



SATIA
INDUSTRIES
LIMITED

CIN: - L21012PB1980PLC004329

Manufacturer of Quality IS : 1848

Writing, Printing & Speciality

Paper with ECO MARK



SIL/CS

Date: 05.09.2019

To

The General Manager, Department of Corporate Service, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1 G. Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.
Scrip Code :539201	Symbol: SATIA

SUB: 38th ANNUAL REPORT OF THE COMPANY FOR THE FY 2018-19

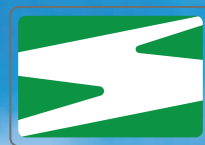
Dear Sir/ Madam,

Please find attached 38th Annual Report of Company for the FY 2018-19 along with Notice of 38th Annual General Meeting of the Company to be held on Monday, 30th September 2019 at 10.30 AM at the Registered office of the company at VPO Rupana, Malout-Muktsar Road, Distt Muktsar, Pb-152026.

This is for your information, records and action please.

Thanking You,
For Satia Industries Ltd

(Rakesh Kumar Dhuria)
Company Secretary



SATIA INDUSTRIES LIMITED

38th Annual Report 2018-19



Growing with
Flying Colours

TABLE OF CONTENTS

CORPORATE OVERVIEW

Corporate Information	01
Our Legacy	02
Our Milestones	03
Our Operations	04
Product Range	09
Strategic Advantage	10
Our Footprint	13
Financial Highlights	14
Our Board	15
Managing Director's Message	16
Joint Managing Director's Message	17
Corporate Social Responsibility	18
Management Discussion & Analysis	19

STATUTORY REPORTS

Notice of Annual General Meeting	23
Director's Report	33
Corporate Governance Report 2018-19	48

FINANCIAL REPORTS

Auditor's Report	67
Balance Sheet	74
Profit and Loss Account	75
Cash Flow Statement	76
Notes Forming Part of the Financial Statement	78



CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Ajay Satia - Chairman & Managing Director
 Mr. R.K. Bhandari - Joint Managing Director
 Mr. Chirag Satia - Executive Director
 Mr. Hardev Singh - Director (Technical)
 Mr. Avinash Chander Ahuja - Director (Independent)
 Mr. Dinesh Chand Sharma - Director (Independent)
 Mr. S.K Arora - Director (Independent)
 Mr. I.D. Singh - Director (Independent)
 Mr. Ashok Kumar Gupta - Director (Independent)

Mr. Arun Kumar Gupta - Director (Independent)
 Dr. Mrs. Priti Lal Shivhare - Director (Independent)

CHIEF FINANCIAL OFFICER

Mr. Ashok Kumar Khurana

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Rakesh Kumar Dhuria

STATUTORY AUDITORS

Deepak Grover & Associates

Office: # 45, Opp. Thana Sadar, Red Cross Complex,
 The Mall, Ferozepur City-152002 (Punjab)
 Phone No: 01632-503792

CORPORATE IDENTIFICATION NUMBER

L21012PB1980PLC004329

REGISTERED/ CORPORATE OFFICE

Malout – Muktsar Road, Village Rupana,
 Sri Muktsar Sahib - 152032
 Tel.: 01633-262001, 262215, 263585, Fax: 01633-263499
 Website: www.satiagroup.com

REGISTRAR AND TRANSFER AGENTS

Beetal Financial & Computer Services (P) Limited

Beetal House, 3rd Floor, 99 Madangir,
 Behind Local Shopping Complex,
 Near Dada Harsukhdas Mandir, New Delhi-110062
 Contact No.: 011-29961281-83, Fax: 011-29961284
 E-mail: beetal@rediffmail.com
 Website: www.beetalfinancial.com

BANKERS

Punjab National Bank
 Central Bank of India
 Andhra Bank
 Indian Overseas Bank
 Union Bank of India



OUR LEGACY

Satia Industries Limited (SIL), is one of the largest Wood and Agro-based paper manufacturers in India. The company was incorporated by Dr. Ajay Satia in 1980, who has been the driving force behind transforming it into a world class paper manufacturer. Today, Satia produces different grades of paper, which find application in textbooks, notebooks, diaries, directories, photocopying and railway tickets.

SIL's manufacturing facility is located in the wheat belt of Punjab – Muktsar, having a total annual paper production capacity of over 105,000 MTPA. The last three decades have witnessed complete transformation of the company's operations and it has become fully backward integrated having integrated pulping, chemical recovery and power self sufficiency. The company has 540 acres of eucalyptus plantations developed as per Karnal Technology which consumes total treated water discharge and also compliments the future wood raw material requirements.

The company has a strong Pan-India distribution network with 70 plus dealers and 3 branch offices located in Delhi, Chandigarh & Jaipur and employs over 1,264 people.



VISION

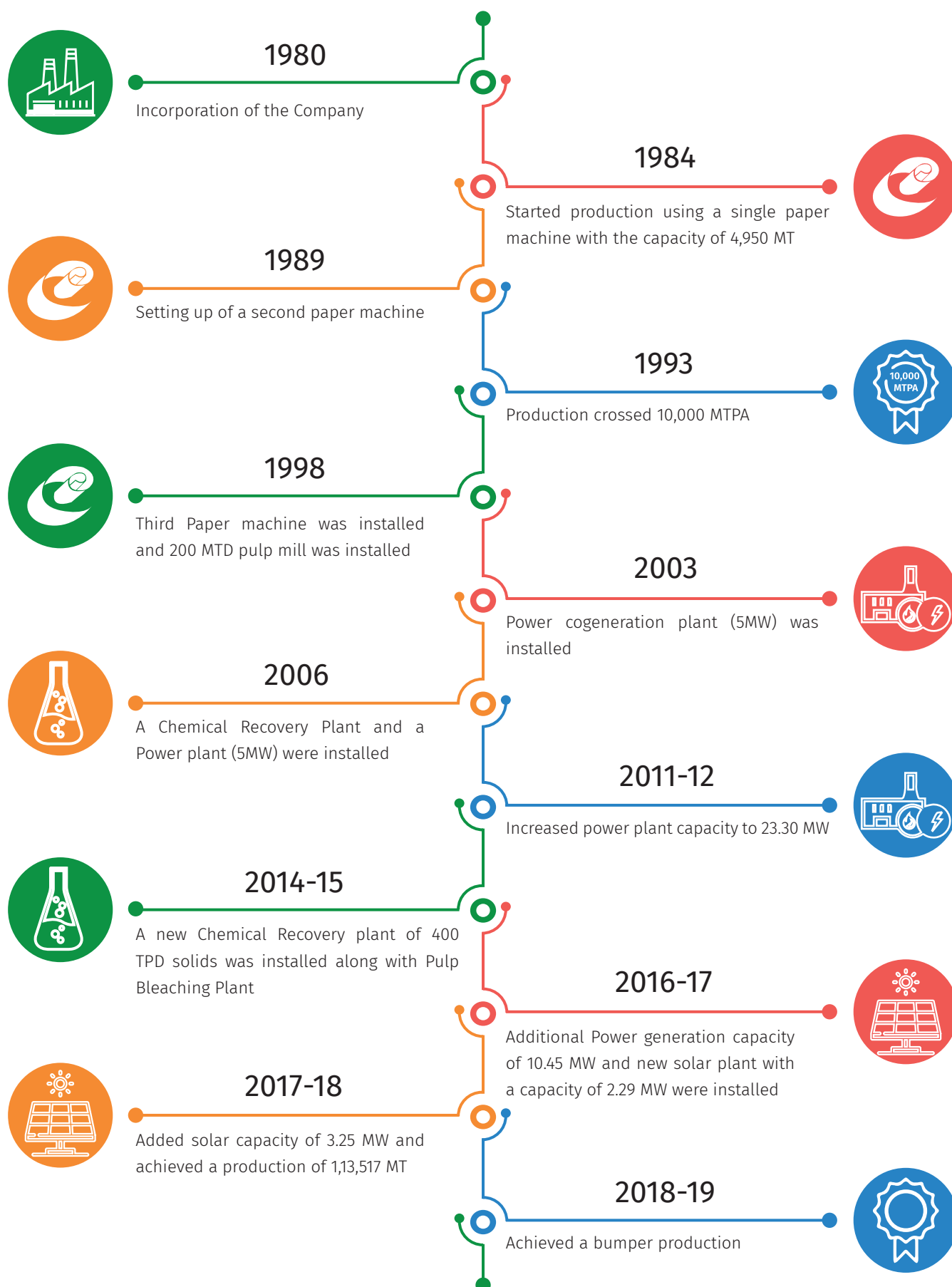
To become a leader in its own segment with excellence in all-round performance creating value for all stakeholders of the company, society and the economy.



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.

OUR MILESTONES



OUR OPERATIONS



105,000
MTPA
Production Capacity

Pulping


SIL has developed inbuilt flexibility and capacity to make pulp using three types of raw materials i.e. Agricultural Residues, Wood Chips and Waste Paper. The plant facility is located in Muktsar, Punjab which is considered the wheat belt of Punjab, and has an abundant availability of wheat straw, wood chips and veneer waste to meet the company's current and future requirements. SIL thus has an advantage in pricing as there is no paper mill in a radius of 100 km.

Paper

The company started with a single paper machine in the year 1984 and has over the years expanded its capacity to its present level by installing two new paper machines. All three machines have been continuously upgraded technologically to achieve higher speed and lower energy consumptions. The third paper machine has been upgraded to make surface sized maplitho and copier paper quality and it ranks as the best in its own segment.

Chemical Recovery Facility

The company has two soda recovery boilers (one stand by) with a combined capacity to handle over 400 tonne solids per day. Caustic soda is used to cook and convert raw material into pulp and while washing brown cooked pulp, Black Liquor which is most polluting effluent in the Paper industry is generated. This Black Liquor is concentrated and fired in the chemical recovery boiler to recover 90-95% of caustic soda used in the cooking process. Further the high-pressure steam that is generated in the process is used to produce power. While this enables company to turn waste into wealth, it simultaneously achieves the prescribed standards of effluent discharge.



400
Solids TPD
Chemical Recovery
facility

Power Generation

To secure a reliable and quality source of power supply without any trippings, the company has invested and achieved self sufficiency in power over a period of time by establishing 27.95 MW cogeneration power plant based on biomass as its fuel. Rice husk which is being used as fuel is abundantly available at a competitive price in the area. As this is considered as green energy; the company earns Renewable Energy certificates (REC). These certificates are traded on the energy exchanges and are an additional source of income for the company.

SIL has also installed a solar power plant with a capacity of 6.5 MW.

Effluent Discharge Handling

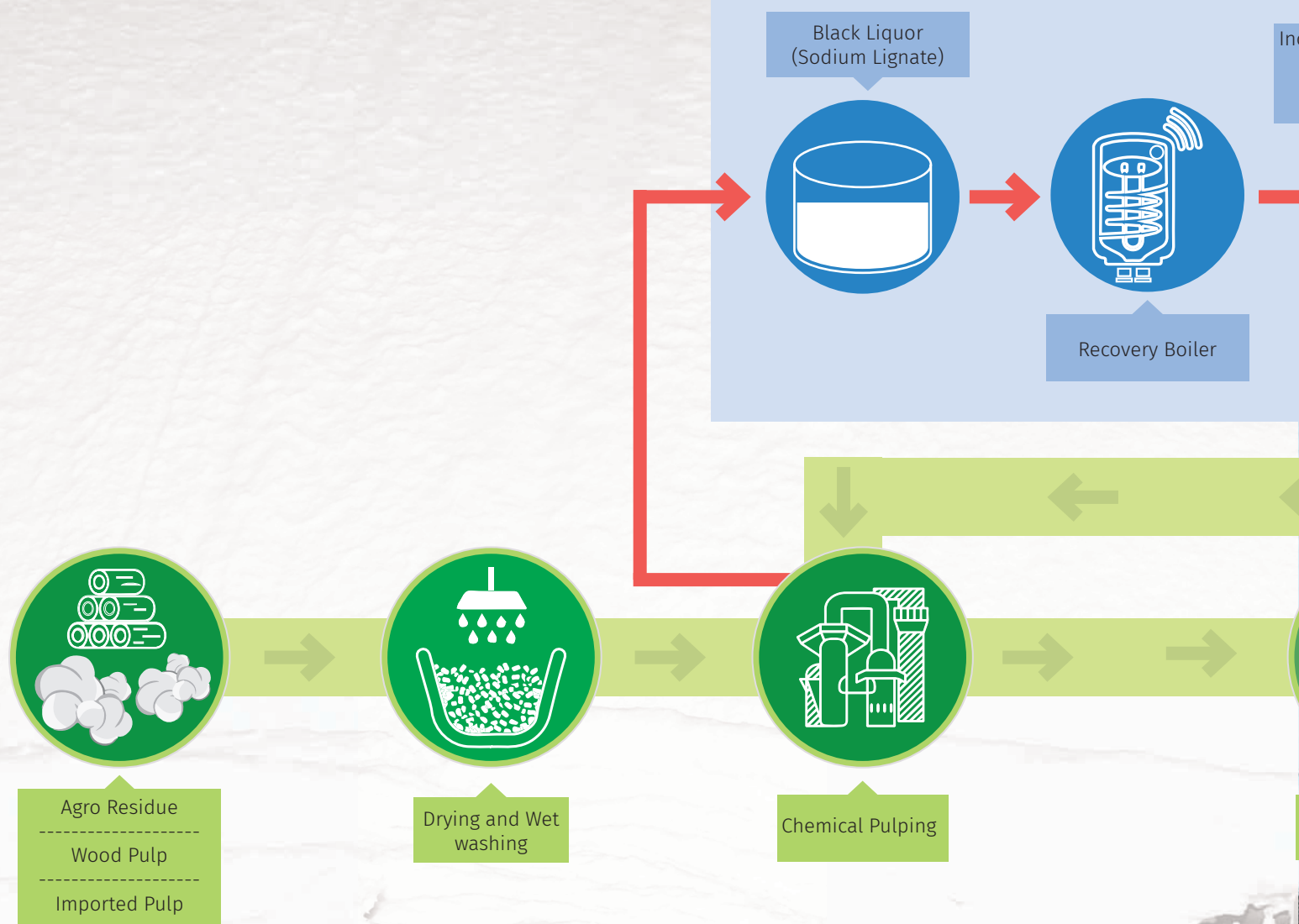
SIL is conscious of its responsibilities and commitment to the sustainability of the environment, society and law of the land. Hence all effluents are treated to the desired standards and no effluent is discharged into any water body of the state.

Based on the research done by Central Soil Salinity Research Institute, Karnal even popularly known as Karnal technology there was an interesting revelation made. It was found that in the case of Eucalyptus trees planted on ridges and effluent water flowing through the burrows, the eucalyptus plant acts as natural pump lifting water and evaporating it through its leaves into the atmosphere which increases land capability to handle more water on continuous basis.

Based on this study, SIL has planted Eucalyptus trees in over 540 acres. This plantation gives multifold benefits as it not only handles our total treated effluent; it also supplements the company's future raw material requirements.



PAPER MAKING PROCESS







OUR INFRASTRUCTURE



PRODUCT RANGE

The company has a wide range of product mix coupled with premium quality in the market.

