



SATIA
INDUSTRIES
LIMITED

An ISO 9001, 14001 &
OHSAS 18001 company

Manufacturer of Quality
Writing, Printing & Speciality
Paper with ECO MARK

IS 1848



CIN: - L21012PB1980PLC004329

SIL/CS

Date: 10.02.2023

The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001 Scrip Code: 539201	The Manager, Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051 Symbol: SATIA
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Dear Sir/Madam,

Pursuant to Regulation 30 read with Para A of Schedule. III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, Please find enclosed Investor Presentation.

This is for your record and dissemination.

Thanking you,

Yours faithfully,
For Satia Industries Limited

(Rakesh Kumar Dhuria)
Company Secretary

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Branch : S.C.O. No. 90 - 92, Sector 8 - C, Madhya Marg, Chandigarh - 160018 Ph. : 0172-2780022/23, 4618377 Fax : 0172-4648606 : satiaindustriestd@gmail.com

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SAFE HARBOUR

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Satia Industries Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

COMPANY OVERVIEW

Overview

- Satia Industries Limited (SIL), located in the District of Muktsar, Punjab was incorporated by Dr. Ajay Satia and commenced its operations in 1984.
- SIL is one of the leading Wood and Agro-based paper manufacturers in India, with a completely integrated manufacturing setup with 4 paper machines, 100% in-house power generation, soda recovery plant and one of the best effluent treatment facilities in the nation.
- SIL has 540 acres of eucalyptus plantations, developed as per Karnal Technology which consumes total treated water discharge.
- SIL has recently added a 4th state of the art paper machinery to its production facilities with a capacity of 100,000 MTPA. With a diverse Capex program to modernize and scale up its capacities, SIL now has total installed capacity of 2,05,000 MT in FY23.
- SIL supplies 40%-50% of its production to State textbook boards with the balance sold in the open market through pan-India network of 70+ dealers and 3 branch offices located in Delhi, Chandigarh & Jaipur with total Employee strength of 2,200+ head counts
- SIL is Carbon Credit Surplus and has a regular income accruing from renewable energy credits (REC)



Vision

'To become a leader in its own segment with excellence in all-round performance creating value for all stakeholders of the company, society and the economy'



Mission

'To sustain growth with technological upgradation and innovation on a continuous basis for achieving cost competitiveness with sustained profitability, excellence in quality and win customer satisfaction and loyalty'



LEADERSHIP TEAM

Dr. Ajay Satia Chairman & M.D

Dr. Satia is an MBBS, he has been the pioneer for setting up this integrated paper mill. Dr. Satia has a passion for work, a flair for technology and possesses unparalleled enterprising spirit for expansion and modernization. His greatest strength lies in building and retaining a strong and trusted team which has turned his dreams into reality.



Mr. Chirag Satia Executive Director

He has been driving force behind new initiatives since he joined in 2015 and looks after Finance, Accounts and Commercial Operations. His enterprising spirit and visionary outlook have added new energy to the workforce. Mr. Chirag has huge expansion aspirations for the company and is currently spearheading the cutlery segment set-up and expansion.



Mr. R.K. Bhandari Joint Managing Director

Mr. Bhandari is an MBA, he has been instrumental in marketing and other administrative responsibilities since the last 33 years. He has been instrumental in formulation & execution of SIL's core business strategies He has also been instrumental in providing new direction to the marketing department and placing the company on domestic map.



FROM THE DESK OF THE MANAGEMENT



We are pleased to state that we have reported a strong quarter despite the challenges faced by the industry. Our revenues jumped by 125% and EBITDA by 182% YoY. Similarly, our performance for 9MFY23 was also encouraging. Revenue from operations in during nine months grew by 129% and PAT by 105% as compared to 9MFY22. The company has declared an interim dividend of 20%.

We believe that fundamental demand prospects for paper will remain stable over the medium term, given its under penetration across segments. We are on our track to accomplish our objective and turn SIL in to one of the country's top paper manufacturer.

I am delighted to state that we continue to gain the benefits from our recently commenced PM4 which recently started commercial production last year . With the additional capacity, SIL would be in a position to cater to any incremental demand from the State book boards.

SIL is aiming to on-board maximum orders arising in the domestic market with its price competitive advantage and fully integrated setup. Because of our long-standing relationship with State Textbook Corporations and our robust dealer network we are able to deliver quality paper at competitive cost across the nation.

