Payables | 2.5.2 | 3136.57 | 2621.28 |
| Other Current Liabilities | 2.5.3 | 2666.68 | 2496.79 |
| Short Term Provisions | 2.5.4 | 16.90 | 116.19 |
| Sub Total | | 11345.55 | 9852.29 |
| TOTAL | | 40740.28 | 31766.71 |
| II. ASSETS | | | |
| NON CURRENT ASSETS | | | |
| (a) FIXED ASSETS : | | | |
| Tangible Assets | 2.6.1 | 20418.33 | 15626.21 |
| Intangible Assets | 2.6.1 | 0.00 | 0.00 |
| Capital Work-in-Progress | 2.6.1A | 5030.79 | 3317.19 |
| Intangible Assets Under Development | 2.6.1A | 0.00 | 0.00 |
| Sub Total | | 25449.12 | 18943.40 |
| (b) NON-CURRENT INVESTMENT | | | |
| Sub Total | 2.6.2 | 717.00 | 1127.00 |
| CURRENT ASSETS | | | |
| Current Investment | 2.7.1 | 0.00 | 0.00 |
| Inventories | 2.7.2 | 5197.63 | 2707.76 |
| Trade Receivables | 2.7.3 | 7521.70 | 7390.87 |
| Cash and Cash Equivalents | 2.7.4 | 557.98 | 475.58 |
| Short-Term Loans And Advances | 2.7.5 | 876.68 | 663.98 |
| Other Current Assets | 2.7.6 | 420.17 | 458.12 |
| Sub Total | | 14574.16 | 11696.31 |
| TOTAL | | 40740.28 | 31766.71 |

Document Annexed:

1. Significant Accounting policies
2. Notes to Accounts

For RAKESH BANSAL & CO.
Chartered Accountants

(Rakesh Bansal)
Proprietor
M.No 090278
FRN 011474N

For and On behalf of Board of Directors

(Dr Ajay Satia)
Chairman-Cum Managing Director
& CEO

(R.K.Bhandari)
Whole Time Director

Place : Chandigarh
Date : 13.08.2015

(A.K.Khurana)
Vice President(Finance)
& CFO

(Rakesh Kumar Dhuria)
Company Secretary



STATEMENT OF PROFIT AND LOSS AS AT 31.03.2015

(in Rs. Lacs, Except as otherwise stated)

| Particulars | Note | Year Ended | Year Ended |
|--|-------|---------------------------|---------------------------|
| | | As At March 31st, 2015 | As At March 31st, 2014 |
| I) Revenue from Operations (Net of Excise) | 2.8 | 39313.32 | 38343.37 |
| II) Other Income | 2.9 | 508.12 | 348.43 |
| III) Total Revenue (I+II) | | 39821.44 | 38691.80 |
| IV) Expenses : | | | |
| Cost of Material Consumed | 2.10 | 17205.66 | 15350.34 |
| Cost of Purchase of Traded Goods | 2.11 | 1205.36 | 672.59 |
| Change In Inventories of Finished Goods, Work in Progress and Stock In Trade | 2.12 | -522.38 | 648.06 |
| Employees Benefit Expenses | 2.13 | 2365.61 | 2222.32 |
| Finance Cost | 2.14 | 1634.78 | 1557.85 |
| Depreciation and Amortization Expenses | 2.15 | 5298.66 | 2670.53 |
| Other Expense | 2.16 | 12625.32 | 14480.00 |
| Total Expenses | | 39813.00 | 37601.69 |
| V) Profit Before Exceptional and Extraordinary Items and Tax (III) - (IV) | | 8.44 | 1090.11 |
| VI) Exceptional Items | 2.17 | 0.00 | 0.00 |
| VII) Profit Before Extraordinary Items and Tax (V) - (VI) | | 8.44 | 1090.11 |
| VIII) Extraordinary Items | 2.18 | 9.91 | 38.01 |
| IX) PROFIT BEFORE TAX | | -1.47 | 1052.10 |
| X) Tax Expense: | 2.19 | | |
| (1) Current Tax | | 127.00 | 710.00 |
| (2) Deferred Tax | | -912.59 | -1007.57 |
| XI) Profit (Loss) for the Period from Continuing Operations (VII) - (VIII) | | 784.12 | 1349.67 |
| XII) Profit/ (Loss) from Discontinuing Operations | | 0.00 | 0.00 |
| XIII) Tax Expenses of Discontinuing Operations | | 0.00 | 0.00 |
| XIV) Profit/(Loss) from Discontinuing Operations (After tax) (XII-XIII) | | 0.00 | 0.00 |
| XV) Profit (Loss) for the Period (XI) + (XIV) | | 784.12 | 1349.67 |
| XVI) Earnings Per Equity Share | | | |
| Basic (Face Value Rs. 10) | (In') | 7.84 | 13.50 |
| Diluted (Face Value Rs. 10) | (In') | 7.84 | 13.34 |

Document Annexed:

1. Significant Accounting policies
2. Notes to Accounts

For RAKESH BANSAL & CO.
Chartered Accountants

(Rakesh Bansal)
Proprietor
M.No 090278
FRN 011474N

(Dr Ajay Satia)
Chairman-Cum Manging Director
& CEO

Place : Chandigarh
Date : 13.08.2015

(A.K.Khurana)
Vice President(Finance)
& CFO

For and On behalf of Board of Directors

(R.K.Bhandari)
Whole Time Director

(Rakesh Kumar Dhuria)
Company Secretary



Notes forming part of financial statements

Corporate Information:-

Satia Industries Limited formerly known as Satia Paper Mills Limited (herein after referred to as 'The Company') is a manufacturer of Writing and Printing Paper. The company is also engaged in generation of power and trading activities in Cotton & Yarn and Agricultural & Plantation Operations.

1. Significant Accounting Policies:-

1.1 Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention, except where otherwise stated, and on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year, Except the change in application of method of depreciation from straight line method to written down value method.

1.2 Fixed Assets:

Fixed Assets are shown at Historical Cost. Cost of the fixed assets comprises purchase price, duties, levies and direct indirect attributable cost of bringing the assets to its working condition for intended use. Borrowing cost related to acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition and installation are included in the cost of the assets. Expenditure for addition, improvement and renewals are capitalized and expenditure for repair and maintenance are charged to statement of Profit & Loss Account.

1.3 Depreciation:-

1.3.1 There is a change in the method for providing of depreciation from Straight Line Method to Written Down Value Method. Accordingly,

effective from April 1, 2014 the company has with retrospective effect has computed the charge of depreciation following the provisions of AS-6 to be applied over the remaining useful life of the assets in terms of Schedule II to the Companies Act, 2013. Management believes that this change in method will results in more appropriate presentation of the financial statements of the company.

1.3.2 Pursuant to the notification of Schedule II of the Companies Act, 2013 by the Ministry of Corporate Affairs effective 01, April 2014, the management has internally reassessed and changed, wherever necessary the useful lives to compute depreciation to conform to the requirements of the Companies Act, 2013.

1.3.3 On the basis of technical advice the management of the company has considered it to be appropriate to keep the residual value of all the assets at 10% of the historical cost.