The products include:

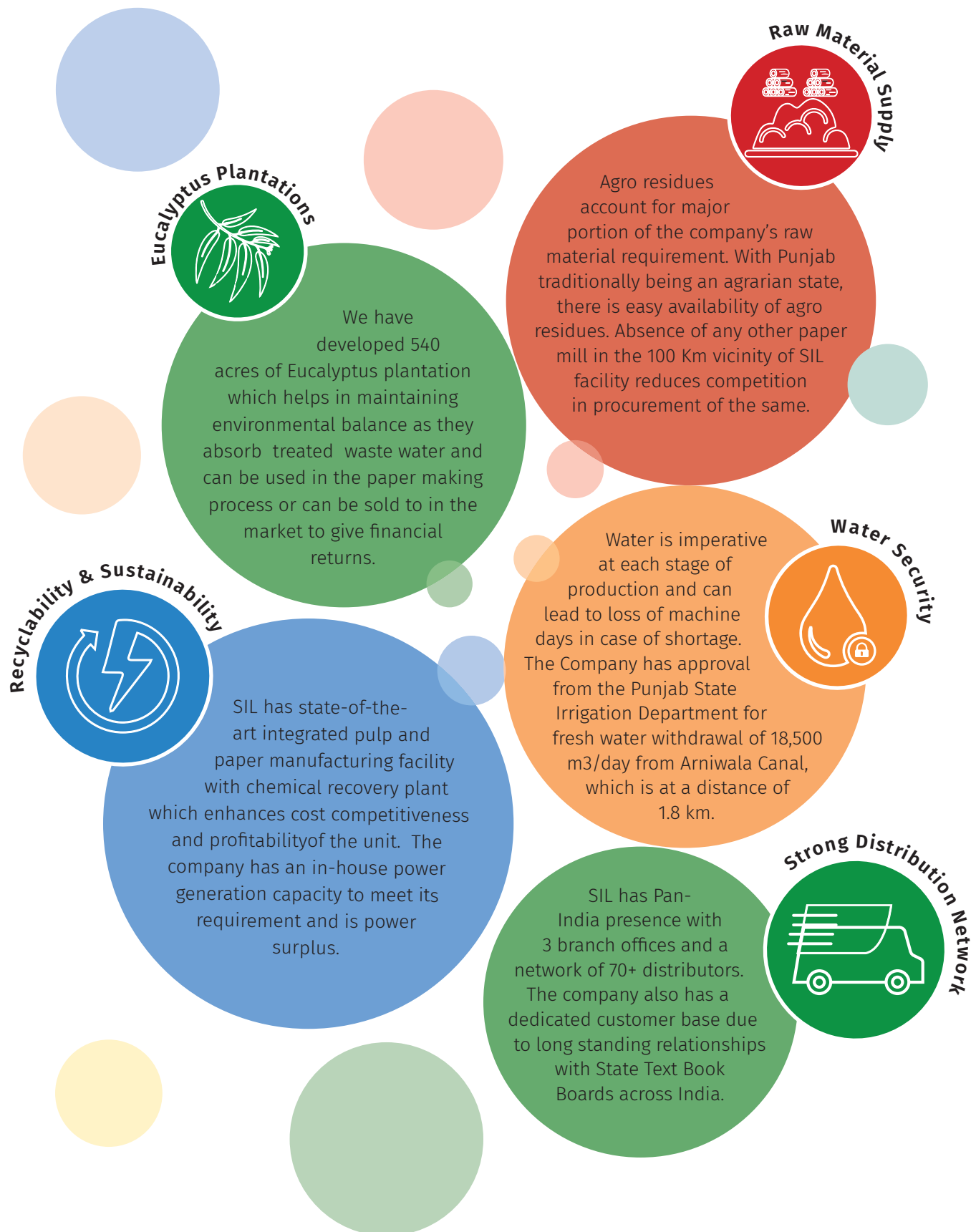
Super Snow White Paper	Snow White Paper	Maplitho Paper
Coloured Paper	Ledger Paper	Cartridge Paper
Bond Paper with and without watermarks	Duplicating Paper with and without watermarks	Copier Paper GSM range 70-80

These products are extensively used in printing of books, directories, envelopes, diaries, calendars, computer stationery, copier papers, annual reports and high grade printing segment for domestic as well as exports. The company has also made successful trial run of cup stock paper which is used in disposable cutlery.

The company has recently launched its own copier paper brand in the name of **Satia Superb**.



STRATEGIC ADVANTAGE



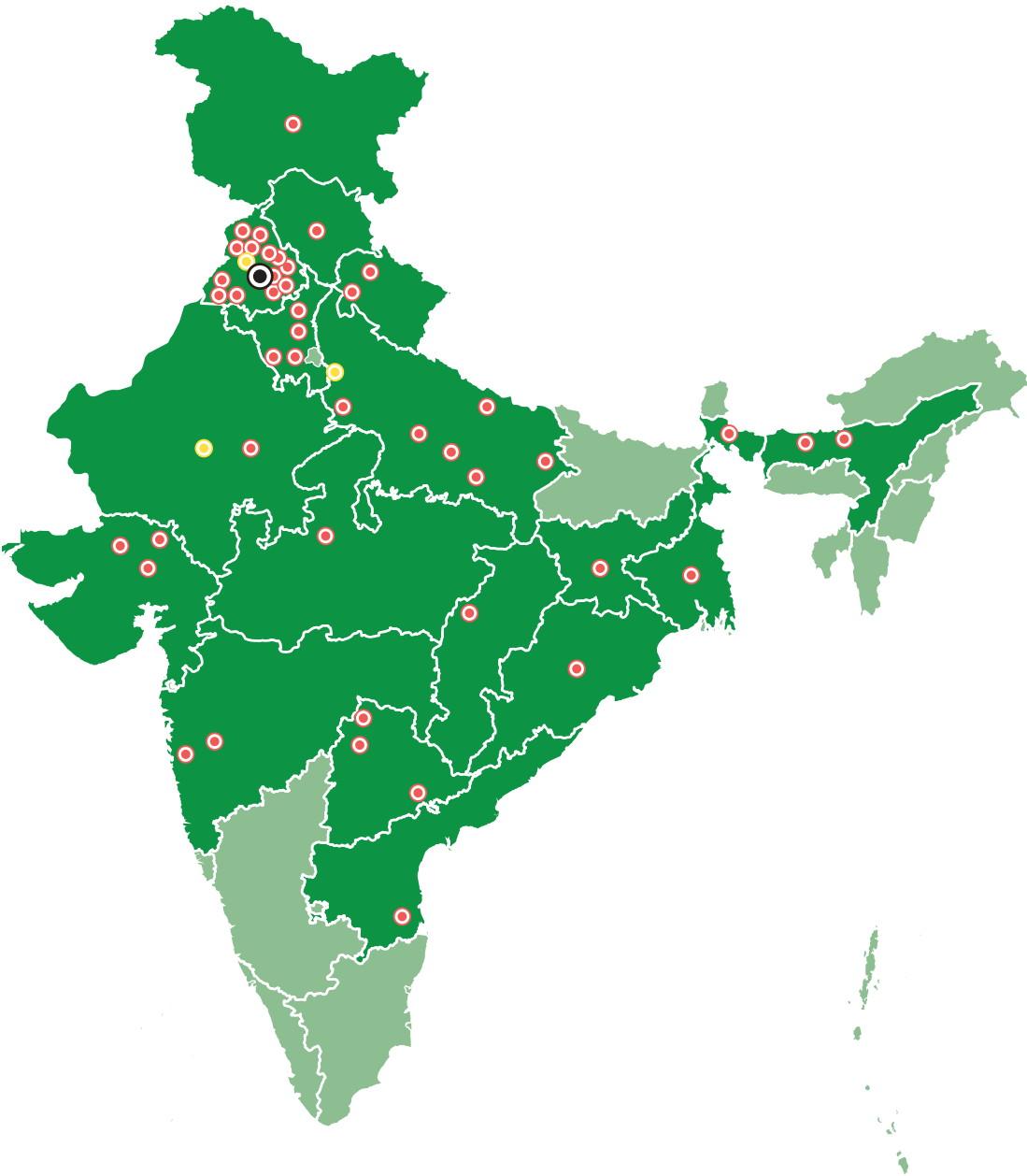




OUR FOOTPRINT

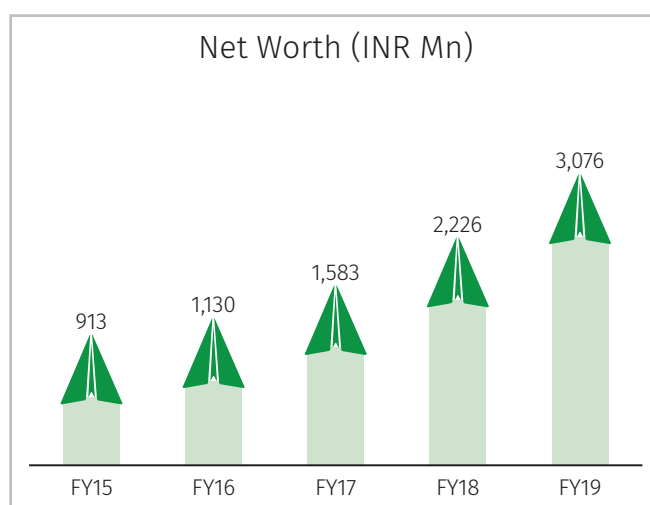
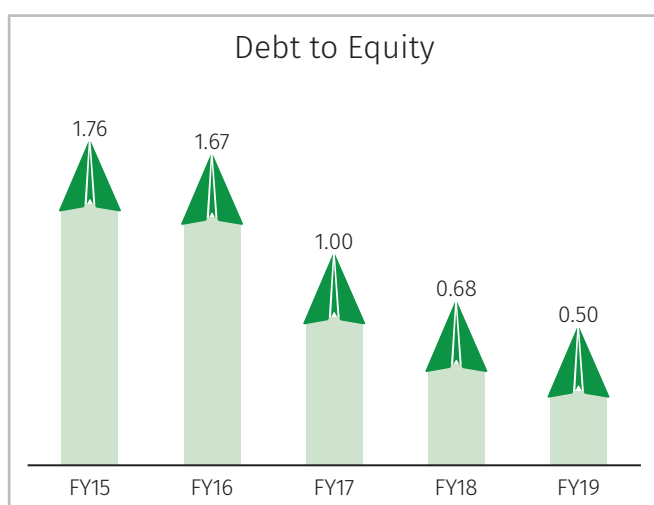
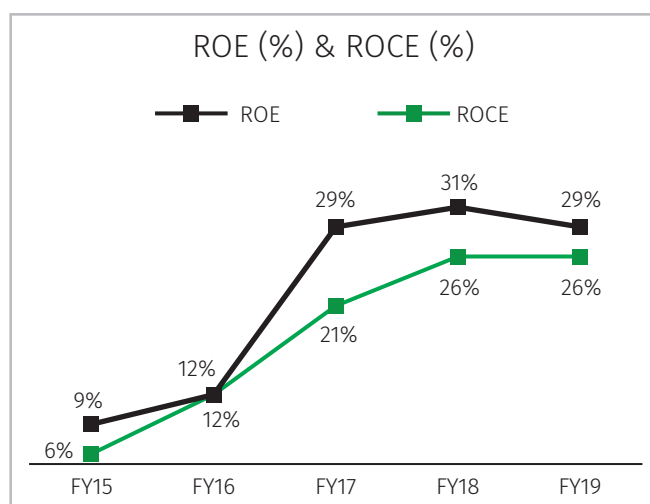
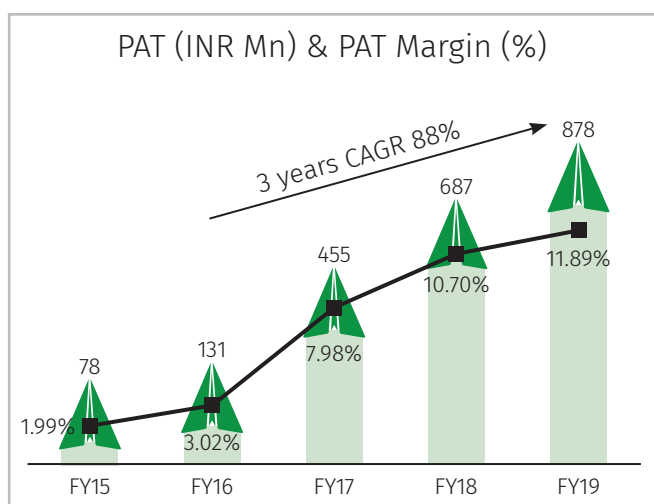
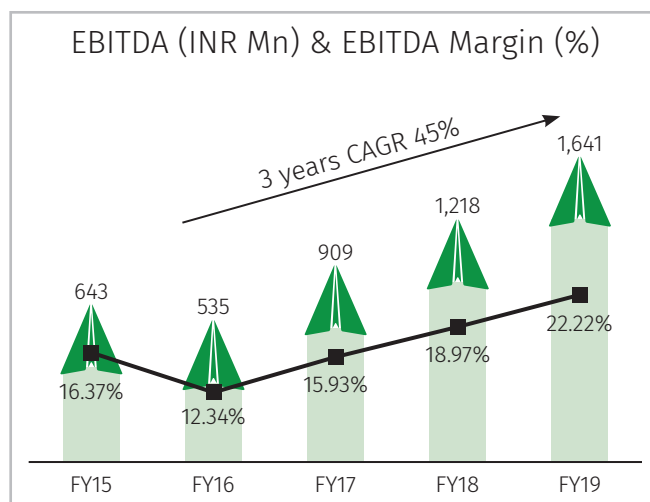
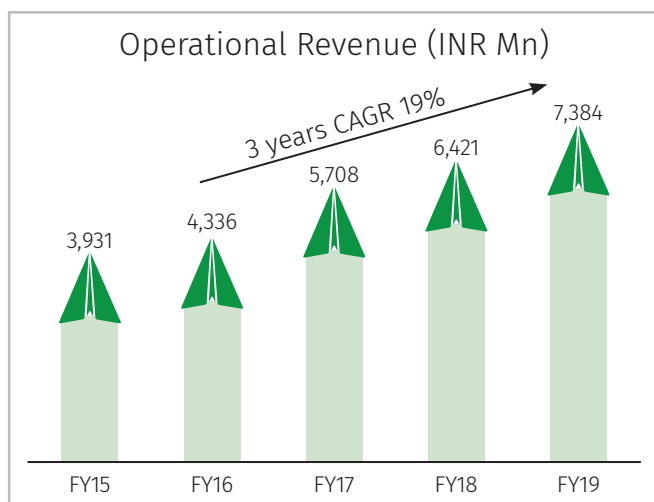
70
Dealers

3
Branch Offices



● Plant ● Branch Offices ● Dealers

FINANCIAL HIGHLIGHTS



OUR BOARD



Dr. Ajay Satia
Chairman and M.D

Dr. Satia is an MBBS and has been the pioneer for setting up the integrated paper mill in 1980.

His vision to adopt technological changes and economies of scale along with timely capital infusion has brought the unit among the best in the industry in terms of pulping strength, power self-sufficiency, effluent treatment and meeting the environmental norms. Dr. Satia has a passion for work and possesses unparalleled enterprising spirit for expansion and modernisation. His greatest strength lies in building and retaining a strong and trusted team which has turned his dreams into reality.



Mr. R.K. Bhandari (MBA)
Joint Managing Director

Looks after marketing and other administrative responsibilities since the last 32 years



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 has added new energy to the workforce.

Mr. Hardev Singh
Director (Technical)

He has vast experience in installation of projects

Mr. Arun Kumar Gupta
(Independent Director)
Senior Chartered Accountant

Mr. Avinash Chand Ahuja
Director (Independent)
Ex. Executive Director IFCI, Delhi

Mr. Dinesh Chand Sharma
(Independent Director)
Master of Engineering in Chemical Engineering

Mr. S.K. Arora
(Independent Director)
Chartered Accountant in Practice

Mr. Ashok Kumar Gupta
(Independent Director)
CAIIB 35 Year, Retired from Punjab National bank

Mr. I.D. Singh
(Independent Director)
B.com, LLB, CAIIB Retired from Punjab National bank

Dr. Priti Lal Shivhare
(Independent Director)
MSC, Ph.D. Chemistry

MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

The Indian economy continued to strengthen in 2018, reclaiming its position as the world's fastest-growing economy. This economic growth was led by several factors like clarity in India's political scenario, macro-economic policies, improved consumer sentiment and structural reforms introduced by the Government.

Indian Paper Industry is growing the fastest in the world at a steady pace of 6%-7%. With current per capita consumption at 13 kg in India and its expected to increase to 17 kg by FY25, we stand at a point, where a million tonne of production is needed every year to meet this growing demand. With the Government's thrust on education, increasing literacy rates and plastic ban in all states are further going to lead to an increase in demand for paper and paper products. The government support to the domestic industry is visible through Anti-dumping duty placed on uncoated paper imports from ASEAN countries and a basic customs duty imposed on textbook imports in the FY20 budget.

SIL has lived up to the expectations and continues to be one of the largest Wood and Agro-based paper manufacturers in India. In the financial year 2018-19, your company reported revenues of INR 752 Cr representing a growth of 12% against last year.