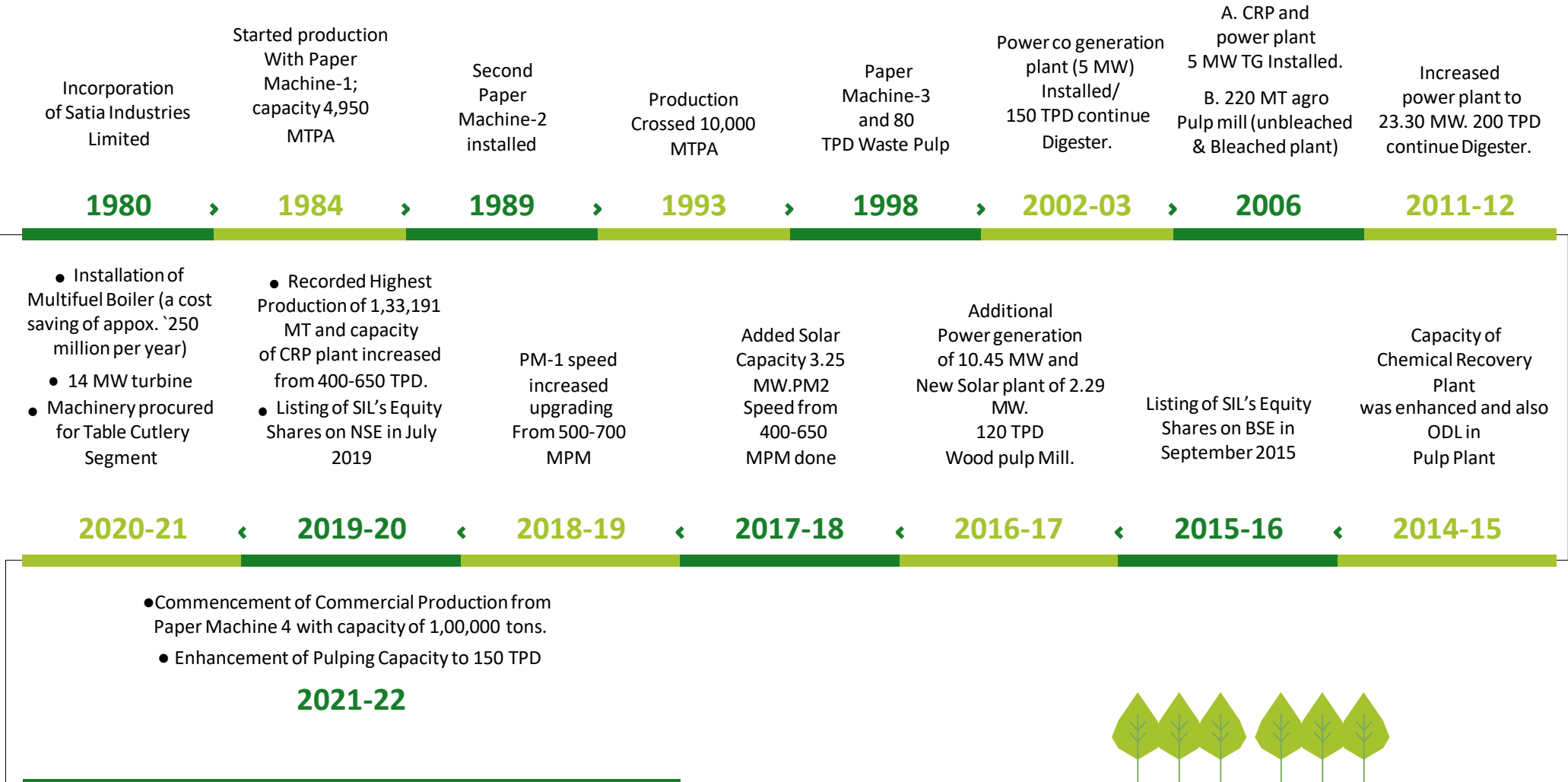
To conclude, I would like to extend my heartfelt gratitude to all our stakeholders, who have been with us in these times and assure you that Satia Industries will continue in its endeavors to emerge as a market leader and deliver value to each stakeholder.

Chirag Satia

Executive Director



JOURNEY & KEY MILESTONES



GROWTH PROSPECT - INDUSTRY OVERVIEW OF PACKAGING INDUSTRY

Packaging is the fifth largest sector in India's economy and is one of the highest growth sectors in the country. According to the Packaging Industry Association of India (PIAI), the sector is growing at 24% to 27% per annum.

According to Care Ratings, a prominent credit rating company in India, more than 49% of the paper produced in the country is used for packaging purposes.