1.3.4 Depreciation on the amount of addition made to Fixed Asset due to exchange fluctuation is provided over the remaining useful life of the asset to which the fluctuation relates.

1.3.5 Depreciation on the amount of addition made to Fixes Asset due to up gradation/improvement is provided at the rate applied to the existing assets. Patents and trademark etc. are accounted at their cost of acquisition and amortized over their estimated economic life not exceeding 10 years. Leasehold improvement are charged to statement of profit and loss account over the primary period of lease.



1.4 Investments

Investments are stated at cost less provision for permanent diminution in the value of long term Investment.

1.5 Impairment of Fixed Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Impairment loss is recognized in statement of Profit & Loss Account.

1.6 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.6.1 Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are net of return, volume discount and sales tax but including excise duty.

1.6.2 Income from CER/VER

Income from Carbon Emission Reductions (CER)/ Voluntary Emission Reductions (VER) is recognized when the project is registered with the United Nations Framework Convention on Climate Change (UNFCCC).

1.6.3 Income from REC/Dividend/Interest

Income from Renewable Energy Certificate/dividend on shares/ Interest on Investment is recognised on receipt bases.

1.7 Insurance claims are shown separately under the head other income and corresponding expenses are shown under respective expense head in statement of Profit and Loss Account.

1.8 Valuation of Inventories:-

Raw Materials, Stores & Spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products, in which they will be incorporated, are expected to be sold at or above cost. Cost of Raw materials is determined on a monthly moving weighted average basis and cost of chemicals, stores and spares is determined on transaction moving weighted average.

Work-in-Progress and Finished Goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods except lying in the factory premises includes excise duty.

By Products and Waste:

Net realizable value

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Agriculture Operations:

The amount spent on agriculture activities has been valued at cost and has been treated as the advance expenses against the future crop.

1.9 Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction;

Exchange Differences

Exchange differences arising on the settlement of monetary items or on restatement of reporting Company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward Exchange Contracts

In respect of forward exchange contracts entered into by the Company, the difference between the contracted rate and the rate at the date of transaction is recognized as gain or loss over the period of contract except for difference in respect of liabilities incurred for acquiring fixed assets from a country outside India, in which case such difference is adjusted in the carrying amount of the respective fixed assets. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

1.10 Borrowing Cost

Complying with the Accounting Standard-16, those borrowing costs, which are directly attributable to the acquisition, construction or production of qualifying asset are capitalized in the books of accounts and the amount borrowed which is generally used for the purpose of obtaining qualifying assets is capitalized in the books on average weighted Cost. Capitalization of borrowing cost should cease when substantially all the activities

necessary to prepare the qualifying assets for its intended use are completed.

1.11 Government Grants

Government grants received as capital incentives are credited to capital reserve. Government grants in other forms are credited to Statement of Profit & Loss Account. Government grants relating to specific assets are disclosed as deduction from the gross value of the assets concerned.

1.12 Retirement Benefits

1.12.1 Retirement benefits in the form of Provident Fund and Pension Schemes are charged to Statement of Profit & Loss Account of the year when the contributions to the respective funds are due.

1.12.2 Gratuity liability under the payment of Gratuity Act and provision for leave encashment is accrued and provided for on the basis of an actuarial valuation made at the end of each financial year.

1.12.3 The Company's gratuity benefit scheme is a defined plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is



measured at the present value the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

When the calculation results in a benefit to the company, the recognized assets is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in statement of profit & loss account.

1.13 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expenses in Statement of Profit & Loss Account on a Straight-Line basis over the lease term.

1.14 Accounting for taxes on income

Provision for tax on income is made after taking into consideration benefit admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from 'Timing difference' between book & taxable profit is accounted for using the tax rates & laws that have enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

1.15 Export incentives script in case of export are valued on the specific rates allowed on the relevant item of export.

1.16 Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

2. NOTES ON ACCOUNTS OF THE YEAR ENDED MARCH 31st, 2015

2.1 SHARE CAPITAL

(in Rs. Lacs, Except otherwise stated)

| Particulars | Year Ended | Year Ended |
|--|---------------------------|---------------------------|
| | As At March 31st, 2015 | As At March 31st, 2014 |
| Authorized: Equity Shares of Rs.10/- each 120,00,000 (120,00,000) Equity Shares | 1200.00 1200.00 | 1200.00 1200.00 |
| Issued Subscribed and Paid-Up: Equity Shares of Rs.10/- each 100,00,000 (100,00,000) Equity Shares Fully Paid-Up | 1000.00 | 1000.00 |
| TOTAL | 1000.00 | 1000.00 |



Satia Industries Limited

- a) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.
- b) In the event of Liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.
- c) However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of Number of Shares Outstanding :

No. of Shares

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|-----------------------------------|---|---|
| Number of Shares at the Beginning | 1,00,00,000 | 1,00,00,000 |
| Add : Share Issued | 0 | 0 |
| Number of Shares at the End | 1,00,00,000 | 1,00,00,000 |

Details of shareholders holding more than 5% shares in the company

| Particulars | Year Ended As At March 31st, 2015 | % Holding in the SHARES | Year Ended As At March 31st, 2014 | % Holding in the SHARES |
|--|---|-------------------------------|---|-------------------------------|
| Equity Shares of Rs 10 each fully paid | | | | |
| Sh. Ajay Satia | 1474861 | 14.75% | 1474861 | 14.75% |
| Smt. Bindu Satia | 751094 | 7.50% | 751094 | 7.50% |
| Sh. Anil Satia | 567719 | 5.67% | 567719 | 5.67% |
| Mr. Ankit Satia | 793344 | 7.93% | 793344 | 7.93% |
| Mr. Dhruv Satia | 543169 | 5.43% | 543169 | 5.43% |
| S.D.S Cotton (P) Ltd | 1518285 | 15.18% | 1518285 | 15.18% |
| Muksar Logistics and Trading (P) Ltd. | 1572800 | 15.72% | 1572800 | 15.72% |

Note : As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

2.2 RESERVE AND SURPLUS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| Capital Reserve-State Subsidy | | |
| Opening Balance | 65.00 | 65.00 |
| Add: Transferred from Statement Profit and Loss | 0.00 | 0.00 |
| Closing Balance (A) | 65.00 | 65.00 |
| Investment Utilization Reserve | | |
| Opening Balance | 78.43 | 78.43 |
| Add: Transferred from Profit and Loss account | 0.00 | 0.00 |
| Closing Balance (B) | 78.43 | 78.43 |



| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Profit and Loss Account | | |
| Surplus - Opening Balance | 7330.92 | 5981.25 |
| Add: Profit after tax transferred from Statement of Profit and Loss | 784.12 | 1349.67 |
| Less: Appropriations | | |
| Dividend proposed to be distributed to equity shareholders (Rs 1 per share ,previous year Nil per share) | 100.00 | 0.00 |
| Tax on Dividend | 20.47 | 0.00 |
| Balance In Statement of Profit & Loss (C) | 7994.57 | 7330.92 |
| Total (A)+(B)+(C) | 8138.00 | 7474.35 |

2.4 NON CURRENT LIABILITIES

2.4.1 LONG TERM BORROWINGS : Term Loans from Banks

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|-----------------------|---|---|
| Punjab National Bank | 6670.27 | 2496.96 |
| Central Bank of India | 3466.35 | 1441.06 |
| Indian Overseas Bank | 793.83 | 0.00 |
| Vehicle Loans | 171.87 | 179.45 |
| Total | 11102.32 | 4117.47 |

Note 1 : The loans due to PNB, CBI AND IOB are secured by the first charge by way of equitable mortgage of company's immovable properties, present and future, hypothecation of company's movable assets, present and future in their favour on parripassu basis and further personally guaranteed by the Managing Director and a director of the company.