This happened with the clarity in leadership, strong commitment from our employees and willing support from our stakeholders. We worked on enhancing our capability by continuous debottlenecking and enhancing our facility in every manner. We have always stayed one step ahead in implementing new technologies, strategies, and processes to cater to the growing demand for paper products along with following environmental obligations.

In the future, your company's strategy is to set up a new paper machine in our facility which could double our current production levels. Your company also plans to enhance itself in an integrated manner that would support our future growth plans. We would continue to be making better parameters to show you growth. I hereby thank you all for your continued support and encouragement.

Best Wishes,

Dr. Ajay Satia

Chairman & Managing Director

“SIL has lived up to the expectations and continues to be one of the largest Wood and Agro-based paper manufacturers in India. In the financial year 2018-19, your company reported revenues of INR 752 Cr representing a growth of 12% against last year.”

JOINT MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

It's a delightful opportunity to present the 38th Annual Report of Satia Industries Limited.

We at SIL are focussed towards maximising on the present growth opportunities. During the year we have achieved key milestones through continuous debottlenecking and technological advancements which have helped us in increasing our production. We upgraded our paper machines with a twin objective of increasing production and reducing energy consumption and enhancing quality. These efforts will reflect in terms of higher production volume in FY20.

To meet the needs of higher pulp and paper production; Chemical Recovery plant has also been upgraded. Simultaneously steps are being taken to bring down operational costs, managing inventory levels efficiently, enhancing wheat straw storage capacity by adding a new Bailing press, expanding our dealer network to have our foot prints in new areas untapped so far.

Your company recently launched its copier paper brand 'Satia Superb' successfully, which was immediately accepted by the dealers and consumers for its quality and trouble free usage. Trials were also conducted and are under way to enter high growth Paper cup market. During the year we have already rolled out plans to expand our paper making capacity by another 300 TPD by adding a new paper machine along with balancing our pulp capacity, soda recovery and power requirement. Alongside our existing plant, and with an objective to expand with lowest possible capital cost and thus creating a foundation on which we could scale our growth for new heights. I hereby thank you all for your support.

R.K. Bhandari

Joint Managing Director

“Your company recently launched its copier paper brand 'Satia Superb' successfully. We have also made a trial run for cup stock paper which is used in paper cutlery. During the year we have already rolled out plans to expand our paper making capacity by another 300 TPD by adding a new paper machine along with balancing our pulp capacity, soda recovery and power requirement. Alongside our existing plant.”

CORPORATE SOCIAL RESPONSIBILITY

India is a country with contrasting demographics, On one hand, India has grown to be one of the largest economies in the world, and an increasingly important player in global market, and on the other hand, it is still home to the largest number of people living in absolute poverty.

Satia Industries Ltd. believes that the corporate sector are the economic organs of the society and therefore endeavours to make a difference to the society by trying to contribute in order to build a better tomorrow.

- The company spent around INR 11.2 Mn in FY19 vs INR 4.9 Mn spent in FY18.
- The management has approved INR 25 Mn for the CSR programs in surrounding villages. The activities mentioned therein shall be carried out within a time frame of 5 years (FY18-FY22)

COMMUNITY HEALTH IMPROVEMENT

Periodical medical checkups, blood donation camps to be organized near the project site, eye check-up camps, health awareness camps for mother and child and health and hygiene practices.

COMMUNITY EDUCATION FACILITIES

Augmentation of furniture, blackboard, etc. in village schools, award scholarships to meritorious students, distribution of educational books, stationery, uniforms, aids, etc.

COMMUNITY WELFARE ACTIVITIES

Development of worship places as well as beautification, distribution of seeds & saplings, promotion & support to various Government schemes.

COMMUNITY WATER CONSERVATION

Rain water harvesting, ground water recharge pits and water conservation awareness programs.

COMMUNITY CAPACITY BUILDING

Development of vocational training for technical skills, self-employment trainings for women such as, stitching, embroidery, tailoring, and handicrafts, etc.



MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY OVERVIEW

The global economy is expected to grow by approximately 2.7% in 2020. As per the World Bank, growth among emerging and developing economy is forecasted to fall to a 4 year low of 4% in 2019. The growth is constrained by sluggish investment and risks including rising trade barriers, renewed financial stress, and sharper than expected slowdowns in several major economies. Current economic momentum remains weak, while heightened debt levels and subdued investment growth in developing economies are holding countries back from achieving their potential. With growth in advanced economies projected to gradually decline to about 1.7% once economic slack is eliminated, the further pickup in global activity will entirely be driven by emerging markets and developing economies.

The ongoing US-China trade war is snowballing fears about damage to global economic growth. The repercussions can be more volatile in both commodity prices and currencies. However, India is amongst few economies that stand to benefit from the trade tensions as it can tap export opportunities for sectors like chemicals, textiles, agriculture, and overall manufacturing sector.

INDIAN ECONOMY OVERVIEW

The Indian GDP has grown to 6.8% in Financial Year 2019. The decline in GDP growth is on account of multiple factors like, fallout of NBFCs, low credit growth, tight liquidity conditions, dismal growth in wages and flat exports owing to a global slowdown. Indian Manufacturing continued its downtrend growing at 3.1%. However, GDP growth rate is expected to bottom out in the coming quarters. RBI has cut key policy rates for the third time in a row this calendar year, for improving liquidity scenario. With Government continuing to roll out policies focusing on rural population, there could be some relief to the ongoing distress and signs of recovery should be visible in the second half of the financial year.

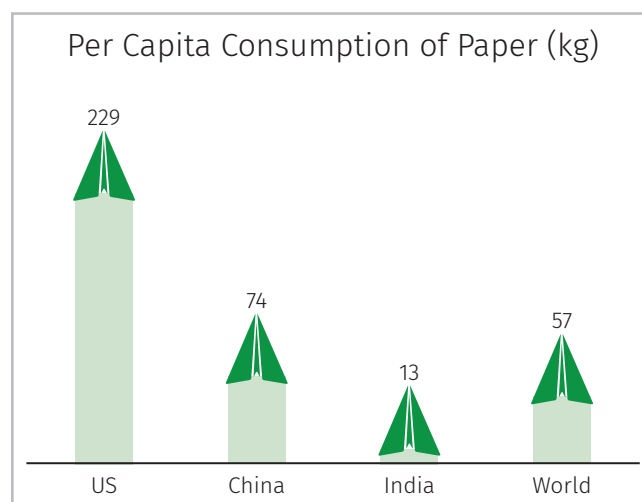
GLOBAL PAPER & PAPERBOARD PACKAGING MARKET

The pulp and paper industry is one of the largest industries in the world. Global Paper & Paperboard Packaging market is expected to grow at a CAGR of 3.6% from USD 199.01 Bn in 2018 to a projected value of USD 264.09 Bn by 2026. The increase in the estimated market value of the industry can be anticipated with the increase in levels of sustainable packaging methods and different paper materials.

The industry is dominated by China, the United States and Japan which account for nearly half of the world's total paper production. China is one of the largest consumers of pulp and paper products driving the global demand and supply scenario for pulp and paper products.

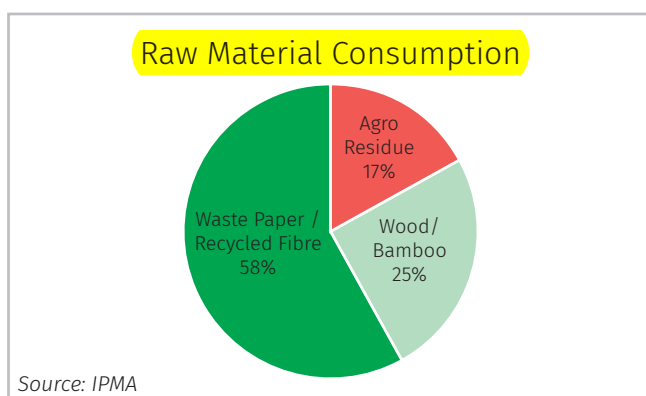
INDIAN PAPER & PAPER PRODUCTS MARKET

The Indian paper & paper products market is expected to grow at a CAGR of 7.8% from USD 8.6 Bn in 2018 to USD 13.4 Bn by 2024. In spite of the continuous growth in the industry, the per capita paper consumption in India at a little over 13 kg, which is way behind the global average of 57 kg.



Source: IPMA

This market is categorised based on raw materials, applications and region. The geographical location of the paper mill decides the type of raw materials used in the production. Most mills in the northern and western regions of India depend largely on agricultural residues and wastepaper such as rice, husk, wheat straw and recycled fibre as their raw materials while pulp & paper production in southern and eastern regions use wood and bamboo as raw materials. Depending on the raw materials, the market is divided into waste & recycled paper, wood and agro residue. The waste & recycled paper segment is projected to dominate the market due to rising environmental, political, and economic pressures to reduce the cutting down of trees for producing pulp. Further, based on application, the market has been categorised into writing & printing paper, paperboard & packaging, newsprint and speciality paper.



PULP & PAPER EXPORTS & IMPORTS

The members of the Indian Paper Manufacturing Association had conveyed their request to the Revenue Board and Ministry of Finance to place the Paper Industry into the red category whereby import duty could be imposed to make it a level playing field for domestic manufacturers. The IPMA has also asked the government to review the FTA agreements which are due in 2019 with the Asian countries due to the spurge of heavy imports from South Korea and other countries.

PRINTING & WRITING PAPER SEGMENT

The newsprint segment market is forecasted to grow at an annual rate of 2.1%, the writing and printing paper segment at 4.9%, packaging paper / paperboard

segment at 8.4%, tissue paper segment at 17.8% and other paper/ paperboards at 10.75% per annum.

By the year 2024-25, domestic consumption is estimated to increase to 23.5 Mn TPA while the production would be 22.0 Mn TPA. About 1 Mn TPA of integrated pulp, paper and paperboard capacity is required to be created in India on an annual basis over the current capacity to meet the growing demand. Such investments would create a gross capital formation of INR 8,500 Cr per year directly employing 15,000 people and giving additional livelihoods of 72 Mn man-days per annum for people involved in agro / farm forestry.

GROWTH DRIVERS

The demand for paper will be largely driven by:

Education:

Education sector has a direct co-relation with the growth of this Industry. The higher the government's focus on this sector, the higher will be the demand for Paper products. According to Union Budget 2019-20, the Government of India has allocated INR 94,853.64 Cr for the education sector and out of the total allocation, INR 56,563.63 Cr has been allocated to the school sector development. Seeing the growth in the education sector, improving literacy rates and a large number of students enrolling themselves in schools and colleges, this is expected to drive the growth in the industry.

Offices:

The use of printing paper for legal and formal documents favours the growth.

Economic activity:

The rise in economic activities such as manufacturing sector and office space are driving the demand.

Consumerism:

Higher disposable income along with urbanisation is anticipated to initiate new consumer behaviours which in turn will increase the demand for paper and its products.

Demographics and economy:

Increase in literacy rate and high spending on books, magazines, online shopping, fast food consumption along with ban on plastic is driving the growth.

OPPORTUNITIES

With the current growth in GDP, per capita consumption of Paper and Paper products is expected to increase which will further increase the demand for paper. Our per capita consumption of paper stands at 13 kg, for every one kg additional increase it will eventually increase the consumption of 1 Mn tonnes of paper and paper products a year.

Eventually going ahead with rising environmental awareness and growing concern of the government to slowly ban the use of plastic in India is further lying like a big opportunity for the paper industry. The Government of India's efforts towards understanding the situation and taking measures to support the domestic industry like the definite Anti-Dumping duty imposed on uncoated copier paper originating in or exported from Indonesia, Thailand and Singapore is applaudable.

The government's recent move in the Budget of FY20 to avail 10% customs duty on imported textbooks is also shown as a resilience of the government to support the domestic industry on all fronts. The government wants to slowly reduce the imports of materials where we have the capacities to fulfil our domestic needs.

RISKS

The Paper Industry is cyclical in nature and its performance depends on the global pulp and paper demand-supply situation. China remains a major factor affecting the global demand and supply

situation due to being one of the biggest consumers of paper products in the world. Global Pulp prices are dependent on global factors where global pressures can improve commodity prices from here on.

Import pressures from ASEAN countries remain to mount pressure on domestic players. Majority of the players in the industry have announced their expansion plans, however without supported raw material bases, this might create a demand-supply mismatch in the paper industry. Paper Industry has been placed in the red category by the Central Pollution Control Board and securing environmental clearances for further expansion places is a hurdle for the Industry. However, the company is well equipped to deal with this because the company has a well-diversified portfolio of products. The company also has a diverse raw material mix which gives it the flexibility to guide and maintain raw material costs to a minimum. The company's backward integrated facility from pulp processing, paper production, chemical recovery plant and in-house power generation help the company to manage the costs effectively. Further, through continued thrust on manufacturing high-quality surface sized paper with a higher gsm will pave way for strong prospective growth for the company. Company's strategic location in Punjab, provides superior access to rice husk and wheat straw which puts it into a favourable position where the company can avoid any additional freight costs. With high capacity utilization, a robust demand outlook and a wider product portfolio range will help the company sustain the growth prospects of the company.





NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 38th Annual General Meeting of the Members of Satia Industries Ltd. will be held on Monday, 30th September, 2019 At 10:30 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, 2019 and Profit and Loss Account for the year ended on that date along with the Report of the Auditors and Directors thereon.
2. To appoint a Director in place of Sh Hardev Singh, Director (Technical) who retires by rotation, being eligible and offer himself for re-appointment.
3. To declare dividend on Equity Shares for the year ended 31st March, 2019.
4. To ratify and confirm the interim dividend of Rs. 1/- per equity share already paid during the financial year 2018-19.
5. **To Consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:-**

Ratification of appointment of Auditors

“RESOLVED that pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time, and pursuant to the resolution passed by the members at the AGM held on 29th September, 2017, the appointment of M/s Deepak Grover & Associates, Chartered Accountants (Firm registration number: 505923) as the Auditors of the Company to hold office till the conclusion of the next AGM be and is hereby ratified”

Special Business

6. **Re-appointment of Sh A C Ahuja, Independent Director for the Second Term**

To consider, and if thought fit, to pass, the following Resolution with of without modification(s) as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) 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) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sh. A C Ahuja, (DIN: 00327032), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 01.10.2019 to 30.09.2024 and whose office shall not be liable to retire by rotation”.

“RESOLVED FURTHER that pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Consent of the Company be and is hereby accorded to Sh A.C. Ahuja, (DIN: 00327032) Director of the Company to continue to hold office of Independent Director inspite that he has attained the age of 75 years on 20th January, 2018.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all necessary acts, deeds, matter and things, which may be usual, expedient or proper to give effect to the above resolution”

- 7 **Re-appointment of Sh Dinesh Chand Sharma, Independent Director for the Second Term**

To consider, and if thought fit, to pass, the following Resolution with of without modification(s) as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) 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) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sh Dinesh Chand Sharma, (DIN: 02460345), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 01.10.2019 to 30.09.2024 and whose office shall not be liable to retire by rotation”.

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all necessary acts, deeds, matter and things, which may be usual, expedient or proper to give effect to the above resolution”

8 Increase in Salary of Dr Ajay Satia, (Din: 00850792) Chairman Cum Managing Director of the Company

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

“RESOLVED that Pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and in term of recommendation of Nomination and Remuneration Committee and as approved by the Board of Director, approval of Members be and is hereby accorded for revision in the remuneration of Dr Ajay Satia, (Din: 00850792) Chairman Cum Managing Director of the Company, as mentioned here below:

1. Salary: Rs.3800000/- Per Month w.e.f. April 01, 2018 as per agreement .
2. Commission: Not exceeding 1.00 (one) percent of net profit in an accounting year of the

Company subject to availability of profit w.e.f. financial year 2017-18.

3. Reimbursement of medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
4. Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
5. Personal accidents and Mediclaim Insurance Policy, premium not to exceed Rs. 1,00,000/- per annum.

“RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year, the remuneration shall be governed by Section II of Part II of Schedule V of the Act or any statutory modification thereof and the same shall be treated as the minimum remuneration payable to the CMD.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all necessary acts, deeds, matter and things, which may be usual, expedient or proper to give effect to the above resolution”

9. Increase in Salary of Sh R. K. Bhandari, Joint Managing Director of the Company

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

“RESOLVED that Pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and in term of recommendation of Nomination and Remuneration Committee and as approved by the Board of Director, approval of Members be and is hereby accorded for revision in the remuneration of Sh R. K. Bhandari, (Din: 00732588) Joint Managing Director of the Company, as mentioned here below:

1 Salary: Rs.635000/- Per Month w.e.f. July 01, 2019 with an Annual Increment of Rs 35000 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 for the time being in force

iv) Personal Accidental Insurance.

v) In addition to above Sh R. K. Bhandari, Joint Managing Director shall be entitled to all such perquisites/ benefits which he was enjoying as Joint Managing Director of Company the total value of which shall not exceed Rs 150000/- in a year.

“RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year, the remuneration shall be governed by Section II of Part II of Schedule V of the Act or any statutory modification thereof and the same shall be treated as the minimum remuneration payable to the JMD.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all necessary acts, deeds, matter and things, which may be usual, expedient or proper to give effect to the above resolution

10 Increase in Salary of Sh Hardev Singh, Director (Technical) of the Company

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

“RESOLVED that Pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and in term of recommendation of Nomination and Remuneration Committee and as approved by the Board of Director, approval of Members be and is hereby accorded for revision in the remuneration of Sh Hardev Singh, Director (Technical) of the Company as stated below:

Terms:

Salary: Rs.250000/- Per Month w.e.f. April 01, 2018 with an Annual Increment of Rs 25000/- PM.

b) Perquisites/benefits as per rules of the Company

i) Company owned/leased accommodation or reasonable house rent allowance.

“RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year, the remuneration shall be governed by Section II of Part II of Schedule V of the Act or any statutory modification thereof and the same shall be treated as the minimum remuneration payable to Sh Hardev Singh, Director (Technical).”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all necessary acts, deeds, matter and things, which may be usual, expedient or proper to give effect to the above resolution

Item No 11

Sub-division of 1 (one) equity share of face value of Rs. 10/- each into 10 (Ten) equity shares of Re. 1/- each.

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

“RESOLVED that pursuant to the provisions of Section 61(1)(d), and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the provisions of the Memorandum and Articles

of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from concerned authorities or bodies and as approval of the members be and is hereby accorded for sub-division of Equity Shares of the Company having the face value of Rs. 10/- (Rupees Ten Only) each fully paid up into 1 (one) equity shares of face value of Rs.1/- (Rupees one Only) each fully paid up.

“RESOLVED FURTHER that pursuant to the sub-division of the Equity Shares of the Company, all the issued, subscribed and paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each of the Company existing on the Record Date to be fixed by the Company/Board of Directors shall stand sub-divided into Equity Shares of face value of Rs. 1/- (Rupees one Only) each fully paid up, without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as the existing fully paid-up Equity Shares of Rs 10/- (Rupees Ten Only) each of the company.”

“RESOLVED FURTHER that upon sub-division of the equity shares as mentioned above, the existing share certificate(s) in relation to the existing issued equity shares of the face value of Rs.10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may, without requiring the surrender of the existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing issued share certificate(s) and in the case of the equity shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Member(s) with the Depository Participants, in lieu of the existing credits in their beneficiary accounts representing the equity shares of the Company before sub-division”.

“RESOLVED FURTHER that the Board of Directors of the Company (“the Board”), which expression shall also include a Committee thereof, be and is hereby authorized to fix the Record Date and to issue new share certificates in lieu of the existing issued share certificates in terms of the afore stated and in accordance with the applicable provisions of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and to do all such

acts, deeds, matters, things and take such steps, as may be necessary and to execute such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee or Director(s) or Chief Executive Officer or Chief Financial Officer or Company Secretary or any other Officer(s), to give effect to the sub-division of Equity Shares of the Company.

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to execute and file necessary applications, declarations, and other documents with Stock Exchanges, Depositories, Registrar and Transfer Agents and/or any other statutory authority(ies), if any; (b) cancel the existing physical share certificates; (c) settle any question or difficulty that may arise with regard to the sub-division of the Equity Shares as aforesaid or for any matters connected herewith or incidental hereto; and do all such acts, deeds, things, including all other matters incidental thereto in order to implement the foregoing resolution.”

Item No 12

Amendment of Authorized Share Capital Clause V of the Memorandum of Association

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 Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted by the following : V. The authorized Share Capital of the Company is Rs. 220000000/- (Rupees twenty two crores only) consisting of 220000000 equity shares of Rs.1/- (Rupees one) each with power to increase and reduce the capital to attach there to respectively such preference shares either subject to or free from income tax as may be determined in accordance with the regulations of the company, to vary modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s).”

Item No 13

Approval for Related Party Transactions

To pass the following resolution with or without modification as an Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to **sale of Solar Power Plant of the Company at the fair market price** to YCD Industries Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company”.

“RESOLVED FURTHER that the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution ”

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) Members are requested to bring their copies of Annual Report at the Meeting.
- 5) Members are requested to notify immediately any change in their address, to the Registered Office of the Company.
- 6) 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.
- 7) 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.
- 8) The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2019 to 30.09.2019 both days inclusive.
- 9) 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. Gaurav Bansal, Chartered Accountant as scrutinizer for scrutinizing e-voting process in a fair and transparent manner

10) The instructions for shareholders voting electronically are as under:-

- i) The voting period begins on 27.09.2019, 10.00 AM and ends on 29.09.2019 at 5.00 PM. During these period shareholders holding share either in physical form or in dematerialized form as on the cut-off date 23.09.2019 (record date) may cast their vote electronically. The e-voting module shall be disabling 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on the label of address affixed on the 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)	<p>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.</p> <ul style="list-style-type: none"> 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 Ltd 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. 23.09.2019 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

M/s Gaurav Bansal, Chartered Accountant has been appointed as the Scrutinizer. the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall within 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, if any, forthwith to the Chairman of the Company.

7. 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 i.e www. satiagroup.com.

EXPLANATORY STATEMENT OF MATERIALS FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos 6 and 7

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 33rd Annual General Meeting held on 30th September, 2014, Shri A.C.Ahuja and Sh Dinesh Sharma, were appointed as an Independent Directors of the Company for a period of 5 (five) consecutive years for a term upto the conclusion of the 38th Annual General Meeting of the company in the calendar year, 2019. Since, Shri A.C.Ahuja and Sh Dinesh Sharma will complete their initial term as an Independent Directors of the Company on 30.09.2019, They are eligible for re-appointment for one more term.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 09.05.2019 & 12.08.2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on their skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by them during their tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members for re-appointment of Shri A C Ahuja and Sh Dinesh Sharma as an Independent Non-Executive Director of the Company for the second term of 5 (five) years w.e.f. 01.10.2019 upto 30.09.2024 is sought and they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013

SEBI has amended the LODR Regulation, 2015 Vide Circular dated 9th may, 2018 which require re-

appointment/continuance of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of special resolutions. Hence the special resolution is placed before the share holders.

Shri A. C. Ahuja and Sh Dinesh Sharma 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 A.C.Ahuja and Sh Dinesh Sharma for the office of Directors of the Company.

The Company has also received declarations from Shri A.C.Ahuja and Sh Dinesh Sharma 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 A.C.Ahuja and Sh Dinesh Sharma fulfill the conditions for appointment as Independent Directors as specified in the Act and the SEBI (LODR) Regulations, 2015. Shri A.C.Ahuja and Sh Dinesh Sharma are independent of the management.

Brief resume of Shri A.C. Ahuja and Sh Dinesh Sharma. 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 in Regulating of SEBI (LODR) Regulations, 2015 are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Shri A.C. Ahuja and Sh Dinesh Sharma 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 Special Resolutions set out at Item Nos. 6 and 7 of the Notice for approval by the shareholders

Item No 8

The Nomination and Remuneration Committee and the Board of Directors, in their respective meetings held on 09.05.2019 & 12.08.2019 have approved the revision in remuneration of Rs 3800000/- per month and Commission of 1% on net profit of the Company payable to Dr Ajay Satia, Chairman Cum Managing Director with effect from 01.04.2018 for remainder of duration of appointment subject to the approval of the shareholders in the General Meeting. The payment of remuneration was approved by the Board based on industry standards, work responsibilities handled by the Chairman and Managing Director of the Company.

Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment commencing from 01st April, 2018 to Dr Ajay Satia as Chairman Cum Managing Director.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution. None of the Directors except Dr Ajay Satia, CMD himself and Mr. Chirag Satia, Executive Director being related is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No 9

The Nomination and Remuneration Committee and the Board of Directors, in their respective meetings held on 09.05.2019 & 12.08.2019, approved the payment of remuneration of Rs 635000/- per month to Sh. R. K. Bhandari (holding DIN 00732588), as Joint Managing Director of the Company with effect from 01.07.2019 for remainder of duration of appointment subject to the approval of the shareholders in the General Meeting and Schedule V to the Companies Act, 2013. Sh R. K. Bhandari is a MBA. The appointment as well as payment of remuneration was approved by the Board based on industry standards, work responsibilities handled by the Joint Managing Director of the Company.

Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment commencing from 01.07.2019 to Sh R. K. Bhandari as Joint Managing Director of the Company. Sh. R. K. Bhandari shall

be deemed to be concerned or interested in the resolution to the extent of remuneration payable to Sh. R.K.Bhandari under the resolution. The Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for his current tenure of appointment as Executive Director.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution. None of the Directors except Sh R. K. Bhandari, Joint Managing Director being related to him is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No 10

The Nomination and Remuneration Committee and the Board of Directors, in their respective meetings held on 09.05.2019 & 12.08.2019, approved the payment of remuneration of Rs. 250000/- per month to Sh. Hardev Singh (holding DIN 0794367), as Director (Technical) of the Company with effect from 01.04.2018 for remainder of duration of appointment subject to the approval of the shareholders in the General Meeting and Schedule V to the Companies Act, 2013. Sh Hardev Singh, Director (Technical) is Diploma in Mechical. The payment of remuneration was approved by the Board based on industry standards, work responsibilities handled by the Director (Technical) of the Company.

Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment commencing from 01.04.2018 to Sh Hardev Singh as Director (Technical) of the Company. Sh. Haredev Singh. Director (Technical) shall be deemed to be concerned or interested in the resolution to the extent of remuneration payable to Sh. Hardev Singh under the resolution. The Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for his current tenure of appointment as Executive Director.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution. None of the Directors except Sh Hardev Singh, Director (Technical) is concerned or interested in the resolution.

Item No. 11

The equity shares of your Company are listed and actively traded on the BSE and NSE With a view to encourage the participation of small investors by making equity shares of the Company affordable, the Board of Directors at its Meeting held on 09.05.2019 considered and approved the sub-division of one equity share of the Company having a face value of Rs. 10/- (Rupees Ten only) each into 10 (Ten) equity shares of face value of Re. 1/- (Rupee One only) each subject to approval of the Members and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of the equity shares will be fixed after approval of the Members is obtained. The provisions of Section 61 of the Companies Act, 2013 require the Company to seek approval of members to the Subdivision of equity share capital of the Company. Accordingly your Board of Directors recommends the Resolution set out at Item No. 11 of notice for the approval of members as an ordinary resolution.

Item No 12

The proposed split of the Face Value of the Equity Shares of the Company of Rs. 10/- each into denomination of Rs. 1/- each fully paid up requires amendment to the Memorandum of Association of the Company. Accordingly Clause V of the Memorandum of Association is proposed to be amended as set out in Item No. 12 in the accompanying notice for reflecting the corresponding changes in the Authorized Share Capital of the Company. The Board recommends the resolutions as set out in Item No. 12 of the accompanying notice for the approval of the members of the Company as Special Resolutions. None of the Directors/Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolutions except to the extent of their shareholding in the Company, if any. A copy of the Memorandum and Articles of Association of the Company along with the

proposed amendments shall be open for inspection at the Registered Office of the Company during 11.00 AM to 1.00 PM on all working days upto the date of declaration of the results.

Item No 13

The Audit Committee and Board of Directors in their meeting held on 09.05.2019 respectively has approved sale of Solar Power Plant of the Company situated at the premises of YCD Industries Ltd a related party at the fair market price determined by the Chartered Engineer. However, the transactions do not require the approval of the shareholders, as a matter of abundant caution the Board decided the same be approved by the Shareholders.

All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection between 10.00 a.m. to 12.00 noon on all working days except Sunday, at the Registered Office of the Company. Members are hereby informed that pursuant to second proviso of Section 188 of the Act, no member of the Company shall vote on the resolution to approve any contract or arrangement which may be entered into by the Company if such member is a related party. None of the Directors Except Dr. Ajay Satia, CMD & Sh Chirag Satia Executive Director and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution at Item No.13 of the Notice. The Board of Directors of the Company recommends the Resolution as set out at Item No.13 in the accompanying Notice for ratification and approval of the members.

Place : VPO: Rupana
Dated : 12.08.2018

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
Company Secretary

DIRECTOR'S REPORT

Dear Members,

The Directors have the pleasure of presenting the 38th Annual Report of your Company for the financial year 2018-19.

Financial Result:

The financial performance of your Company for the year ended March 31, 2019 is summarized below:-

(Rs in Lakhs)

Particulars	Current Year	Previous Year
Revenue and other income	75285.12	67233.63
Profit before interest, depreciation and Tax	17858.73	15209.71
Interest and Financial charges	2077.50	2372.59
Depreciation	4773.16	4504.07
Profit from operations (before tax) Prior Year adjustment & exceptional Item	11008.07	8333.05
Tax Expenses		
Current Tax	1813.95	639.26
Deferred Tax	416.99	826.76
Profit/(Loss) after tax	8777.03	6867.03
Less: Proposed Appropriation		
Dividend on Equity Shares	250.00	250.00

Industry Review

Corporate Overview

Satia Industries Limited operates in the following business segments:-

- 1 Writing and Printing Paper
- 2 Yarn.
- 3 Cotton.
- 4 Agriculture,
- 5 Co-generation of Power for captive consumption and
- 6 Solar Power.

Operational Review

The Highlight of the Company's Performance for the year ended March 31, 2019 are as below:-

- 1 Production of paper as compared to 113517 MT of last year of the Company increased by 8.35% to 123000
- 2 Net revenue of your Company increased by 15 % to Rs 73840.55 Lakh as compared to Rs 64207.32 Lakh during the previous year 2017-18
- 3 Profit Before Depreciation and Tax increased by 22.93 % to Rs 15781.23 Lakh as compared to Rs 12837.12 Lakh during the previous year 2017-18
- 4 Profit before Tax increased by 32.10% to Rs 11008.07 Lakh as compared to Rs 8333.05 Lakh during the corresponding period of previous year 2017-18
- 5 Net Profit Increased by 29.54 % to Rs 8797.64 Lakh as Compared to Rs 6791.40 Lakh in the previous Year.

Dividend

During the year under review, the Board declared Interim Dividends-Rs 1.00 (10%) per equity share of Rs 10/- each in its meeting held on 13.02.2019. Your Directors are pleased to recommend a Final Dividend of Rs1.50 (15%) per equity share of Rs 10/- each for Financial Year 2018-19, for the approval of the equity shareholders at the ensuing Annual General Meeting. If approved, the total dividend payout (interim and final dividend) for the financial year 2018-19 will be Rs 2.50 (25%) per equity share of Rs 10/- each.

Financial Review

Share Capital

The paid up equity capital as on March 31, 2019 was Rs. 10,00,00,000/-. During the year under review, the Company has not issued any shares.

Reserves

The closing balance of the retained earnings of the Company for the financial year 2019, after all appropriation and adjustments was Rs 29757.38 lakhs

Fixed Deposit

The Company has not accepted any deposits from

public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

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 are 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 Joint Managing 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.

Directors:

As on 31st March, 2019, the company have 11 Directors consisting of 4 Executive Non- Independent Directors, 7 Non- Executive Independent Directors, Sh. Hardev Singh, Director (Technical) is proposed to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for reappointment. The term of two Independent Directors viz. Shri A. C. Ahuja and Shri Dinesh Chand Sharma is expiring at the ensuing AGM in Sept, 2019. Based on the recommendation of the Nomination and Remuneration Committee, their re-appointment for a second term of five years is proposed at the ensuing AGM for the approval of the Members by way of special resolution.