In order to further maximize the potential of the packaging sector in India, the government has been continuously consulting the industry experts. For instance, PIAI (Packaging Industry Association of India) has been asked to formulate policies and guidelines that are expected to augment India's export potential in the international market.

With the "Single Use Plastic Ban" being fully enforceable by the government by July 2022, the Paper Industry sees a huge prospect for establishing itself as an environment friendly and sustainable alternative to plastic.

Source: <https://www.mordorintelligence.com/industry-reports/packaging-industry-in-india>

Transforming a perceived cyclical business into a non cyclical business through consistent and sustainable financial performance

1

Focused raw material procurement – Satia is one of the largest wood and agro based (based on wheat straw) paper producer. It doesn't depend solely on waste paper. Satia's facility is located in the wheat belt, which gives easy access to procure desired raw material as there is no other facility in 200 KM vicinity.



2

Thoroughly backward integrated manufacturing facility leading to sustainable margins – Satia has always followed a step ahead approach in terms backward integration at various levels – power, caustic soda, wood plantation which gives prominent cost savings and helps in achieving better profit margins. Further, the captive power plant enables Satia to earn Renewable Energy Certificates (REC).



3

Deeply rooted Customer relationship – Satia has developed substantial and long standing relationship with various state boards and publishers of text books. Some relations extend to beyond 10-15 years. The customers of Satia are spread across India.



4

Due to above factors there is continuous growth in revenues, profitability, cash flows and return ratios.

REVENUE MIX

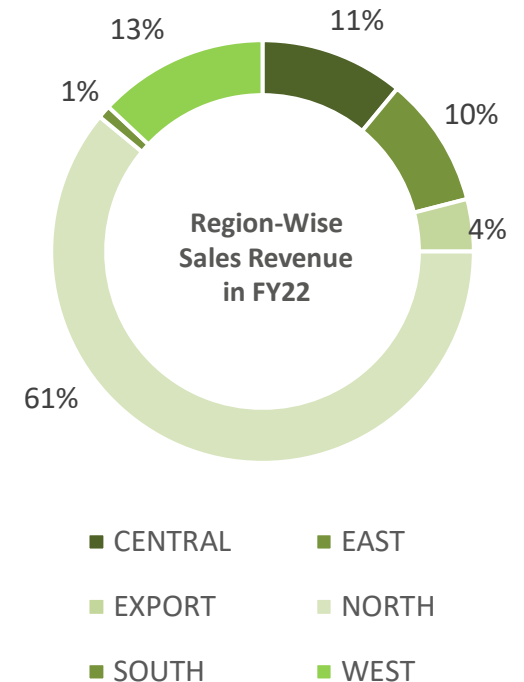
SIL's Strategic and Sustainable Revenue Model

A. Supplies to State boards: ~40-50% of Revenues

- SIL supplies High quality watermark paper to various state boards.
- Consolidated demand from all Text-books board is approximately 5,00,000 TPA of paper
- By supplying ~50-75k TPA to various state boards, SIL boasts of a major market share in this vertical.
- The State Text-book orders are tender driven business, these projects are State government funded under Sarva Shiksha Abhiyaan and do not rely upon school fees to pay the vendors, the average receivable days happen to be 45-60 days
- Sales to Text book boards command higher (10%) operating margins as compared to open market, attributing to higher GSM and less finishing loss due to single size and more filler in the paper.

B. Open market supplies: ~50-60% of Revenues

- SIL supplies to retail traders through its strong Pan- India distribution network with 70+ dealers and 3 branch offices located in Delhi, Chandigarh & Jaipur.
- Out of total sales from Open Market Supplies, ~5-10% of sale comes from Rajasthan and Delhi in a Direct sale, to end users, and facilitated by the SIL's employees.
- A variety of paper grades are manufactured for this vertical i.e. Exercise book paper,
- Snow white paper, SS Maplitho paper, Ledger paper, Copier paper, Colour printing paper etc.



MARQUEE CLIENTS



Bal Bharti



Assam State Text Book Production & Publication Corporation Ltd



Odisha State Bureau of Textbook



Chhattisgarh Pathya Pustak Nigam



Rajasthan Raja Pathyapustak Mandal



BurdaDruck India Private Limited



West Bengal Text Book Corporation Ltd



Himachal Pradesh Board of School Education



Indian Railway



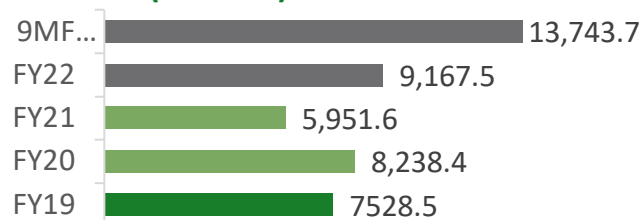
State Election Commission (UP)