Note 2 : The loans of PNB are further secured by pledge of 24 lacs equity shares held by the promoters

Note 3 : Vehicle loans are secured by hypothecation of specific assets only.

Note 4 : Installment for repayment of term loans due to be paid in the next year amounting Rs.1,849.73 lacs (PY Rs. 1,397.59 lacs) has been treated as current liability and are not included as long term liability.

2.4.2 DEFERRED TAXES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Deferred Tax Liabilities Related to the Fixed Assets | 727.93 | 1612.57 |
| Deferred Tax Assets Related to the disallowances under section 43B of the Income Tax Act,1961 | 230.29 | 202.35 |
| Total | 497.64 | 1410.22 |



2.4.3 OTHER LONG -TERM LIABILITIES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--------------------------------|---|---|
| UNSECURED LOAN : | | |
| Security Deposits | 6874.10 | 6253.79 |
| From Banks | 1155.25 | 976.65 |
| From Body Corporate | 0.00 | 0.00 |
| From Other than Body Corporate | 0.00 | 31.65 |
| From Directors | 1.25 | 0.00 |
| TOTAL | 8030.60 | 7262.09 |

Installments for repayment of unsecured loans from banks due to be paid in the next year amounting to Rs 235.70 Lacs (P.Y 161.58 lacs) has been considered as current liability by the company and are not included as long term liability.

Note : The estimates of future salary increases.

2.4.4 LONG-TERM PROVISIONS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Provision for Employee Benefits | | |
| Leave Encashment | 321.66 | 298.72 |
| Gratuity Obligation | 304.51 | 251.57 |
| TOTAL | 626.17 | 550.29 |

considered in a actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

2.5 CURRENT LIABILITIES

2.5.1 SHORT TERM BORROWINGS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| Working Capital Loans: Banks (Rupees Loan) | | |
| Punjab National Bank | 4732.19 | 3776.61 |
| Central Bank of India | 793.21 | 841.42 |
| TOTAL | 5525.40 | 4618.03 |



Working capital Borrowings' are secured by hypothecation of all stocks of raw material, stores, work in progress finished stock and book debts in addition to personal guarantee by M.D & a Director of the company. In addition to this the working capital limits are further secured by way of second parri passu charge on all the fixed assets of the company.

2.5.2 TRADE PAYABLES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Sundry Creditors: | | |
| Micro, Small & Medium Enterprises | 62.55 | 35.73 |
| Others | 845.16 | 904.22 |
| Acceptances Against LC (DA) not due for Payments | 2228.86 | 1681.33 |
| TOTAL | 3136.57 | 2621.28 |

2.5.3 OTHER CURRENT LIABILITIES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|------------------------------|---|---|
| Proposed Dividends | 100.00 | 0.00 |
| Statutory Liabilities | 74.06 | 119.91 |
| Advance from Customers | 59.59 | 393.89 |
| Interest Accrued But not Due | 40.01 | 15.48 |
| Other Liabilities Term Loan | 307.59 | 408.34 |
| Due within a year | 2085.43 | 1559.17 |
| TOTAL | 2666.68 | 2496.79 |

2.5.4 SHORT-TERM PROVISIONS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---------------------------|---|---|
| Dividend Distribution Tax | 20.48 | 0.00 |
| Income-Tax (Net) | (3.58) | 116.19 |
| TOTAL | 16.90 | 116.19 |



2.6 NON CURRENT ASSETS

2.6.1 FIXED ASSETS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---------------------|---|---|
| Gross Block | 35838.10 | 25765.85 |
| Less : Depreciation | (15419.77) | (10139.64) |
| Net Block | 20418.33 | 15626.21 |

Note : A detail chart depicting of fixed assets of the company and depreciation thereof has been attached.

Intangible Assets

There are no intangible assets.

2.6.1A CAPITAL WORK IN PROGRESS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Building under Construction | 541.70 | 272.60 |
| Plant and Machinery under Erection | 3916.78 | 962.46 |
| Advance to Suppliers for Capital Goods | 556.14 | 2065.96 |
| Others | 16.17 | 16.17 |
| TOTAL | 5030.79 | 3317.19 |

Intangible Assets under development

There are no intangible assets under development.

2.6.2 NON CURRENT INVESTMENTS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Non-current Investment - at cost | | |
| Trade Investment (Unquoted) | | |
| a) 34,50,000 Equity Shares of Bhandari Export Industries Ltd of ₹ 10 Each at par (5,450,000) | 345.00 | 545.00 |
| b) 37,20,000 Equity Shares of T.C Spinners(P) Ltd of ₹10 each at par (58,20,000) | 372.00 | 582.00 |
| TOTAL | 717.00 | 1127.00 |



2.7 CURRENT ASSETS

2.7.1 CURRENT INVESTMENTS

There are no current investments.

2.7.2 Inventories

| Particulars | Year Ended | Year Ended |
|--|---------------------------|---------------------------|
| | As At March 31st, 2015 | As At March 31st, 2014 |
| Raw Materials, Chemicals & Fuels | 2551.56 | 1248.52 |
| Stock in Process | 122.66 | 94.10 |
| Semi Finished Stock | 78.53 | 23.22 |
| Finished Stocks | 881.34 | 438.40 |
| Consumable Stores, Spares and Packing Material | 1260.62 | 848.20 |
| Scrap | 4.88 | 9.31 |
| Agriculture Development Expenses (Plantation) | 89.19 | 46.01 |
| Stock of Yarn | 208.85 | 0.00 |
| TOTAL | 5197.63 | 2707.76 |

2.7.3 TRADE RECEIVABLES

| Particulars | Year Ended | Year Ended |
|------------------------------------|---------------------------|---------------------------|
| | As At March 31st, 2015 | As At March 31st, 2014 |
| Over Six Months | 51.88 | 13.93 |
| Other Debts | 7469.82 | 7376.94 |
| | 7521.70 | 7390.87 |
| Less: Provision for Doubtful Debts | 0.00 | 0.00 |
| TOTAL | 7521.70 | 7390.87 |

(Unsecured, considered good unless otherwise stated)

2.7.4 CASH AND CASH EQUIVALENTS

| Particulars | Year Ended | Year Ended |
|---|---------------------------|---------------------------|
| | As At March 31st, 2015 | As At March 31st, 2014 |
| Cash in hand | 10.20 | 6.28 |
| Balance with Banks | 58.40 | 12.66 |
| Draft/Cheque in transit | 3.05 | 0.00 |
| Fixed Deposit with Banks against Margin Money | 486.33 | 454.64 |
| TOTAL | 557.98 | 475.58 |