All the Independent Directors have affirmed their Independence under Section 149 of the Companies Act, 2013 and provisions of Regulation 25 of SEBI (LODR) Regulations, 2015. The Company has obtained requisite declaration to that effect from the said Directors.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance

of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 in a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and nonexecutive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Key Managerial Personnel

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are:

Dr Ajay Satia: Chief Executive Officer (CMD & CEO)

Sh Ashok Kumar Khurana: CFO

Sh Rakesh Kumar Dhuria: Company Secretary

Remuneration Policy

The Board has on the recommendation of the Nomination & 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 five 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.

The Directors had laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively. 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.

Audit Reports and Auditors

The Auditors Report for the year 31.03.2019 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statement in this Annual Report.

Statutory Auditors:

Under section 139 of the Companies Act, 2013 and the rules made there under, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section, in line with the requirements of the Companies Act, 2013, M/S Deepak Grover & Association, Chartered Accountants (firm registration no 505923) was appointed as the Statutory Auditors of the company to hold office for a period of five consecutive years from the conclusion of the 36th Annual General Meeting of the company held on 29th September, 2017, till the conclusion of the 41st Annual General Meeting to be held in the year 2022, subject to ratification by shareholders at the Annual General Meeting or as may necessitated by the Act from time to time. The first year of audit was of the financial statements for the year ending March 31, 2017 which included the audit of the quarterly financial statements for the year. Accordingly, the appointment of M/s Deepak Grover & Associates is being placed before the shareholders for ratification.

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. The said report does not contain any qualification, reservation or adverse remarks.

Internal Auditors

During the year under review M/s G. Baksh & Associates, Internal Auditors 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.

Indian Accounting Standard

Your Company has adopted Indian Accounting Standards (IND AS). The Financial Statement for the year ended March 31, 2019 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, as amended by the Companies (Indian Accounting Standard) Rules, 2018 read with Section 133 and other applicable provisions of the Companies Act, 2013.

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 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. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval. The Board of Directors of the Company has on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and Listing Regulations. This Policy as considered and approved by the Board has been uploaded on the web site of the Company at www.satiagroup.com

Subsidiary Companies

The Company does not have any subsidiary.

Whistleblower Policy

The Company has in place a Whistleblower Policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The aforementioned whistleblower policy is available on the Company's website at the following web-link:

www.satiagroup.com

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, the Board of Directors of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for 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 Social Responsibility Initiatives

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure IV of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on www.satiagroup.com.

Satia Industries Limited realizes its responsibility towards the society at large. Satia Industries Limited recognizes that Corporate are economic organs of society and therefore believes in making a positive difference to the society by trying to build a better tomorrow. The Company assists in running the local Schools and directly organizes various programs for social welfare.

The Company has carried out 'Need Assessment Study' to fulfill the requirements of its social responsibility under CSR Programs and based on that assessment of demand, the management has approved Rs. 2.50 crores for CSR

program in surrounding villages. The activities mentioned therein shall be carried out within a time frame of 5 years (from the year 2017-18 to 2021-22). The sectors identified under the scope of CSR activities are as follows:

CSR Activities

Sr. No	Planned activities under CSR as per specific needs	Budgetary Plan (Rs.)					
		1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
1.	Community Health Improvement						
i	Disinfection facilities for dug wells and other potable water sources	2,00,000	2,00,000	3,50,000	3,50,000	3,00,000	14,00,000
ii	Periodically medical checkup, blood donation camps to be organized near project site	2,50,000	2,50,000	2,50,000	3,00,000	3,50,000	14,00,000
iii	Eye checkup camps	3,00,000	4,00,000	5,00,000	5,00,000	5,00,000	22,00,000
iv	Health awareness camps for child and mother care, health and hygiene practices.	1,50,000	1,50,000	2,00,000	2,50,000	2,50,000	10,00,000
	Total	9,00,000	10,00,000	13,00,000	14,00,000	14,00,000	60,00,000
2.	Community Education Facilities						
i	Augmentation of furniture, blackboard, etc. in village schools	5,00,000	5,00,000	5,00,000	5,00,000	5,00,000	25,00,000
ii	Award scholarship to meritorious students	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	5,00,000
iii	Distribution of educational books, stationary, uniforms and aids etc.	4,00,000	4,00,000	4,00,000	4,00,000	4,00,000	20,00,000
	Total	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000	50,00,000
3.	Community Welfare activities						
i	Worship places development & beautician	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000	15,00,000
ii	Distribution of seeds & saplings	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	5,00,000
iii	Promotion & support to various Govt. Schemes	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	10,00,000
	Total	6,00,000	6,00,000	6,00,000	6,00,000	6,00,000	30,00,000
4.	Infrastructural Development						
i	Village pond retrieval	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000	15,00,000
ii	R.O installation	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000	15,00,000
	Total	6,00,000	6,00,000	6,00,000	6,00,000	6,00,000	30,00,000
5.	Community Water Conservation						
i	Rain water harvesting and ground water recharge pits	5,00,000	5,00,000	5,00,000	5,00,000	5,00,000	25,00,000

Sr. No	Planned activities under CSR as per specific needs	Budgetary Plan (Rs.)					
		1st Year	2nd Year	3rd Year	4th Year	5th Year	Total
ii	Water conservation awareness programs	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	5,00,000
	Total	6,00,000	6,00,000	6,00,000	6,00,000	6,00,000	30,00,000
6.	A forestation Programs						
i	Plantation of trees in village road side	5,00,000	5,00,000	5,00,000	5,00,000	5,00,000	25,00,000
ii	Development of nursery	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	5,00,000
	Total	6,00,000	6,00,000	6,00,000	6,00,000	6,00,000	30,00,000
7.	Community Capacity Building						
i	Impairing vocational training for technical skills, self-employment training for women as stitching, embroidery, tailoring, handicrafts	2,00,000	3,00,000	4,00,000	5,00,000	6,00,000	20,00,000
	Total	2,00,000	3,00,000	4,00,000	5,00,000	6,00,000	20,00,000
	Grand Total	45,00,000	47,00,000	51,00,000	53,00,000	54,00,000	2,50,00,000

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 are annexed herewith as Annexure- IV

Report on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company’s philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Strong leadership and effective corporate governance practices have been the Company’s hallmark. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates

the duties of independent directors as laid down in the Companies Act, 2013 (“the Act”). The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as applicable, with regard to corporate governance.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the Report on corporate governance.

Acknowledgement

The Directors thank the Company’s employees, customers, vendors, investors and for their continuous support. The Directors also thank the Government of India, Governments of various states in India and concerned Government departments and agencies for their co-operation.

For and on behalf of the Board of Directors

Place : VPO: Rupana

Date : 12.08.2019

(Dr Ajay Satia)
Chairman Cum Managing

(R.K.Bhandari)
Joint Managing Director

Annexure-I

REMUNERATION POLICY

The Nomination and Remuneration Committee of the Company is constituted in line with provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Brief Description of Terms of reference:

- 1 To carry out evaluation of the Director's performance and recommend to the Board appointment/removal based on his/her performance.
- 2 To formulate a criteria for determining qualifications, positive attributes and Independence of a Director.
- 3 To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- 4 To ensure that the remuneration for Directors is reasonable and sufficient to attract, retain and motivate appropriate Directors required for running the Company effectively.
- 5 To ensure that the remuneration to Key Managerial Personnel and Senior Management involves a balance between the pay and goals appropriate to the working of the Company.
- 6 To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

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.

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 XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished hereunder:

Name of the Director/KMP and Designation	Remuneration in fiscal, 2019 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 Profits before tax	% of Turnover
Dr. Ajay Satia Chairman & Managing Director	616.60	50.71	165.68	5.60	0.82
Sh. R.K. Bhandari (Joint Managing Director)	38.70	21.04	10.58	0.35	0.35
Sh. Chirag Satia (Executive Director)	360.00	0	96.28	3.27	0.48
Sh Hardev Singh Director (Technical)	28.50	0	7.62	0.26	0.26
Sh. Ashok Kumar Khurana CFO	18.68	13.49	4.99	0.17	0.02
Sh. R.K. Dhuria Company Secretary	16.89	12.68	4.52	0.15	0.02

- 1 The median Remuneration of Employees was Rs 3.74 lakh P.A.
- 2 In the financial year, there was an increase of 8.34% in the median remuneration of employees.
- 3 There were 1264 permanent employees on the rolls of the Company as on March 31,2019
- 4 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 Comparison of the remuneration of the Key Managerial Personnel(s) against the Performance of the Company:-

For the financial year 2018-19, key Managerial Personnel were paid 9.80% and 1.95% of the net profit before tax and turnover respectively of the Company.

The ratio of the remuneration of the highest paid director to that of employees who are not director but receive remuneration in excess of the highest paid director during the year-Not applicable

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, key managerial personnel, senior management personnel and other employees.

Detail of Ten Employees in Term of Remuneration

Sr No	Name of Employee	Designation of the Employee	Remuneration Received (Rs)	Qualification	Experience (Yrs.)	Age	The last Employment
1	Kalam Singh Saini	G.M. (Pulp Mill)	25,41,600	Dip. Pulp & Paper Tech.	32	59.4	Naini industries Ltd.
2	Leeladhar Bagla	Sr G.M(Paper)	23,76,800	B.Sc.	24	45.1	BILT Graphic Paper Products Ltd.
3	Sanjay Jain	G.M. (Instt.)	18,92,000	Dip. Elect. Engg.	28	52.4	Raibow Papers Ltd.
4	Ashok Kumar Khurana	V.P.	18,68,552	B.Com & C.A.	37	63.2	-
5	Parveen Kumar	G.M.(Elect.)	18,44,520	Dip. Elect..Engg.	22	46.8	Punjab Concast Steels (Nahar International Ltd.)
6	Rakesh Kumar Dhuria	Sr G.M.	16,89,200	LLB, C.S.	29	57.10	Girnar Fibres Ltd.
7	S. Madhukar Rao	G.M.(QC)	16,85,000	B.Sc	25	58.5	-
8	Manav Sarin	G.M. (Mkt. & Instl Sales)	16,82,400	M.B.A	26	47.2	Rama News Print & Papers Ltd.
9	Sandeep Pabha	Sr GM (Engineering & Production)	6,75,000	Bachelor Degree In Production Engineering	24	47	Kuantam Paper
10	V. Srinivasa Rao	GM Utilities Projects	22,98,500	B. Tech Mechanical	12	15	Concept Technologies Visakhapatnam

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.

I Conservation of Energy

Energy conservation is an ongoing process in the Company

- 1) Modification of PM1 – Paper Machine Drive replacement, Approach flow modification & Head box replacement for increasing machine speed (from 525 MPM to 750 MPM), improving formation & its overall productivity.
- 2) New Hood installed at PM1 for improving paper quality and saving of steam.
- 3) New Efficient Cooling Tower of 4200 Cubic Mtr Installed by replacing old inefficient 2800 Cubic meter to meet the cooling water requirement of Turbines -- Hence saving of auxiliary power consumption of turbines (approx 2000-2500 units per day) and improvement in condensing steam power ratio (0.1 to 0.2 ton/MW) of turbines .
- 4) New Boiler of Higher Pressure 87 Kg/sq cm installed for meeting future steam demand, more plant availability and higher turbine efficiency i.e. improved MW/ TON ratio.
- 5) Energy Efficient transformer installed at paper machine1 (3MVA 11KV/433V) in place of old transformer.
- 6) Energy efficient LED lights installation in plant.
- 7) IE3 premium energy efficient Motors installation at PM1 and Pulp mill
- 8) Thermal insulation on steam lines, condensate lines. and steam traps repairing

II Technological Absorption

- 1) 2 No's Rewinders SR2500 and SR3100 (brake generator type) installed one at PM2 and PM3 to meet the production capacity demand and

for improving reel winding and to meet the market demand.

- 2) ETP up gradation by introducing HRCC and aeration tank to treat increased effluent demand due to increased paper production capacity.
- 3) Existing PM3 Jagenberg Synchro cutter speed increased from 130 MPM to 200 MPM with improved technology to increase capacity and reduction of size variation (within 1 mm in place of previous 1.5 to 2 mm).
- 4) New Electrical Synchro cutter (Pasabaun Make with accuracy of cutting +/- 1 MM.) installed at PM1 .

Technology Absorption

Your Company is keeping constant watch in technology up gradation in existing Products. Up gradation and automation in various areas of plant and machinery is continuously carried out.

Efforts made towards technology Absorption

- 1) TDRs installed in Hardwood Street (H/W pulp supply to machine) for increasing the pulp physical properties i.e. tear, breaking length & strength of fiber to improve machine productivity & product quality.
- 2) Cal coil system installed at PM1, 2 and 3 for improving paper quality, steam & fiber saving.
- 3) Micro filters (ST Machine make) installed at Stock1, 2,3 for back water fiber recovery and clear water for reusing at PM in place of fresh water /to reduce fresh water consumption.
- 4) ETP- Jet aeration system installed after anaerobic process in ETP to reduce COD & Discharge.
- 5) EOP Bleaching converted to oxy bleaching with using sodium per- carbonate to reduce power, steam & chemical consumption.
- 6) Oxygen plant generation capacity increased by enhancing the capacity of existing oxygen plant (from 200 NM3 to 400 NM3) to meet increased

demand of oxygen hence reduced production cost of pulp.

i) Benefit Derived

- a) Improved Paper Quality
- b) Improve productivity

III FOREIGN EXCHANGE EARNINGS AND OUT GO:

Expenditure for the year ended 31st March, 2019 is as under:-

	(Rs.in Lacs)
(i) Earning in foreign exchange.	1030.40
(ii) Expenditure in foreign currency.	
CIF Value of imports	
(a) Capital Goods	878.25
(b) Store & Spares	26.88
(c) Raw Material	1811.32
Interest	12.48
Bank Charges	3.74
Travelling	13.97
Legal & Technical Fees	0

For and on behalf of the Board of Directors

Place : VPO : Rupana (Dr. Ajay Satia) (R.K. Bhandari)
 Date : 12.08.2019 Chairman-Cum- Joint Managing
 Managing Director 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

The guiding principle of Satia Industries Limited CSR programs is enabling people to lead a better life. The Company's focus areas are Education and Health and Wellness and Environmental Sustainability.

The Company's participation focuses on operations where it can contribute meaningfully either through employee volunteering or by using core competency which develops solutions.

Brief Outline on Company's CSR policy including overview of projects or programs proposed to be undertaken Corporate Social Responsibility Policy (hereinafter referred to as 'CSR Policy') shall help Satia Industries Limited to pave its path towards the betterment of certain sections of the society by using its resources in the best possible manner.

1. Composition of the CSR Committee.

- 1 Sh. A.C. Ahuja:- Chairman (Independent Director)
- 2 Sh. R. K. Bhandari:- Joint Managing Director:- Member
- 3 Sh. Chirag Satia:- Executive Director -Member

2. Average Net Profit of the Company for last three financial years

Rs-in lacs				
Particulars	31.03.2018	31.03.2017	31.03.2016	Average
Net Profit	8333.05	4751.31	1007.86	4697.41

3. Prescribed CSR Expenditure (two percent of the average three years net profit)

Two percent of the amount as in last item above Rs. 93.95 lakh towards CSR. Unspent amount from previous year Rs nil.