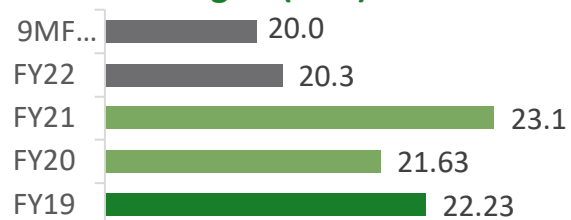
**KEY
HIGHLIGHTS
Q3 & 9MFY23**

KEY PERFORMANCE INDICATORS (RATIO'S)

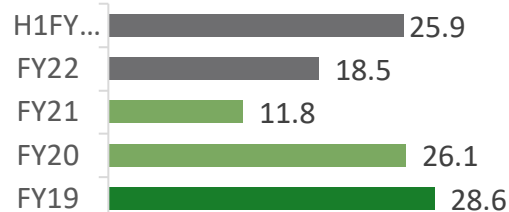
Income (₹ in Mn)



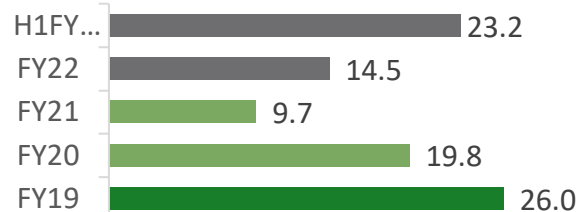
EBITDA Margins (in %)



ROE

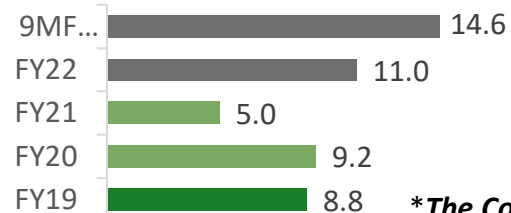


ROCE*



*ROCE is calculated on EBIT (PBT+finance cost)

EPS (in ₹)



*The Company declared an interim dividend of 20%

FINANCIAL STATEMENT HIGHLIGHTS

Particulars (INR Mn)	Q3FY22	Q3FY23	9MFY22	9MFY23
Revenue from Operations	2163.0	4867.7	5939.8	13631.0
Other Income	116.8	25.3	191.5	112.7
Total Income	2279.8	4893.0	6131.3	13743.7
Expenses				
Cost of material consumed	866.9	2319.6	2407.0	6695.9
Purchases of traded goods	0.0	28.8	0.0	205.6
Change in inventory of finished goods, stock in trade and work in progress	39.9	-41.0	96.4	-67.8
Employee Benefit Expenses	156.4	236.2	434.3	620.3
Finance Cost	35.3	80.5	127.1	243.3
Depreciation	135.2	313.9	440.6	926.3
Other Expenses	708.9	1222.1	1752.6	3451.7
Total Expenses	1942.5	4160.0	5258.0	12075.3
Profit before Tax	337.3	732.9	873.2	1668.4
Current tax	69.8	119.8	200.1	288.2
Deferred Tax	-21.8	-35.2	-38.0	-78.7
Profit for the period	289.3	648.4	711.1	1458.9
Other Comprehensive Income				
(i) items that will not be reclassified to profit & loss	4.8	-0.1	7.2	-0.2
(ii) Income tax relating to items that will not be reclassified to profit & loss	-1.6	0.0	-2.4	0.1
Total Comprehensive Income	292.5	648.3	715.9	1458.8
Paid-up equity share capital (FV Re.1 per equity share)	100.0	100.0	100.0	100.0
Earnings per share (not annualised)				
Basic	2.9	6.5	7.1	14.6
Diluted	2.9	6.5	7.1	14.6

CAPITAL MARKET INDICATORS

Market Indicators

Issued Shares
100,000,000

Share Price as on (09-02-23)
₹124;

Market Capitalization (in MN)
₹12,355

52 Weeks High/Low
₹164/87

Shareholding as on 31st December 2022

Particulars	Holding %
Promoters & Promoters group	51.79
Public	48.21

Stock Performance



Outlook

Future Outlook

- The management is well on track of achieving its target of 50% increase in production of paper on YoY basis.
- Revenue from operations is likely to grow by over 100% in FY23.
- The company is committed to improve its EBITDA margins by 100 basis points YoY in current year.



**Thank
you**

*For further information on the
Company, please visit
www.satiagroup.com*

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