2.7.5 SHORT TERM LOANS AND ADVANCES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| Loans & Advances | 17.25 | 161.23 |
| Excise Duty & Service Tax Deposited (Including Balance Under Cenvat Against Input, Input Service & Capital Goods) | 733.14 | 415.06 |
| DEPB Pending For Utilization | 2.41 | 2.77 |
| Insurance Claims Recoverable | 5.40 | 0.00 |
| Sales Tax Deposited Against Appeal | 2.55 | 2.55 |
| Insurance Prepaid | 17.89 | 16.55 |
| Prepaid Expenses | 14.57 | 8.65 |
| Rent Advance | 0.30 | 0.17 |
| Misc. Recoverable | 26.06 | 26.11 |
| Vat & Entry Tax | 39.73 | 0.00 |
| Advance Lease Rent A/C | 17.38 | 29.67 |
| Punjab State Power Corporation Ltd | 0.00 | 1.22 |
| TOTAL | 876.68 | 663.98 |

(Unsecured, considered good unless otherwise stated) *

2.7.6 OTHER CURRENT ASSETS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--------------------------|---|---|
| Security/Tender deposits | 216.22 | 143.11 |
| MAT Credit Entitlement | 190.82 | 315.01 |
| Interest Receivable | 13.13 | 0.00 |
| TOTAL | 420.17 | 458.12 |



2.8 REVENUE FROM OPERATION

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| Gross Sales* | 49238.51 | 47686.09 |
| Less: Excise Duty | 2143.90 | 1434.92 |
| Less Inter Divisional Sale of Power & Steam | 7781.29 | 7907.80 |
| Net Sales | 39313.32 | 38343.37 |

2.8.1 PARTICULARS OF SALE OF PRODUCTS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| I PAPER DIVISION | | |
| MANUFACTURED GOODS | | |
| Writing & Printing Paper (Including Excise Duty) | 40197.88 | 39059.39 |
| Sale of Soda Ash | 0.00 | 16.33 |
| Sale of Scrap | 33.81 | 30.22 |
| SUB TOTAL | 40231.69 | 39105.94 |
| TRADED GOODS | | |
| Sale of Wood Pulp | 0.00 | 0.00 |
| Sale of Yarn | 188.20 | 0.00 |
| Sale of Waste Paper | 38.02 | 28.80 |
| SUB TOTAL | 226.22 | 28.80 |
| Gross Sales | 40457.91 | 39134.74 |
| Less: Goods Return | 0.00 | 0.00 |
| Sales Less Returns (A) | 40457.91 | 39134.74 |
| II COTTON & YARN DIVISION (TRADED) | | |
| Sale (Cotton) | 761.88 | 639.67 |
| Sale (Yarn) | 216.91 | 0.00 |
| SUB TOTAL (B) | 978.79 | 639.67 |
| III CO-GENERATION DIVISION | | |
| Sale Of Electricity | 4166.54 | 3709.41 |
| Sale Of Steam | 3614.75 | 4198.40 |
| SUB TOTAL (C) | 7781.29 | 7907.81 |
| IV POWER DIVISION | | |
| Sale Of Wind Power (D) | 0.00 | 3.87 |
| V AGRICULTURAL DIVISION (E) | 20.52 | 0.00 |
| TOTAL (A)+(B)+(C)+(D)+(E) | 49238.51 | 47686.09 |



2.9 OTHER INCOME

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Interest Income | 58.63 | 29.17 |
| Insurance Claims | 16.71 | 66.90 |
| Misc Income | 90.94 | 5.15 |
| Exchange Rate Variation | 49.35 | 0.00 |
| Export Incentive | 0.00 | 0.00 |
| Discount Earned on DEPB & SHIS Purchase | 8.19 | 36.86 |
| Income from Renewable Energy Certificate | 284.30 | 210.35 |
| TOTAL | 508.12 | 348.43 |

2.10 COST OF MATERIAL CONSUMED

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---------------|---|---|
| Raw Materials | 11624.54 | 9216.47 |
| Chemicals | 5581.12 | 6133.87 |
| TOTAL | 17205.66 | 15350.34 |

2.11 COST OF PURCHASE OF STOCK IN TRADE

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--------------------|---|---|
| Cotton | 762.58 | 639.21 |
| Yarn | 404.00 | 0.00 |
| Polyester Fiber | 0.00 | 0.00 |
| Cotton Waste | 0.00 | 0.00 |
| Waste Paper Indian | 38.78 | 33.38 |
| TOTAL | 1205.36 | 672.59 |



2.12 CHANGE IN INVENTORIES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Opening Stock : | | |
| Finished Goods | 438.40 | 519.07 |
| Stock in process | 94.11 | 134.49 |
| Semi Finished | 23.21 | 548.65 |
| Scrap | 9.31 | 10.88 |
| | (A) | 565.03 |
| Closing Stock : | | |
| Finished goods | 881.34 | 438.40 |
| Stock in process | 122.66 | 94.10 |
| Semi Finished | 78.53 | 23.22 |
| Scrap | 4.88 | 9.31 |
| | (B) | 1087.41 |
| INCREASE(+)/DECREASE(-) IN STOCKS | (A) - (B) | (522.38) |
| | | 648.06 |

2.13 EMPLOYEE BENEFITS EXPENSE

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| a) Salaries, Wages and Bonus | 1497.77 | 1331.55 |
| b) Welfare Expenses | 723.56 | 786.43 |
| c) Contribution to Provident and Other Funds. | 144.28 | 104.34 |
| TOTAL | 2365.61 | 2222.32 |

2.14 FINANCE COST

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--------------------------------|---|---|
| a) Interest on Term Loans | 453.56 | 432.49 |
| b) Interest on Working Capital | 1046.72 | 956.01 |
| c) Bank & Other Charges | 134.50 | 119.35 |
| TOTAL | 1634.78 | 1557.85 |



2.15 DEPRECIATION AND AMORTISATION CHARGE

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--------------|---|---|
| Depreciation | 5298.66 | 2670.53 |
| TOTAL | 5298.66 | 2670.53 |

2.16 OTHER EXPENSES

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| a) Utilities: | | |
| i) Power Consumed | 4680.47 | |
| Less : Inter Divisional Purchase | (4166.54) | |
| ii) Steam Consumed | 3614.75 | |
| Less : Inter Divisional Purchase | (3614.75) | |
| iii) Fuel | 7293.05 | 6626.23 |
| iv) Water Supply Charges | 84.67 | 62.54 |
| v) Effluent Treatment Expenses | 0.00 | 0.00 |
| b) Stores and Spare Parts Consumed | 1615.61 | 2298.59 |
| c) Repair & Maintenance : | | |
| i) Building | 81.87 | 94.41 |
| ii) Machinery | 163.86 | 144.63 |
| iii) Others | 60.56 | 77.65 |
| d) Packing Material & Exp. | 808.97 | 773.29 |
| e) Handling and Shifting : | | |
| i) Raw Material and Chemicals | 228.33 | 201.40 |
| ii) Fuel | 2.82 | 27.55 |
| f) Reversal of Cenvat Credit of Excise Duty | 155.07 | 399.23 |
| g) Job Work Charges | 0.00 | 0.00 |
| h) Loss on cotton Trading | 172.20 | 0.00 |
| i) Selling,Administrative And Other Expenses | | |
| i) Printing and Stationary | 6.66 | 24.57 |
| ii) Postage, Telegram & Telephone | 13.70 | 16.74 |
| iii) Sales Tax | 25.60 | 17.30 |
| iv) Travelling & Conveyance | 84.42 | 95.90 |