The Company is required to spend Rs 93.95 lakh towards CSR

4. Details of CSR spent during the financial year

- (a) Total amount spent during the financial year: Rs 112.51 Lakh
- (b) Amount unspent, if any: NIL

Manner in which the amount spent during the financial year

Sr 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 Up 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 and participating in rural capacity building programs and such other initiative	Literacy	Sri Muktsar Sahib(Punjab)	44.00	63.00	63.00	Direct
2	Promoting preventive healthcare	Community welfare	1.Sri Muktsar Sahib(Punjab) Village : Kauni Village Rupana	8.00	7.81	7.81	Direct
3	Eradicating Hunger and Poverty	do	do	36.00	36.82	36.82	Direct
4	Environmental sustainability	do	do	6.00	4.91	4.91	Direct

The CSR Committee do hereby undertake that the implementation and monitoring of CSR Policy is 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

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED
31 MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act,
2013 and rule 9 of the Companies (Appointment and
Remuneration of Managerial 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 M/s Satia Industries Limited, Muktsar, Punjab. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and 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, 2019 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 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 we 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. 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, 2019 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 prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) During the year under review, there was acquisition of shares by the promoters due to transfer of shares between the promoters of the company, for which the company has duly complied and made proper disclosures with respect to Regulation 10(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 amended upto date
- (b) In respect to the acquisition of shares by the promoters, the company has made proper disclosures in respect to 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 paper from virgin pulp. And as per representation given by the company following are some of the laws which are specifically applicable to the company.
 - Water (Prevention and control of Pollution) Act, 1974
 - Air (Prevention and control of Pollution) Act, 1981
 - Environment Protection Act, 1986
 - The Hazardous Wastes (Management and Handling) Rules 1989
 - Labour Laws
 - Industrial dispute act, 1947
 - Standards for Discharge of environmental Pollutants
 - National Green Tribunal Act, 2010
 - Bureau of Indian Standards Act, 1986
 - Energy Conservation Act, 2001
 - The Factories Act, 1948

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 to the extent of its applicability.
- (ii) Company had entered into a listing agreement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and duly complied the various Clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 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 a proper 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.
- The company had made adequate expenditure on CSR as required under Section 135 (5) of the Companies Act, 2013.

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.

To,
The Members,
Satia Industries Limited
Vill. Rupana, Malout-Muktsar Road,
Muktsar (Punjab)
CIN: L21012PB1980PLC004329

Our Secretarial Audit Report for the financial year 31st march 2019 is to be read along with this letter.

Management's responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, device proper system to ensure compliance with the maintenance of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Whenever required, we have obtained the management's representation about the compliance of laws, rules and regulation and happening of event etc.

Disclaimer

5. The Secretarial Audit Report is assurance as to the further viability neither of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.
6. We have not verified the correctness and appropriateness of financial and books of accounts of the company.

Dated : 12.08.2019
Place : Bathinda (Pb.)

For S. Parnami & Associates
Company Secretaries
(SourabhParnami)
M. No. F9396
CP No. 11181

Dated : 12.08.2019
Place : Bathinda (Pb.)

For S. Parnami & Associates
Company Secretaries
SourabhParnami
M. No. F9396
CP No. 11181

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Satia Industries Limited
Vill. Rupana, Malout-Muktsar Road,
Muktsar (Punjab)
CIN: L21012PB1980PLC004329

We, S. Parnami & Associates, Practicing Company Secretaries, Bathinda, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Satia Industries Limited (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its Directors/officers, I/We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

For S. Parnami & Associates
Company Secretaries
Sourabh Parnami
M. No. F9396
CP No. 11181

Dated : 12.08.2019
Place : Bathinda (Pb.)

To,
The Members,
Satia Industries Limited
Vill. Rupana, Malout-Muktsar Road,
Muktsar (Punjab)
CIN: L21012PB1980PLC004329

Our Secretarial Audit Report for the financial year 31st March 2018 is to be read along with this letter. Management's responsibility

- 1 It is the responsibility of the management of the company to maintain secretarial records, device proper system to ensure compliance with the maintain of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

- 2 Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
- 3 We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
- 4 Whenever required, we have obtained the management's representation about the compliance of laws, rules and regulation and happening of event etc.

Disclaimer

- 5 The Secretarial Audit Report is not assurance as to the further viability neither of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.
- 6 We have not verified the correctness and appropriateness of financial and books of accounts of the company.

Dated : 12.08.2019
Place : Bathinda

For S. Parnami & Associates
Company Secretaries
(Sourabh Parnami)
M. No. F9396 CP No. 11181

CORPORATE GOVERNANCE REPORT 2018-19

In accordance with SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the report containing the details of corporate governance systems at Satia Industries Limited is as follows

1. Company's Philosophy

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Satia Industries Ltd culture and ethos. The Company has a strong legacy of fair, transparent and ethical governance practices. We, at SIL, ensure that we follow the corporate governance guidelines and best practices. We consider it our responsibility to disclose timely and accurate information regarding our financial performance as well as the leadership and governance of the Company. The Company is in compliance with the requirements stipulated under Regulation 27 of the SEBI Listing Regulations, as applicable, with regard to corporate governance

2 Board of Directors

Your Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "the Listing Regulations" and also Guidance Note on Board Evaluation as prescribed by SEBI

The Board has complete access to any information with your Company. Members of the Board have complete freedom to express their views on agenda items and discussions at Board level are taken after due deliberations and full transparency. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfills stakeholder's aspirations and societal expectations.

Chairman of the Board

Dr Ajay Satia is the Chairman Cum Managing Director of the Company.

Responsibilities of the Chairman, and the Chief Executive Officer and Managing Director.

The Chairman and Managing Director is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various Committee.

The Board, upon the recommendation of the nomination and remuneration committee, unanimously appointed Dr Ajay Satia as Chairman and Managing Director of the Company.

The responsibilities and authority of these officials are as follows:

The Chairman and Managing Director is the leader of the Board. The Chairman is primarily responsible for ensuring that the Board provides effective governance to the Company. In doing so, the Chairman cum Managing Director will preside over meetings of the Board and of the shareholders of the Company. The Chairman will take a lead role in managing the Board and facilitate effective communication among directors. He is responsible for matters pertaining to governance, including the organization, composition and effectiveness of the Board and its committees and the performances of individual directors in fulfilling their responsibilities. The Chairman and Managing Director will provide independent leadership to the Board, identify guidelines for the conduct and performance of directors and oversee the management of the Board's administrative activities, such as meeting, schedules, agenda, communication and documentation.

Composition of the Board of Directors

As on March 31, 2019, the Company has eleven Directors. Out of the eleven Directors, (i.e. 63.61 percent) are Non-Executive Independent Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

- ii. None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors. None of the Directors is related to each other except Dr Ajay Satia, Chairman Cum Managing Director and Sh Chirag Satia, Executive Director
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2019 are given herein below.

Other directorships do not include directorships of private limited companies. Chairmanships / Memberships of Board Committees shall only include Audit Committee.

During the financial year 2018-19, Four Board Meetings were held on the following dates:-

- | | | | |
|---|------------|---|------------|
| 1 | 30-05-2018 | 2 | 13-08-2018 |
| 3 | 13-11-2018 | 4 | 13-02-2019 |

The Maximum time gap between any two consecutive meetings was less than One hundred and twenty days.

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 31.03.2019 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	3	Yes	-	-	-
2.	Sh. R. K. Bhandari	Joint Managing Director	2	Yes	-	1	-
3.	Sh. A. C. Ahuja	Independent Director	4	Yes	3	2	2
4.	Sh. S. K. Arora	Independent Director	1	No	-	1	-
5.	Sh. Dinesh Chand Sharma	Independent Director	4	No	-	-	-
6.	Sh. I.D. Singh	Independent Director	3	No	-	-	-
7.	Sh. Chirag Satia	Executive Director	3	Yes	-	-	-
8.	Sh. Hardev Singh	Director (Technical)	2	No	-	-	-
9.	Dr. Mrs. Priti Lal Shivhare ##	(Independent) Director	1	No	-	-	-
10.	Sh. Ashok Kumar Gupta	(Independent) Director	3	No	-	-	-
11.	Sh. Arun Kumar Gupta	(Independent) Director	2	No	2	1	2

Number of Companies or committee in which the Director of the Company is Director/Member/Chairman*

Sr. No.	Name of Director	No. of Directorship in all public companies *	No. of Committee Membership in all Public Companies	
			Member **	Chairman**
1.	Dr. Ajay Satia	1	-	-
2.	Sh. R. K.Bhandari	1	1	-
3.	Sh. A. C. Ahuja	3	2	2
4.	Sh S.K.Arora	1	1	-
5.	Sh Dinesh Chand Sharma	1	-	-
6.	Sh I. D. Singh	1	1	-
7.	Sh Chirag Satia	1	-	-
8.	Mrs Dr Priti Lal Shivhare	1	-	-
9.	Sh Ashok Kumar Gupta	1	-	-
10.	Sh Arun Kumar Gupta	3	1	2
11.	Sh Hardev Singh	1	-	-

Including Satia Industries Ltd and excluding private limited companies, foreign companies and companies under section 8 of the companies Act, 2013

** Board Committee for this purpose includes Audit Committee of Public Limited Companies (Including Committees of Satia Industries Limited)

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

- During the year, one meeting of the Independent Directors was held on 13.02.2019 Independent Directors, inter-alia, reviewed the performance of non-Independent Directors, Chairman of the Company and the Board as a whole.
- The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.
- The details of the familiarization programmer of the Independent Directors are available on the website of the Company (<http://www.satiagroup.com/investors>).

Board Level Committees

The Board has constituted various Committees for smooth and efficient operation of the activities and is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committees in

line with the laws of land. The Chairman, quorum and the terms of reference of each committee have been approved by the Board.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act

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

The Audit Committee reviews the matters falling in its terms of reference and addresses larger issues and examines those facts that could be of vital concerns to the Company. The terms of reference of the Audit Committee constituted by the Board in terms of Section 177 of the Companies Act, 2013 and the Corporate Governance Code as prescribed under Listing Regulations, which broadly includes matters pertaining to adequacy of internal control systems, review of financial reporting process, discussion of financial results, interaction with auditors, appointment and remuneration of auditors, adequacy of disclosures and other relevant matters

The role of the audit committee shall include the following:

- (1) Ensure that the financial statement is correct, sufficient and credible;

- (2) Recommendation for appointment and terms of appointment of auditors.
 - (3) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to
 - (a) Changes if any, in accounting policies and practices and reasons for the same;
 - (b) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (c) Significant adjustments made in the financial statements arising out of audit findings;
 - (d) Compliance with listing and other legal requirements relating to financial statements;
 - (e) Disclosure of any related party transactions;
 - (f) Modified opinion(s) in the draft audit report;
 - (4) reviewing with the management, the quarterly financial statements before submission to the board for approval;
 - (5) reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
 - (6) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
 - (7) approval of transactions of the listed entity with related parties;
 - (8) scrutiny of inter-corporate loans and investments;
 - (9) evaluation of internal financial controls and risk management systems;
 - (10) reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (11) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (12) discussion with internal auditors of any significant findings and follow up there on;
 - (13) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - (14) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (15) to review the functioning of the whistle blower mechanism;
 - (16) approval of appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate;
 - (17) Carrying out any other function as is mentioned in the terms of reference of the audit committee
- The audit committee shall mandatorily review the following information**
- (1) management discussion and analysis of financial condition and results of operations;
 - (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (3) management letters/letters of internal control weaknesses issued by the statutory auditors; internal audit reports relating to internal control weaknesses;
 - (4) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee

The Audit Committee as on March 31, 2019 comprised of four Directors

Following Directors were the members of the Audit Committee:-

- (1) Sh. A. C. Ahuja, Chairman Independent Non Executive Director
- (2) Sh. R. K. Bhandari, Joint Managing Director
- (3) Sh. Inder Dev Singh Independent Non Executive Director
- (4) Sh. Arun Kumar Gupta, Independent Non Executive Director

All the Members on the Audit Committee have the

requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

Sh Ashok Kumar Khurana Chief Finance Officer regularly attends the meetings and Sh Rakesh Kumar Dhuria, Company Secretary acts as Secretary of the Committee. The Statutory Auditors of the Company attend the meetings as Special Invitees.

During the year under review, five (5) Meetings of Audit Committee were held on 12.05.2018, 30.05.2018, 09.08.2018, 13.11.2018 and 13.02.2019 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	5
2	Sh. R. K. Bhandari	Member	Joint Managing Director	4
3	Sh. Inder Dev Singh	Member	Independent Director	4
4	Sh Arun Kumar Gupta	Member	Independent Director	2

Nomination and Remuneration Committee

Term of Reference:

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act. The term of reference of

this committee is wide enough covering the matter specified under the SEBI Listing Regulations and the Companies Act, 2013

Composition of the Remuneration Committee & attendance of the members at the Committee Meetings during the year ended 31.03.2019 are as follows:-

Sr. No.	Name of Member	Status in Committee	Directorship	Number of Meetings during the year 2018-19	
				Held	Attended
1	Sh. A.C. Ahuja	Chairman	Independent Director	2	2
2	Sh. Inder Dev Singh	Member	Independent Director	2	2
3	Sh. Dinesh Chand Sharma	Member	Independent Director	2	2

NOMINATION AND REMUNERATION POLICY

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

The Nomination and Remuneration policy provides a framework for appointment of Director, Key Managerial Personnel and Senior Management, their performance

evaluation and fixing their remuneration based on their performance.

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, 2019 is as under:-

Sr. No.	Name of Director	Sitting Fee (Rs.)	Salary	P.F	Others	Total (Rs.)
1	Dr Ajay Satia	-	6,16,00,000	-	3,65,329	6,19,65,329
2	Sh R. K. Bhandari	-	38,70,000	-	88,754	39,58,754
3	Sh Chirag Satia	-	3,60,00,000	-	10,500	3,60,10,500
4	Sh Hardev Singh	-	28,50,000	-	61,599	29,11,599
5	Sh A. C. Ahuja	1,65,000		-		1,65,000
6	Sh S. K. Arora	15,000		-		15,000
7	Sh Dinesh Chand Sharma	85,000		-		85,000
8	Sh I. D. Singh	1,30,000		-		1,30,000
9	Sh Ashok Kumar Gupta	45,000		-		45,000
10	Sh Arun Kumar Gupta	60,000		-		60,000
11	Mrs Dr Priti Lal Shivhare	30,000		-		30,000

Corporate Social Responsibility (CSR) Committee

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

The Composition of the Committee as at 31st March, 2019 and detail of member's participation at the meeting of the committee are as under:-

Name of the Member	Designation	Meeting Held	Meeting Attended
Sh A. C. Ahuja	Chairman	1	1
Sh R. K. Bhandari	Member	1	1
Sh Chirag Satia	Member	1	1

The meeting of CSR Committee was held on 13th February, 2019 under the chairmanship of Sh A. C. Ahuja, Independent Director

Stake holder Relation Committee

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The composition of Committee is given in this Report.

The Stakeholders' Relationship Committee is primarily responsible to review all matters connected with the Company's redressal of shareholders'/ investors'/ security holders' complaints.

Terms of Reference of the Committee inter alia include the following:

Consider, resolve and monitor redressal of investors' /

shareholders' / security holders' grievances related to transfer of securities, non-receipt of annual reports, non-receipt of declared dividend, issue / new duplicate certificates, general meetings and so on. Oversee the performance of the Company's Registrars and Transfer Agents. • Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading. • Annual performance evaluation of the Committee. • To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on 13th February, 2019 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, Joint Managing Director (Chairman)
- 2 Sh Hardev Singh Director (Technical)
- 3 Sh A.K. Khurana CFO-(Member)

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:-

Sr. No.	Financial year	Date	Time	Location	No of Special Resolution Passed
1	2017-18	29.09.2018	10.00 AM	At Regd. Office; Muktsar- Malout Road, Vill.Rupana Distt. Muktsar	Six
2	2016-17	29.09.2017	10.00AM	At Regd. Office; Muktsar- Malout Road, Vill.Rupana Distt. Muktsar	Four
3	2015-16	30.09.2016	10.00AM	At Regd. Office; Muktsar- Malout Road, Vill.Rupana Distt. Muktsar	Two

Postal Ballot

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

Disclosures

I. Related party transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company.

II. Reconciliation of share capital audit :-

A qualified practicing Chartered Accountant has carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Compliance made by the Company

- a) The Company has made the compliance of the stock exchanges, SEBI and other statutory authorities on all matters related to capital market.
- b) 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.
- c) The management discussion and Analysis Report

forms part of the Annual Report as an addition to the Directors' Report.

d) Means of Communication

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

e) 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.

f) General Shareholders information

Annual General Meeting

Date and time : September, 2019 (10 AM)

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

g) Financial Calendar

Next Financial Year April 1, 2019 to March 31, 2020

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

Results	Announced on
For 1 st Quarter ended on 30.06.2019	August, 2019
For 2 nd Quarter ended on 30.09.2019	November. 2019
For 3 rd Quarter ended on 31.12.2019	February, 2020
For the year ended on 31.03.2020	May, 2020

h) **Date of Book Closure** : 24th September, 2019 to 30th September, 2019 (Both days inclusive)

i) **Listing on Stock Exchange** : Equity shares of the company are listed at BSE & NSE

j) **Stock Code** :
BSE Limited : 539201
NSE : SATIA
ISIN Number : INE 170E01015

Corporate Identification Number : L21012PB1980PLC004329

k) Market Price Data

Market Price Data, High, Low during each month in the Last Financial Year

The monthly high low stock quotation during last financial year at BSE are given below:-

Month & Year	Share Price and BSE Ltd	
	High Price	Low Price
Apr-2018	202.2	202.2
May-2018	370.85	370.85
Jun-2018	389.7	389.7
Jul-2018	379	372.4
Aug-2018	634.6	611.3
Sep-2018	645	590
Oct-2018	544.85	500
Nov-2018	528	509
Dec-2018	534	515
Jan-2019	519	483.2
Feb-2019	615	556
Mar-2019	630	610

l) Distribution of shareholding as on March 31, 2019

No. of equity shares held	No of Share-holders	%age	Shares	%age total
UP To 5000	847	87.77	60574	0.6057
5001 – 10000	39	4.04	28181	0.2818
10001- 20000	23	2.38	32407	0.3241
20001 – 30000	6	0.62	15886	0.1589
30001 – 40000	10	1.03	34759	0.3476
40001 – 50000	5	0.51	23776	0.2378
50001 – 100000	9	0.93	59940	0.5994
100001 and Above	26	2.69	9744477	97.4448
Total	965	100.00	10000000	100.0000

m) Categories of shares as on 31.03.2019

Sr No.	Particulars	No of shares	Amount (Rs. in lacs)	%age
1	Promoter			
	Core Promoter	5167639	51676390	51.68
	Friends/ Relatives	0	0	0
2	Financial Institutes	0	0	0
3	Public	4832361	48323610	48.32
4	Banks	0	0	0
5	Others	0	0	0
	Total	10000000	100000000.00	100.00

n) Dematerialization of shares & liquidity

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

o) 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

p) Share Transfer System

The company's shares are in compulsory dematerialized list and are transferable through depository system. Shares in physical form are processed and approved by M/s Beetal Financial and Computer Services Pvt. Ltd., the Registrar and Transfer Agents and approved by the Share Transfer Committee. The physical share transfers are generally pro-cessed within a period of 15 days from the date of receipt of transfer documents by M/s Beetal Financial and Computer Services Pvt. Ltd

q) Investor Grievance Committee

The Investor Grievance Committee of the Company for the year ended 31.03.2019 looks after the work of redressal of investors/ shareholders complaints. The members of the Committee are Sh Ashok Kumar Gupta, Sh R. K.Bhandari and Sh Chirag Satia. The company has not received a single grievance/complaint from the investors/ shareholders.

r) **Plant location** : **Muktsar-Malout Road**
Vill. Rupana Distt.
Muktsar (Punjab)

(s) 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 down-loads form.

For and on behalf of the Board of Director

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

PLACE : VPO:Rupana

DATED : 12.08.2019

The Members,
Satia Industries Ltd.
VPO: Rupana

DECLARATION BY THE MANAGING DIRECTOR

I hereby confirm that all Board Members and Senior Managerial 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, 2019 in terms of Regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

(Dr Ajay Satia)
Chairman Cum Managing Director

Place : VPO: Rupana

Date : 12.08.2019

CMD & CFO CERIFICATE

**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 our 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) We 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) We have indicated to the auditors and the Audit Committee that:
- i) significant changes in internal control over financial reporting during the year.
 - ii) 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 : VPO: Rupana

Date : 12 .08.2019

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 2019 as per regulations stipulated in sebi(Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

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 regulations, as applicable. 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 Stakeholder relation 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 Deepak Grover & Associates
Chartered Accountants

Date : VPO: Rupana
Place: 12.08.2019

Deepak Grover
(Proprietor)

ANNEXURE VI**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2019****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)-152026 Phone No:- 01633-262001
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, 3rd Floor, 99, Madangir, Behind Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110062 Contact No:- 011-29961281-83, FAX 011-29961284 E-mail 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

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-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. promoters									
(1) Indian									
a) Individual/HUF	2238268	2859584	5097852	50.98	5164609	3030	5167639	51.67	0.69
b) Central Govt	-	-	-	-					
c) State Govt(s)	-	-	-	-					
d) Bodies Corp.	-	-	-	-					
e) Banks / FI	-	-	-	-					
f) Any other	-	-	-	-					
Total shareholding of Promoter (A)	2238268	2859584	5097852	50.98	5164609	3030	5164609	51.67	0.69
2) Foreign									
Total Shareholding of Promoter (A)	2238268	2859584	5097852	50.98	5164609	3030	5164609	51.67	0.69
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) FIIs	-	-	-	-					
h) Foreign Venture Capital Funds	-	-	-	-					
i) Others (specify) Other Individual HUF	574	-	574	0.00574	6600	0	6600	0.0029	0.059
Sub-total (B)(1):-	574		574	0.00574	6600		6600	0.0029	0.059

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions	-	-	-						
a) Bodies Corp.	1581260	2547448	4128708	41.29	3888414	280560	4168974	41.68	0.39
Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	52796	104125	156921	1.57	194712	101250	295962	2.95	1.38
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	148810	467135	615945	6.16	356655	1510	358165	3.58	-2.58
c) Others (specify)	-	-	-						
Non Resident Indians	-	-	-		847	00	847	0.0085	
Overseas Corporate Bodies	-	-	-						
Foreign Nationals	-	-	-						
Clearing Members	-	-	-		1813	0	1813	0.018	
Trusts	-	-	-						
Foreign Bodies - D R	-	-	-						
Sub-total (B)(2):-	1783440	3118708	4902148	49.02	4449041	383320	4832361	48.32	-0.7
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1783440	3118708	4902148	49.02	4449041	383320	4832361	48.32	-0.7
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4021708	5978289	10000000	100.00	9613650	386350	10000000	100.00	

V. Shareholding of Promoter:-

Sr No	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	Dr Ajay Satia	2234799	22.3479	9.022	2235299	22.3529	9.022	0.005
2	Smt Bindu Satia	811594	8.12	0	811594	8.12	0	-
3	Sh Chirag Satia	636865	6.37	0	685167	6.85	0	0.48
4	Sh Dhruv Satia	775969	7.76	0	797454	7.97	0	0.21
5	Ms Yachana Mehta	258750	2.59	0	258750	2.59	0	-
6	Ms Priyanka Satia	360000	3.60	0	360000	3.60	0	-
7	Dr Ajay Satia (HUF)	19375	0.193	0	19375	0.193	0	-
8	Smt Karishna Satia	500	0.005		0	0	0	
	Total	5097852	50.98	9.022	5167639	51.673	9.022	0.69

VI. Change in Promoters' Shareholding as on March 31, 2019 (please specify, if there is no change)

Sr No	Shareholder's Name	No. of shares at the beginning of the year (01.04.2018)	of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shares during the year	% of total shares of the company during the year
1	Chirag Satia	636865	6.36	11.06.2018 13.08.2018 27.02.2019 12.03.2019	4565 15000 25707 3030	Purchase Purchase Purchase Purchase	636865 641430 656430 682137 685167	6.36 6.41 6.56 6.82 6.85
	At the end of the year (31.03.2019)						685167	6.85
2	Dhruv Satia	775969	7.75	07.03.2019	21485	Purchase	775969 797454	7.75 7.97
	At the end of the year (31.03.2019)						797454	7.97

VII. 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		Decrease/ Increase	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	Muktsar Logistics And Trading Private Limited	1572800	15.73	00	1572800	15.73
2	SDS Cotton Private Limited	1513285	15.18	-19699	1493586	14.94
3	Adya Design Private Limited	485319	4.85	00	485319	4.85

S. N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Decrease/ Increase	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	-Decrease (Sale)/ +Increase	No. of shares	% of total shares of the Company
4	RKB Sales Private Limited	280869	2.81	-7491	273378	2.73
5	White Gold Transport Private Ltd	247700	2.47	-4509	252209	2.52
6	Bhai Apminder Singh	112750	1.13	-90063	22687	0.22
7	Smt. Gurcharan Kaur	110000	1.1	-110000	0	0
8	Smt. Jasmininder Kaur	106875	1.07	-106875	0	0
9	S.Jaskaran Singh	106250	1.06	-106250	0	0
10	Sh Saroop Singh Brar	61650	0.62	+2690	64340	0.64

VIII. Ev Shareholding of Directors and Key Managerial Personnel:

Sr No	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
1	Dr Ajay Satia				
	At the beginning of the year	2234799	22.34	2235299	22.35
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	500			
	At the end of the year	2235299	22.35	2235299	22.35
2	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 specifying the reasons for increase decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	0	0	0	
	At the end of the year	25625	0.256	25625	0.256
3	Sh Inder Dev Singh				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase/Decrease in				

Sr No	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
	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	0.00	0.00
4	Sh Chirag Satia				
	At the beginning of 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.):	636865 48302	6.36	685167	6.85
	At the end of the year	685167	6.85	685167	6.85
5	Sh S.K. Arora				
	At the beginning of the year	0.00	0.00	0.00	0.00
	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	0.00	0.00
6	Sh A.C.Ahuja				
	At the beginning of the year	0.00	0.00	0.00	0.00
	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	0.00	0.00
7	Sh Dinesh Chander Sharma				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase/Decrease in Promoters Shareholding during				

Sr No	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
	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	0.00	0.00
8	Sh Hardev Singh				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0	0	
	At the end of the year	0.00	0.00	0.00	0.00
9	Dr Mrs Priti Lal Shivhare				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0	0	
	At the end of the Year	0.00	0.00	0.00	0.00
10	Sh Ashok Kumar Gupta				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0		
	At the end of the Year	0.00	0.00	0.00	0.00
11	Sh Arun Kumar Gupta				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons				

Sr No	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
	for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):				
	At the end of the Year	0.00	0.00	0.00	0.00
12	Sh Ashok Kumar Khurana CFO				
	At the beginning of the year	500	0.005	500	0.005
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease allotment/ transfer/bonus/ sweat equity etc.):				
	At the end of the year	500	0.005	500	0.005
13	Sh Rakesh Kumar Dhuria, Company Secretary	10	0.0001	10	0.0001

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:****Rs in lakh**

S. N.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Dr Ajay Satia	Sh R.K. Bhandari	Sh Chirag Satia	Sh Hardev Singh	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	61600000	3870000	36000000	2850000	104320000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	365329	88754	10500	61599	526182
	(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...	16000000	-	-	-	16000000
5	Others, please specify	-	-	-	-	-
	Total (A)	77965329	3958754	36010500	2911599	120846182

B. Remuneration to other directors

S.N.	Particulars of Remuneration	Name of Directors						
		Sh A.C.Ahuja	Sh Dinesh Sharma	Sh I.D.Singh	Sh S.K. Arora	Sh Ashok Kumar Gupta	Sh Arun Kumar Gupta	Dr Priti Lal Shiv hare
1	Independent Directors							
	Fee for attending board committee meetings	165000	85000	130000	15000	45000	60000	30000
	Commission	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0
	Total (1)	165000	85000	130000	15000	45000	60000	30000
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	0	0	0	0	0	0	0
	Commission	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0	0
	Total (B)=(1+2)	165000	85000	130000	15000	45000	60000	30000

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SATIA INDUSTRIES LIMITED,
V RUPANA.**

Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Satia Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

S. NO.	KEY AUDITING MATTERS	VIEWS
1.	The Company has long-term investments in associate amounting Rs. 3.11 Lakh as at 31 March 2019. The Company records its long-term investments at cost less any provision for impairment loss and vice versa. Changes in business environment could have a significant impact on the valuation of these investments. These long-term investments are tested for impairment on annual basis. Shortfall on impairment or gain the recoverable amounts of the investment in associates are adjusted for any impairment loss/gain. The impairment loss/gain is recognized in the statement of profit and loss. Refer note 1.5 significant accounting policy for impairment of investments.	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> i) Assessed the model, implementation and operating effectiveness of key controls in respect of the Company's impairment review process including the review and approval of forecasts and valuation methods; ii) Evaluated reasonableness of the valuation assumptions such as discount rates used by management through reference to external market data; iii) Evaluated past performances where relevant and assessed historical accuracy of the forecast produced by management; and Enquired and challenged management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies

used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone

financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the

requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in

its standalone financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deepak Grover & Associates

Chartered Accountants
Deepak Grover
Proprietor
M.No.505923
FRN:020678N

Place : V. Rupana
Date : 09.05.2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Satia Industries Limited of even date)

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

We have audited the internal financial controls over financial reporting of Satia Industries Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of

Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deepak Grover & Associates

Chartered Accountants
Deepak Grover
Proprietor
M.No.505923
FRN:020678N

Place : V. Rupana
Date : 09.05.2019

Annexure - B to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management during

the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (ii) (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals/ (at the end of the year) by the Management.
- (b) In our opinion and according to the information 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.
- (c) 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 yearend) and the stocks of REC/CER/E-CERTS etc (which are being accounted on sale basis only). 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 been 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, in our opinion, the rate of interest and other terms and conditions on which the loans have been granted not prejudicial to the interest of the company. There is no overdue amount in the loan accounts.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public during the year. According the explanation given to us the securities lying with the company have been received from the vendors/customers/ employees in the course of trade transactions and are exempt as per the provisions of Acceptance of Deposit Rules.

(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 information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, Goods & Services Tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, Goods & Services Tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Nature of Statute	Nature of Dues	Forum where Dispute is pending	Period to which relates	Amount (Rs-In Lakhs)
Central Excise Act, 1944	Central Excise	Punjab & Haryana High Court, Chandigarh.	1994-95	3.84
Custom Duty Punjab VAT Act 2005	Custom Duty VAT	Commissioner (Appeal)	2010-11 2017-18	1.73 1.24

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The company has not issued any debentures.