| | | |
|--|-----------------|-----------------|
| v) Disposal and Cartage | 221.61 | 174.26 |
| vi) Vehicle Running and Maintenance | 34.80 | 32.80 |
| vii) Rent | 35.00 | 35.46 |
| viii) Loss of Assets | 0.00 | 852.73 |
| ix) Legal & Professional Charges | 44.41 | 21.12 |
| x) Fee & Subscription | 55.93 | 79.82 |
| xi) Director Sitting Fee | 1.69 | 1.65 |
| xii) Loss on Sale of Assets | 69.65 | 308.22 |
| xiii) General Expenses | 74.30 | 39.55 |
| xiv) Auditors Remuneration and Expenses | 3.08 | 3.03 |
| xv) Electricity and Water Charges | 9.93 | 8.62 |
| xvi) Charity and Donation | 11.12 | 4.20 |
| xvii) Freight & Handling outward/Export Exp. | 96.77 | 102.66 |
| xviii) Commission | 531.00 | 744.70 |
| xix) Discounts & Rebate | 80.21 | 190.45 |
| xx) Exchange Rate Variation | 0.00 | 3.81 |
| xxi) Advertisement | 3.41 | 2.72 |
| xxii) Corporate Social Responsibility Expenses | 7.92 | 0.00 |
| xxiii) Agricultural Expenses | 15.06 | 0.00 |
| xiv) Computer Expense | 18.10 | 0.00 |
| TOTAL | 12625.32 | 14480.00 |

2.17 Exceptional Items

There were no exceptional Items during the year.

2.18 Extraordinary Items

It includes Prior Period expenses.

2.19 TAX EXPENSES

| Particulars | Year Ended | Year Ended |
|------------------------------|---------------------------|---------------------------|
| | As At March 31st, 2015 | As At March 31st, 2014 |
| Current Tax | | |
| Provision for Tax | 127.00 | 710.00 |
| Less :MAT Credit Entitlement | 0.00 | 0.00 |
| Net Current Tax | 127.00 | 710.00 |
| Deferred Tax | (912.59) | (1007.57) |
| TOTAL | (785.59) | (297.57) |



Annexure - A
Details of Fixed Assets and Depreciation as on 31.03.2015

(in INR)

| S. NO. | ASSETS DESCRIPTION | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | |
|--------|-------------------------|------------------------|---------------------------------|--------------------------------|------------------------|------------------------|-----------------------|--------------------|------------------------|------------------------|
| | | AS ON 01.04.2014 (Rs.) | ADDITIONS DURING THE YEAR (Rs.) | DELETION DURING THE YEAR (Rs.) | AS ON 31.03.2015 (Rs.) | AS ON 01.04.2014 (Rs.) | DURING THE YEAR (Rs.) | WRITTEN BACK (Rs.) | AS ON 31.03.2015 (Rs.) | AS ON 31.03.2014 (Rs.) |
| 1 | Land | 11,793,179 | - | - | 11,793,719 | - | - | - | 11,793,719 | 11,793,719 |
| 2 | Plant & Machinery | 1,653,424,750 | 918,657,093 | 5,550,000 | 2,566,531,843 | 765,396,277 | 419,147,811 | - | 1,841,544,088 | 1,381,987,755 |
| 3 | Turbine | 504,808,419 | - | - | 504,808,419 | 59,838,096 | 22,145,4019 | - | 81,981,497 | 422,826,922 |
| 4 | Building | 268,600,109 | 63,420,714 | - | 332,020,823 | 91,441,460 | 62,923,495 | - | 154,304,955 | 177,655,868 |
| 5 | Electrical installation | 58,393,724 | 10,689,653 | 1,000,000 | 68,083,377 | 54,099,939 | (685,337) | - | 53,405,602 | 14,677,775 |
| 6 | Office Equipment | 5,670,153 | 837,877 | - | 6,508,030 | 3,125,064 | 2,058,061 | - | 5,184,125 | 1,323,904 |
| 7 | Furniture & fittings | 5,775,919 | 581,008 | - | 6,356,927 | 4,535,727 | 271,267 | - | 4,806,994 | 1,549,934 |
| 8 | Vehicles | 50,914,252 | 19,286,688 | 2,348,477 | 57,852,463 | 20,093,057 | 24,010,350 | 1,853,072 | 42,250,335 | 25,602,128 |
| 9 | Computers | 12,764,411 | 1,908,466 | - | 14,672,877 | 12,131,742 | (558,400) | - | 11,573,342 | 3,099,534 |
| 10 | A.C. Fan & Cooler | 4,439,395 | 741,961 | - | 5,181,356 | 3,312,678 | 553,125 | - | 3,885,802 | 1,315,553 |
| 11 | Total | 2,576,584,851 | 1,016,123,460 | 8,898,477 | 3,583,809,833 | 1,013,964,040 | 529,865,774 | 1,853,072 | 1,541,976,742 | 2,041,833,091 |
| 12 | Previous Year | 2,394,543,872 | 284,120,235 | 102,079,256 | 2,576,584,851 | 768,796,635 | 267,052,656 | 21,885,251 | 1,013,964,040 | 1,562,620,811 |



2.20 Contingent Liabilities and Commitments to the extent not provided for)

| Particulars | Year Ended | Year Ended |
|--|---------------------------|---------------------------|
| | As At March 31st, 2015 | As At March 31st, 2014 |
| i) Bank Guarantee | 1734.08 | 540.94 |
| ii) Excise & Custom Duty demand in dispute | 3.83 | 3.83 |
| iii) Customs Duty in respect of Export Obligation | 79.34 | 73.72 |
| iv) Corporate Guarantee in favour of Uco Bank on behalf of T.C Spinners Pvt.Ltd (Outstanding balance Rs. 693.57) | 1210.00 | 1210.00 |

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions, when

ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

2.21 DISCLOSURE REQUIREMENT AS PER AS-18, ON RELATED PARTY DISCLOSURE.

| Nature of Relationship | Name of Related Party |
|---|--|
| i) Individual Owing directly or indirectly substantial interest in the voting power of the company. | T.C. Spinners Pvt. Ltd. Satia Paper Mills Private Ltd |
| ii) Associates | |
| iii) Key Management Personnels | Dr. Ajay Satia Mr. R.K. Bhandari Mr. Janak Raj Sharma |
| iv) Relatives of key Management Personnel | Mrs Bindu Satia (Wife of Dr. Ajay Satia) Mr. Anil Satia (Brother of Dr. Ajay Satia) Smt. Krishna Satia (Mother of Dr. Ajay Satia) Mrs. Renu Pahwa (Sister of Dr. Ajay Satia) Mr. Rajat Mehta (son in law of Dr. Ajay Satia) Ms Yachna Satia (Daughter of Dr. Ajay Satia) Mr. Chirag Satia (Son of Dr. Ajay Satia) Mr. Kulbir Pahwa (Sisters Husband of Dr. Ajay Satia) Mr. Vinod Saluja (Sisters Husband of Dr. Ajay Satia) Mrs. Archana Saluja (Sister of Dr. Ajay Satia) Mrs. Pushpa Bhandari (Mother of Mr. R.K. Bhandari) Mrs. Kiran Bhandari (Wife of Mr. R.K. Bhandari) Ms. Vasudha Bhandari (Daughter of Mr. R.K. Bhandari) Mr. Amit Sharma (Son of Mr. Janak Raj. Sharma) Mr. Dhruv Satia (Son of Dr. Ajay Satia) Satia Paper Mills (Enterprise of Mr. Dhruv Satia) |



Transaction with parties as listed above during the period under consideration:

| SR No | Nature of Transaction | Individual owing directly or indirectly a Substantial interest in the voting power of the company | Key Management Personal | Relatives of Key Management personal | Total |
|-------|-------------------------|---|-------------------------|--------------------------------------|--------------------|
| i) | Loan Receipt | - (-) | 78.75 (71.93) | 4.00 (45.52) | 82.75 (117.45) |
| ii) | Loan Repayment | - (-) | 77.77 (75.22) | 38.98 (141.48) | 116.75 (216.70) |
| iii) | Rent | - (-) | 3.60 (3.60) | 19.30 (21.08) | 22.90 (24.68) |
| iv) | Managerial Remuneration | - (-) | 177.66 (177.64) | 0 (-) | 177.66 (177.64) |
| v) | Salary | - (-) | - (-) | 7.09 (6.81) | 7.09 (6.81) |
| vi) | Sales | 948.49 (186.32) | - (-) | - (-) | 948.49 (186.32) |
| vii) | Purchases | 406.28 (-) | - (-) | - (-) | 406.28 (-) |
| viii) | Investment | 210.00 (-) | - (-) | - (-) | 210.00 (-) |
| ix) | Sale of Investment | 149.00* (-) | - (-) | 180.00** (-) | 329.00 (-) |

(Figure in brackets relates to previous year)

*Sale of 2000000 number of equity shares face value of Rs 10/- each to Satia Paper Mills Pvt Limited at a price of Rs 7.45 per share.

**Sale of 2100000 number of equity shares face value of Rs 10/- each to Mr. Dhruv Satia at a price of Rs 9 per share.



Outstanding Balance as on 31.03.2015

| SR No | Nature of Transaction | Individual owing directly or indirectly a Substantial interest in the voting power of the company | Key Management Personal | Relatives of Key Management personal | Total |
|-------|----------------------------------|---|-------------------------|--------------------------------------|--------------------|
| i) | Managerial Remuneration | - (-) | 4.17 (48.14) | - (-) | 4.17 (48.14) |
| ii) | Loan and Advances Credit | - (-) | 1.25 (0.27) | 0 (33.38) | 1.25 (33.65) |
| iii) | Loan and Advances Debit | - (-) | - (-) | - (-) | 0 (-) |
| iv) | Corporate Guarantee | 693.57 (838.65) | - (-) | - (-) | 693.57 (838.65) |
| v) | Share Application Money Received | - (-) | - (4.25) | - (-) | - (4.25) |
| vi) | Investment in Equity Shares | 372.00 (582.00) | - (-) | - (-) | 372.00 (582.00) |
| vii) | Rent | - (-) | - (-) | - (1.20) | 0 (1.20) |
| viii) | Salary | - (-) | - (-) | 0.50 (0.52) | 0.50 (0.52) |
| ix) | Debtors | - (-) | - (-) | 21.48 (-) | 21.48 (-) |

(Figure in brackets relates to previous year)

2.22 IMPORT (VALUED ON THE COST, INSURANCE AND FREIGHT BASIS)

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|-----------------|-----------------------------------|-----------------------------------|
| Capital Goods | 1819.36 | 477.78 |
| Raw Material | 1733.95 | 1716.73 |
| Stores & Spares | 89.40 | 151.20 |
| TOTAL | 3642.71 | 2325.71 |



2.23 ACTIVITY IN FOREIGN CURRENCY

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---|---|---|
| Travel | 6.60 | 19.35 |
| Interest | 11.93 | 7.73 |
| Bank Charges | 1.37 | 0.74 |
| Legal & Technical Fees and Subscription | 0.00 | 0.67 |
| TOTAL | 19.90 | 28.49 |

2.24 FOB VALUE OF EXPORTS OF GOODS

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|---------------------------------------|---|---|
| Writing & Printing Paper (USD 251.48) | 0.15 | 0.00 |
| TOTAL | 0.15 | 0.00 |

2.25 MSMED ACT 2006

The company has been obtaining confirmation from suppliers who have registered themselves under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED ACT, 2006). Based on the information available with the company, balance due to Micro & Small Enterprises as defined under the MSMED ACT, 2006 is Rs. 62.55 lacs (previous year Rs. 35.73 lacs). Further no interest during the year has been paid under the terms of the MSMED Act, 2006.

2.26 EMPLOYEE BENEFITS

Effective from 1st January, 2007 the company adopted Accounting Standard 15 (revised 2005) on Employees Benefits issued by the Institute of Chartered Accountants of India.

The following table sets out the status of the gratuity scheme plan as at 31.03.2015.

i) Table Showing Changes in Present Value of Obligations:

| Particulars | Year Ended As At March 31st, 2015 | Year Ended As At March 31st, 2014 |
|--|---|---|
| Present value of the obligation at the beginning of the period | 251.57 | 222.43 |
| Interest cost | 20.13 | 20.02 |
| Current service cost | 25.33 | 20.54 |
| Benefits paid (if any) | (17.18) | (13.77) |
| Actuarial (gain)/loss | 24.65 | 2.35 |
| Present value of the obligation at the end of the period | 304.50 | 251.57 |



ii) Key results (The amount to be recognized in the Balance Sheet)

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--|---|---|
| Present value of the obligation at the end of the period | 304.50 | 251.57 |
| Fair value of plan assets at the end | 0.00 | 0.00 |
| Net Liability/(asset) recognised in Balance sheet and related analysis | 304.50 | 251.57 |
| Funded Status | (304.50) | (251.57) |

iii) Expense recognized in the statement of Profit and Loss:

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--|---|---|
| Interest cost | 20.12 | 20.02 |
| Current service cost | 25.33 | 20.54 |
| Expected Return on plan | 0.00 | 0.00 |
| Net Actuarial (gain)/loss recognized in the year | 24.65 | 2.35 |
| Expense recognized in the statement of Profit and Loss | 70.11 | 42.91 |

iv) Experience Adjustment

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--|---|---|
| Experience Adjustment (Gain)/loss for plan Liabilities | 4.56 | 15.30 |
| Experience Adjustment (Gain)/loss for plan Assets | 0.00 | 0.00 |

v) Summary of membership data of valuation and statistics based thereon:

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|---|---|---|
| Number of employees | 1091.00 | 1061.00 |
| Total monthly salary (In Lakhs) | 83.45 | 73.74 |
| Average Past Service(Years) | 8.90 | 8.50 |
| Average remaining working lives of employees(years) | 22.80 | 23.00 |
| Average Age(Years) | 37.20 | 37.00 |



vi) The assumptions employed for the calculations are tabulated:

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--------------------------------|---|---|
| Discount Rate (Per annum) | 8% | 9% |
| Salary Growth Rate (Per annum) | 4% | 4% |
| Mortality | IALM 2006-08 Ultimate | IALM 2006-08 Ultimate |
| Expected Rate of Return | 0.00 | 0.00 |
| Withdrawal Rate(Per Annum) | 5% | 5% |

vii) Benefits valued:

| Normal Retirement Age | 60 Years | 60 Years |
|--|---|---|
| Salary | Terminal Basic Salary (excluding) all other allowances and Perquisites) | Terminal Basic Salary (excluding) all other allowances and Perquisites) |
| Vesting Period | 5 Years of Service | 5 Years of Service |
| Benefits on Normal Retirement | 15/26 *Salary* Number of Completed Years of Service | 15/26 *Salary* Number of Completed Years of Service |
| Benefit on early exit due to Death and Disability | As above Except that no vesting conditions apply. | As above Except that no vesting conditions apply. |
| Limit (In Lakhs) | 10 | 10 |

2.27 Calculation of Deferred Tax Liability

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--|---|---|
| Written Down Value of Fixed Assets as per Books | 16309.29 | 11528.99 |
| Written Down Value of Fixed Assets as per Income Tax | 14167.70 | 6784.73 |
| (A) Deferred Liability | 2141.59 | 4744.26 |
| Expenses disallowed u/s 43B | 677.54 | 595.34 |
| Unabsorbed Depreciation & Losses | 0.00 | 0.00 |
| (B) Deferred Assets | 677.54 | 595.34 |
| Net Deferred (Assets)/Liability (A-B) | 1464.05 | 4148.92 |
| As on date | 497.63 | 1410.22 |
| Net Deferred Tax (Assets)/Liability for the year | (912.59) | (1007.57) |

Note: The deferred tax in respect of the Co-Gen Segment pertaining to the timing differences which will reverse during the tax holiday period on account of deduction under section 80IA of the Income Tax Act 1961 has not been recognised .



2.28 Director's Remuneration

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|-------------------------------------|---|---|
| (a) Managing Director | | |
| (i) Salary | 144.00 | 144.00 |
| (ii) Contribution to Provident Fund | 0.02 | 0.09 |
| (iii) Perquisites | 1.86 | 1.24 |
| (b) Whole Time Directors | | |
| (i) Salary | 33.66 | 30.30 |
| (ii) Contribution to Provident Fund | 0.17 | 0.09 |
| (iii) Perquisites | 0.92 | 0.90 |
| (c) Directors Sitting Fee | 1.69 | 1.65 |

2.29 In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of Current Assets, Loans and Advances in the ordinary course of business would not be less than the amount at which they are stated in Balance Sheet. The provision for all known liabilities is adequate and neither is excess nor short of the amount reasonably necessary.

2.30 The liability of Excise Duty on finished goods remaining uncleared in the factory premises and lying in stock at the end of the year estimated at Rs 56.33 lacs (Previous year Rs 26.69 lacs) are not included in the valuation of inventory of such goods. However the said liability if provided in accounts would have no effect on the profits for the period.

2.31 Auditor's Remuneration:

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--|---|---|
| (a) Statutory Auditor's Remuneration: | | |
| For Audit Fee including Service-tax | 2.00 | 2.00 |
| For Other Services | 0.60 | 0.60 |
| For out of Pocket Expenses | 0.00 | 0.00 |
| | 2.60 | 2.60 |
| (b) Cost Audit Fee including Service Tax | 1.00 | 1.00 |
| For out of pocket Expenses | 0.08 | 0.03 |
| | 1.08 | 1.03 |
| TOTAL | 3.68 | 3.63 |



2.32 Derivative Instruments and Unhedged Foreign Currency Exposure.

Unhedged Foreign Currency Exposure

| Particulars | Amount in Lacs (Foreign currency) As On March 31st, 2015 | Amount in Lacs (Foreign currency) As On March 31st, 2014 |
|-------------|---|---|
| | Import Creditors | 863.62 (USD 13.81) 182.47 (EURO 2.69) |

2.33 Earning Per Share (EPS) computed in accordance with AS-20 'Earning Per Share'

| Particulars | Year Ended As On March 31st, 2015 | Year Ended As On March 31st, 2014 |
|--|---|---|
| | a) Net Profit/ (Loss) after tax & before Extra ordinary Items (' In lacs) | 794.03 |
| b) Net Profit/ (Loss) after tax & after Extra ordinary Items (' In lacs) | 784.12 | 1349.67 |
| c) Weighted Average No. of Shares | 10000000.00 (Nos.) | 10000000 (Nos.) |
| d) Diluted potential equity shares | 10000000.00 (Nos.) | 10118003 (Nos.) |

Earning Per Share (EPS)

| | | |
|---------|------|-------|
| Basic | 7.84 | 13.50 |
| Diluted | 7.84 | 13.34 |

Diluted EPS is calculated after taking into consideration of potential equity share capital.

2.34 During the period the company has made provision for Tax amounting to Rs. 127.00 lacs.

2.35 The management of the company has not recognised any loss for impairment of any of the fixed assets of the company

2.36 Depreciation

Effective from April 01, 2014, the company has with retrospective effect changed its method

of providing depreciation on fixed assets from "Straight Line" method to the, "Written Down Value " method, at the rates keeping in view the remaining useful life as certified by the Chartered Engineers, except the Captive Power Plants(CO-Gen Division) where in the useful life of the assets has been taken wherever necessary with the help of a Technical Advice keeping in view the terms of Schedule II of Companies Act 2013. Had the company continued to use the earlier method the depreciation would have been at a figure



of Rs 15.29 crore. It has the direct effect upon the profits of the company. The comparison of the useful lives is as follows.

| Assets | Useful Life as per Part C of Schedule II to Companies Act, 2013 (Years) | Adopted by the Company (Years) |
|-----------------------|---|--------------------------------|
| Machinery | 25 | 12 |
| Cogen Machinery | 40 | 40 |
| Building | 30 | 20 |
| Computer | 3 | 3 |
| Electrical & Fittings | 12 | 12 |
| Vehicle | 8 | 5 |
| Fan & Cooler | 5 | 5 |
| Furniture & Fitting | 10 | 10 |
| Office Equipment | 5 | 5 |

2.37 Current Assets including advances are considered good and in view of the management of the company to be realizable within 12 months from the date of Balance Sheet.

2.38 Outstanding balances in sundry debtors, creditors & security deposits are subject to confirmation.

2.39 Figures in brackets represent figures of previous year.

2.40 Previous Year's figures have been regrouped and/or re-arranged wherever considered necessary.

For RAKESH BANSAL & CO.
Chartered Accountants

(Rakesh Bansal)
Proprietor
M.No 090278
FRN 011474N

(Dr Ajay Satia)
Chairman-Cum Managing Director
& CEO

(A.K.Khurana)
Vice President(Finance)
& CFO

Place : Chandigarh
Date : 13.08.2015

For and On behalf of the Board of Directors

(R.K.Bhandari)
Whole Time Director

(Rakesh Kumar Dhuria)
Company Secretary



2.41 Disclosure Format of Primary Segments

| | Paper | | Yarn | | Wind Power | | Cogeneration | | Agriculture | | Elimination | | Total | |
|---|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| REVENUE | | | | | | | | | | | | | | |
| External Sale | 38314.01 | 37699.83 | 978.79 | 639.67 | 0.00 | 3.87 | 0.00 | 0.00 | 20.52 | 0.00 | 0.00 | 0.00 | 39313.32 | 38343.37 |
| Inter-segment Sale | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 7781.29 | 7907.80 | 0.00 | 0.00 | 7781.29 | 7907.80 | 0.00 | 0.00 |
| Total Revenue | 38314.01 | 37699.83 | 978.79 | 639.67 | 0.00 | 3.87 | 7781.29 | 7907.80 | 20.52 | 0.00 | 7781.29 | 7907.80 | 39313.32 | 38343.37 |
| RESULT | | | | | | | | | | | | | | |
| Segment Result | 105.98 | 789.96 | (198.19) | (5.17) | 0.00 | (2.77) | 1729.97 | 1865.94 | 5.46 | 0.00 | 0.00 | 0.00 | 1643.22 | 2647.96 |
| Unallocated corporate exp. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Operating Profit | 105.98 | 789.96 | (198.19) | (5.17) | 0.00 | (2.77) | 1729.97 | 1865.94 | 5.46 | 0.00 | 0.00 | 0.00 | 1643.22 | 2647.96 |
| Interest Expense | | | | | | | | | | | | | 1634.78 | 1557.85 |
| Tax Expense | | | | | | | | | | | | | (785.59) | (297.57) |
| Profit from ordinary activities | | | | | | | | | | | | | 794.03 | 1387.68 |
| Extraordinary loss : uninsured earthquake damage to factory | | | | | | | | | | | | | 9.91 | 38.01 |
| Net Profit | | | | | | | | | | | | | 0.00 | 0.00 |
| | | | | | | | | | | | | | 784.12 | 1349.67 |



Cash Flow Statement for the Period 01.04.2014 to 31.03.2015

A CASH FLOW FROM OPERATING ACTIVITIES

| Particulars | Amount |
|--|-----------|
| Net Profit Before Tax | 8.47 |
| Adjustments for: | |
| Depreciation | 5298.66 |
| Provisions For Gratuity & Leave Encashment | 75.87 |
| Interest Received | (58.63) |
| (Profit)/loss on sale of Assets | 69.65 |
| Interest & Finance Charges | 1634.78 |
| | 0.00 |
| Operating Profit before Working Capital Changes | 7020.33 |
| Adjustments for: | 7028.80 |
| Decrease/(Increase) in Other Current Assets | (252.37) |
| Increase/(Decrease) in other Current Liabilities | (1095.59) |
| Decrease/(Increase) in Receivables | 438.15 |
| Decrease/(Increase) in Inventories | (2489.86) |
| Increase/(Decrease) in Payables | 515.28 |
| Cash generated from operations | (2884.39) |
| Prior Period Income/(Expense) | 9.15 |
| Income Tax paid | (136.47) |
| Net Cash flow from Operating activities | 4144.41 |
| | 0.00 |
| | 4017.09 |

B CASH FLOW FROM INVESTING ACTIVITIES

| | |
|---------------------------------------|------------|
| Purchase of Fixed Assets | (10072.25) |
| Sale of Fixed Assets | 0.00 |
| Sale of Investments | 340.35 |
| Interest Received | 58.63 |
| Increase in Advances & others | (1713.60) |
| | 0.00 |
| Net Cash used in Investing activities | (11386.88) |

C CASH FLOW FROM FINANCING ACTIVITIES

| | |
|--|-----------|
| Share Application repayment | (100.00) |
| Repayment Of Other Loans & Security Deposits | 768.51 |
| Repayment of Term Loan & Vehicle Loan | (1559.17) |
| Proceeds From Working Capital Borrowings | 907.36 |
| Proceeds from Long term Borrowings | 9070.28 |
| Interest paid | (1634.78) |
| Net Cash used in financing activities | 7452.20 |
| Net increase in cash & Cash Equivalents | 0.00 |
| Cash and Cash equivalents as at 01.04.2014 | 82.41 |
| Cash and Cash equivalents as at 31.03.2015 | 475.57 |
| | 557.98 |

| | As on | |
|-----------------------------------|------------|------------|
| | 31.03.2015 | 31.03.2014 |
| Cash & Cash Equivalents | | |
| Cash in Hand | 10.20 | 8.28 |
| Cash at Bank | 547.78 | 467.30 |
| Cash & Cash equivalents as stated | 557.98 | 475.57 |

For **RAKESH BANSAL & CO.**
Chartered Accountants

(Rakesh Bansal)
Proprietor
M.No 090278
FRN 011474N

(Dr Ajay Satia)
Chairman-Cum Managing Director

For and On behalf of Board of Directors

(R.K.Bhandari)
Whole Time Director

Place : Chandigarh
Date : 13.08.2015

SATIA INDUSTRIES LTD

Regd. Office: Village Rupana, Malout-Muktsar Road, Dist: Muktsarr

Tel.No.01633-262215,262001, CIN: L21012PB1980PLC004329

Form No. MGT-11

PROXY FORM

(Pursuant to section 105(6) of the Companies Act,2013 and rule 19(3) of the Companies(Management and Administration) Rules,2014

Name of the member(s):

Registered address

E-mail id

Folio No/Client id: DP ID:

I/We being the member(s)of..... Shares of Satia Industries Ltd, hereby appoint:

- 1. Name :.....
- 2. Address.....
- 3. E-mail Id.....
- 4. Signature..... Or failing him

- 1. Name:
- 2. Address.....
- 3. E-mail Id.....
- 4. Signature:.....

As my/our proxy attend and vote(on a poll)for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2015 at 10.00 AM at the registered office of the Company at Village Rupana,Malout-Muktsar Road , Distt: Muktsar-152032 and at any adjournment thereof in respect of such resolution as are indicated below"

- 1..... 2..... 3..... 4..... 5.....
- 6..... 7..... 8..... 9..... 10..... 11..... 12.....

Note ; 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.

SATIA INDUSTRIES LTD ATTENDANCE SLIP

I hereby record my presence at the 34th ANNUAL GENERAL MEETING of the Company to be held on Wednesday 30th September, 2015 at 10.00 AM at the Registered Office of the Company at Village Rupana, Malout-Muktsar Road, Distt: Muktsar-152032 Punjab

Signature

Client ID.....

D.P.ID.....

.....
Full Name of the Shareholder
(IN BLOCK LETTERS)

Folio No.....

Full Name of Proxy.....
(IN BLOCK LETTER)

- NOTE: 1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2. A proxy need not be a member.

BOOK - POST

If undelivered please return to:

SATIA INDUSTRIES LTD.
MALOUT - MUKTSAR ROAD
VILLAGE RUPANA
DISTT. MUKTSAR
PUNJAB - 152032