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans (Except from banks). Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations

give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

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

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

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Deepak Grover & Associates

Chartered Accountants
Deepak Grover
Proprietor
M.No.505923
FRN:020678N

Place : V. Rupana
Date : 09.05.2019

BALANCE SHEET AS AT MAR 31, 2019

Particulars	Notes No.	Year ended As at March 31, 2019	Year ended As at March 31, 2018
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	5	38,264.40	31,193.77
(b) Capital work-in-progress	6	5,612.91	2,949.56
(c) Financial assets			
(i) Investments	7	311.07	293.59
(ii) Loans	8	168.12	349.18
(iii) Other financial assets	9	101.90	99.73
(d) Deferred tax asset (net)	10	587.72	479.39
(e) Other non-current assets	11	-	37.07
Total non-current assets		45,046.12	35,402.29
(2) Current assets			
(a) Inventories	12	5,987.11	5,260.55
(b) Biological assets other than bearer plants	13	3,029.20	2,951.65
(c) Financial assets			
(i) Trade receivables	14	10,574.16	11,793.96
(ii) Cash and cash equivalents	15	46.91	134.61
(iii) Bank balances other than above	16	353.95	635.01
(iv) Other financial assets	17	262.83	234.79
(d) Current tax assets	18	-	213.42
(e) Other current assets	19	737.31	1,560.18
Total current assets		20,991.47	22,784.17
Total assets		66,037.59	58,186.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	1,000.00	1,000.00
(b) Other equity	21	29,757.38	21,261.08
Total equity		30,757.38	22,261.08
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	10,540.60	9,095.92
(ii) Other financial liabilities	23	8,229.07	8,373.27
(b) Other non current liabilities	24	28.18	34.15
(c) provisions	25	771.75	689.26
Total non-current liabilities		19,569.60	18,192.60
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	5,366.73	6,759.03
(ii) Trade payables	27		
Total outstanding dues of micro enterprises and small enterprises		414.12	37.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,123.99	4,435.93
(iii) Other financial liabilities	28	5,162.60	4,676.33
(b) Current tax liabilities	29	129.85	1.15
(c) Other current liabilities	30	441.50	1,640.10
(d) provisions	31	71.82	183.19
Total current liabilities		15,710.61	17,732.78
Total liabilities		35,280.21	35,925.38
Total equity and liabilities		66,037.59	58,186.46

The accompanying notes are an integral part of these financial statements

1 to 52

In terms of our report attached

Deepak Grover & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Deepak Grover
(Proprietor)
M.No.505923
FRN : 020678N
Place : Rupana
Date : 09-05-2019Dr. Ajay Satia
Chairman-Cum Managing Director
DIN : 00850792R.K Bhandari
Joint Managing Director
DIN : 00732588A.K Khurana
Chief Financial OfficerRakesh Kumar Dhuria
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MAR 31, 2019**(Rs. in Lacs)**

Particulars	Notes No.	Year ended As at March 31, 2019	Year ended As at March 31, 2018
Revenue from operations	32	73,840.55	64,207.32
Other income	33	1,444.57	3,026.32
Total Revenue (I)		75,285.12	67,233.64
Expenses			
Cost of material consumed	34 A	27,784.54	22,387.57
Purchases of traded goods	34 B	642.77	1,603.36
Change in inventory of finished goods, stock in progress and stock in trade	34 C	22.05	(832.28)
Excise duty expense		-	796.89
Employee benefits expense	35	4,722.52	4,359.13
Depreciation	36	4,773.16	4,504.07
Impairment loss/(Gain) on financial assets	37	(17.48)	4.26
Finance cost	38	2,077.50	2,372.59
Other expenses	39	24,271.99	23,705.00
Total expenses (II)		64,277.05	58,900.59
Profit before tax (I - II = III)		11,008.07	8,333.05
Tax expense: (VI)			
Current tax	40	1813.95	639.26
Deferred tax	40	416.99	826.76
Net tax expense /(benefit)		2230.94	1466.02
Profit after tax (III - IV = V)		8777.13	6867.03
Profit for the year (V)		8,777.13	6,867.03
Other Comprehensive Income (VI)			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit obligation		31.36	(115.66)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(10.85)	40.03
B (i) Items that will be reclassified to profit or loss			
Total Other Comprehensive Income		20.51	(75.63)
Total Comprehensive Income for the year, net of tax (V+VI=VII)		8,797.64	6,791.40
Earnings per equity share (for continuing operation)			
1 Basic	41	87.77	68.67
2 Diluted		87.77	68.67

The accompanying notes are an integral part of these financial statements
In terms of our report attached
Deepak Grover & Associates
Chartered Accountants

1 to 52

For and on behalf of the Board of Directors

Deepak Grover
(Proprietor)
M.No.505923
FRN : 020678N
Place : Rupana
Date : 09-05-2019

Dr. Ajay Satia
Chairman-Cum Managing Director
DIN : 00850792

A.K Khurana
Chief Financial Officer

R.K Bhandari
Joint Managing Director
DIN : 00732588

Rakesh Kumar Dhuria
Company Secretary

Cash Flow Statement for the year ended March 31, 2019

(Rs. in Lacs)

Particulars	Notes No.	Year ended As at March 31, 2019	Year ended As at March 31, 2018
A. Cash flow from Operating Activities:			
Net profit after tax		8,777.13	6,867.03
Adjustments for:			
Income tax expense		2,230.94	1,506.05
Depreciation and amortisation		4,773.16	4,504.07
Finance costs		2,077.50	2,372.59
Interest income		(43.39)	(66.02)
Interest income on employee loan (Net of Cost)		(5.46)	(37.23)
Net loss on sale/discarding of fixed assets		(7.25)	(26.07)
Gain on government grant		(7.22)	(8.75)
Gain on fair valuation of biological assets		(559.47)	(1,010.68)
Impairment loss on financial assets		(17.48)	4.26
Operating Profit before Working Capital changes		17,218.46	14,105.25
Adjustments for changes in Working Capital :			
- Increase in trade payables		65.13	1,514.18
- Increase/(decrease) in short term provisions		(111.37)	35.01
- Increase in long term provisions		82.49	74.76
- Increase in other current liabilities		(568.15)	1,134.50
- Increase/(decrease) in other long term liabilities		(144.20)	(8.23)
- (Increase) in trade receivables		1,219.80	(1,305.59)
- (Increase)/decrease in inventories		(244.65)	(2,627.92)
- (Increase) in long term loans and advances		181.06	(0.41)
- (Increase)/decrease in short term loans and advances		1,075.89	646.14
- (Increase)/decrease in other non current assets		34.90	43.40
Cash generated from Operating Activities		18,809.36	13,611.09
- Taxes (paid)		(2,095.32)	(1,648.80)
Net Cash from Operating Activities		16,714.04	11,962.29
B. Cash flow from Investing Activities:			
Purchase of Property, plant and equipment		(11,920.31)	(6,744.75)
Payment for Capital WIP		(2,663.35)	(1,961.61)
Sale of Property, plant and equipment		83.77	208.67
Interest received		38.85	66.02
Net Cash from Investing Activities		(14,461.04)	(8,431.67)
C. Cash flow from Financing Activities:			
Repayment of short term borrowings		(1,392.30)	(682.13)
Proceeds of long term borrowings (Net of repayment)		1,444.68	(5.91)
Interest paid		(2,091.73)	(2,376.74)
Dividend paid		(250.00)	(300.00)
Corporate dividend tax paid		(51.35)	(61.08)
Net Cash from Financing Activities		(2,340.70)	(3,425.86)
Net Increase/(Decrease) in cash & cash equivalents (A+B+C)		(87.70)	104.74
Cash and cash equivalents at the beginning of the year		134.61	29.87
Cash and cash equivalents at the end of the year	15	46.91	134.61
Cash and cash equivalents comprise			
Cash & cheques in hand		31.45	121.83
Balance with banks		15.46	12.78
		46.91	134.61

The accompanying notes are an integral part of these financial statements

1 to 52

In terms of our report attached

Deepak Grover & Associates

Chartered Accountants

For and on behalf of the Board of Directors

Deepak Grover
(Proprietor)
M.No.505923
FRN : 020678N
Place : Rupana
Date : 09-05-2019

Dr. Ajay Satia
Chairman-Cum Managing Director
DIN : 00850792

R.K Bhandari
Joint Managing Director
DIN : 00732588

A.K Khurana
Chief Financial Officer

Rakesh Kumar Dhuria
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2019

(in Indian Rupees lacs, unless otherwise stated)

Statement of Change in Equity

a. Equity share capital	Number of Shares	Equity share capital
Balance at April 1, 2017	100	1,000.00
Changes in equity share capital during the year	-	-
Balance at March 31, 2018	100	1,000.00
Changes in equity share capital during the year	-	-
Balance at March 31, 2019	100	1,000.00

b. Other Equity
Reserves and surplus

Particulars	Retained earnings	Other reserve (Investment allowance utilisation reserve)	Total
Balance at April 1, 2017	14,752.34	78.43	14,830.77
Profit for the year	6,867.03	-	6,867.03
Other comprehensive income for the year, net of income tax	(75.63)	-	(75.63)
Payment of dividends	(200.00)	-	(200.00)
Tax on dividends	(40.72)	-	(40.72)
Payment of dividends	(100.00)	-	(100.00)
Tax on dividends	(20.36)	-	(20.36)
Balance at March 31, 2018	21,182.66	78.43	21,261.09
Balance at April 1, 2018	21,182.66	78.43	21,261.09
Profit for the Period	8,777.13	-	8,777.13
Payment of dividends	(250.00)	-	(250.00)
Tax on dividends	(51.35)	-	(51.35)
Other comprehensive income for the year, net of income tax	20.51	-	20.51
Balance at March 31, 2019	29,678.95	78.43	29,757.38

The Company declared an interim dividend of 1.00 Rs. (March 31, 2018 : Rs 1.00).

On 04.10. 2018, a dividend of Rs.1.5 per share (total dividend Rs.150 lacs) was paid to holders of fully paid equity shares.

In respect of the year ended March 31, 2019, the directors propose that a dividend of Rs. 1.5 per share

be paid on fully paid equity shares (March 31,2018 : Rs. 1.50 each). This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.150 lacs.

Deepak Grover & Associates
Chartered Accountants

Deepak Grover
(Proprietor)
M.No.505923
FRN : 020678N
Place : Rupana
Date : 09-05-2019

Dr. Ajay Satia
Chairman-Cum Managing Director
DIN : 00850792

A.K Khurana
Chief Financial Officer

For and on behalf of the Board of Directors

R.K Bhandari
Joint Managing Director
DIN : 00732588

Rakesh Kumar Dhuria
Company Secretary

Note Forming Part Of The Financial Statements

Corporate Information

Satia Industries Limited (herein after referred to as ('The Company')) was incorporated on 26 November, 1980 under the Companies Act with the registration no L21012PB1980PLC004329 is presently dealing in the following business a) Manufacturer of Writing and Printing Paper b) Generation of Power c) Trading activities in Cotton & Yarn, d) Agricultural & Plantation Operations etc. The shares of the Company are listed on BSE Limited (BSE).

1: Significant Accounting Policies:-

1.1 Statement of compliance, Basis of Preparation & Presentation:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs') as notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

"The financial statements have been prepared under the historical cost convention on accrual basis except for certain financial instruments and biological assets which are measured at fair value as explained in Note 52 Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards during the financial year 2017-18. Upto the year ended March 31, 2017 the Company prepared its financial statement in accordance with the requirement of previous GAAP which includes standards notified under Company (Accounting Standards) Rules, 2006. The details of optional exemptions and certain exceptions availed on first time adoption are mentioned in Note 52

1.2 Property, plant and equipment:

- (i) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase

price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. Cost includes net of interest on capital advances and duty credits and is inclusive of freight, duties, taxes and other incidental expenses. Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS 16 when they meet the definition of property, plant and equipment.

On Transition to Ind AS, the Company has opted to avail first time exemption to treat previous GAAP (Accounting standards) carrying amount as the deemed cost and it will be treated as such until such time that those items of PPE, are significantly depreciated.

- (ii) Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use and the cost of assets not put to use before the Balance Sheet date

Depreciation on tangible property, plant and equipment has been provided on the Written Down Value Method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc and accordingly the useful life of the referred Property plant and equipment has been reviewed by Chartered Engineer for the financial year 2018-19 as per below :-

Item	Useful Life (Years)	Basis
Building	20	Based on CE certificate
Machinery	12	Based on CE certificate
Electrical Installations	12	Based on CE certificate
Vehicles	5	Based on CE certificate

Useful life of all other Assets is as per the Schedule II of the Companies Act, 2013

- (iv) Finance leases are included in property plant and equipment and are depreciated over the lease period. Freehold land or perpetual land leases are not depreciated. Land leases where the lease term is not for the significant economic life of land are considered as operating leases and are classified as prepayments. Such leases are amortized over the lease terms.

The estimated useful life ,depreciation method and residual value are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

- (v) Capital expenditure on enabling assets, the ownership of which is not with the Company are charged off to revenue in the accounting period of incurrence of such expenditure. However, capital expenditure on enabling assets, ownership of which rests with the company and which have been created on land not belonging to the Company is written off to the Statement of Profit & Loss over its approximate period of utility . For this purpose, land is not considered to be belonging to the company, if the same is not owned or leased/ licensed to the company.
- (vi) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.3.2 The management of the company has

considered it to be appropriate to seek the opinion of chartered engineer in order to ascertain the remaining useful life and residual value of the assets (existing as well as additions), as it may deem fit.

- 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.

1.4 Intangible Assets:

Expenditure on computer software, which is not an integral part of hardware, is capitalised as an intangible asset. The cost of software includes license fee and implementation cost and is capitalised in the year of its implementation. Patent and Software is amortized over useful life of assets over which economic benefits will be derived. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Patents and trademarks, etc. are accounted at their cost of acquisition and amortized over their estimated economic life not exceeding 10 years.

1.5 Impairment of Non-financial Assets:

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Component of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing

value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.6 Financial Instruments

1.6.1 Financial assets

Financial assets are recognised when the company becomes a party to the contractual provisions of the instruments

Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities which are not recognised through profit & Loss account are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

1.6.2 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

1.6.3 Impairment of financial asset

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets.

Trade receivable

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition

of expected loss on trade receivables. The provision matrix is based on historical default rate observed over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical default rates are updated and changes in the forward-looking estimates are analysed. Further receivables are segmented for this analysis where the credit risk characteristics of the receivables are similar.

1.6.4 Other financial assets

Impairment loss on other financial assets is recognised based on the difference between the present value of the expected cash flows and carrying value.

1.6.5 Financial Liabilities

i. Initial recognition and measurement

Financial liabilities are initially measured at fair value except Trade Securities. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

ii. Subsequent measurement

The Company's financial liabilities are not held for trading and are also carried at amortized cost using effective interest rate except Trade Securities.

1.6.6 De-recognition of financial liabilities

A financial liability is de-recognised when they are discharged.

1.6.7 Offsetting of financial instruments

Financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.6.8 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of: the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

1.7 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. The Company recognizes revenue from sale of products net of discounts, sales incentives, rebates granted, returns, VAT, sales tax and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer. Sale of product is presented gross of manufacturing taxes like excise duty, wherever applicable.

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).

Income from REC/E-Certs/Dividend

After implementation of IND AS the receipt from REC has been reclassified as company income of the company.

Income from dividend/REC/E-Certs is recognised on receipt basis.

Insurance Claims / Counter-claims / Penalties Awards:

Claims / counter-claims / penalties / awards are accounted for in the year of its settlement

Insurance Claims / counter-claims / penalties / awards are shown separately under the head other income and corresponding expenses are shown under respective expense head in the Profit and Loss a/c. Revenue from these claims are recognised as and when the realization from the insurer is ascertained.

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 realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Agriculture Operations Inventory valuation for agricultural produce are as follows:

- i. Eucalyptus & poplar trees: Trees has been categorised based on their ageing. Company has follows mix approach i.e. cost and fair value approach. Trees ageing below 3 years are valued at cost and trees ageing more than 3

years are valued on the basis of fair value less cost to sell of the trees.

Fair value of the trees at different age group is based on the realisable value of the tree at that age group.

- ii. Crops: Inventory for crops are recognised when the same is full grown up and is under saleable condition at fair market value less cost to sell.

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 Government Grants:

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income are deferred and recognised in profit or loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income.

Government Grants relating to the specific assets are disclosed as deduction from the gross value of the assets concerned.

1.11 Employee Benefits

- i. Liability for gratuity, leave salary and post-retirement medical benefits payable to employees is provided for on accrual basis using the Projected Accrued Benefit Method (Projected Unit Credit Method with control period of one year) done by an independent actuary as at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item ['employee benefits expenses']. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Termination benefits are immediately recognised in the statement of profit or loss account. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs

- ii. The undiscounted amount of short term employee benefits expected to be paid for the services rendered are recognized as an expense during the period when the employees render the services.

1.12 Taxes on Income:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are

generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.13 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of the qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale

All other borrowing costs are recognized in the Statement of Profit or Loss in the period in which they are incurred.

- 1.14 Export incentive scrips in case of export are valued on the specific rates allowed on the relevant item of export.

1.15 Provisions, Contingent Liabilities & Contingent Assets:

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on the assets associated with that contract.

a. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one

or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

b. Contingent Assets

Contingent assets are not recognized in the accounts. However they are disclosed when the possible right to receive exists.

1.16 Earnings per share (EPS)

Basic earnings per share ('EPS') is computed by dividing the net profit or loss without impact of Other Comprehensive Income for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti-dilutive.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit & loss on a Straight-Line basis over the lease term.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Company balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with

the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.19 Cash and Cash Equivalent

For the purpose of presentation in the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.20 Loan to Employees and KMP

The Company has policy to provide Loan to Employees and KMP as per the provisions of the Companies Act 2013.

1.21 Significant management judgement in applying accounting policies and estimation uncertainty

i. Significant management judgements

When preparing the financial statements, management undertakes a number of

judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

ii. Estimation certainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual result may be substantially different.

Defined benefit obligation: Management estimates of these obligation is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the defined benefit obligation amount and the annual defined benefit expenses.

Provisions: At each balance sheet date based on management judgement, changes in facts and legal aspects, the company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future /outcome may be differ from this judgement.

Ind AS 115 Revenue from Contracts with Customers

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising

from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Company exercised judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers in accordance with Ind AS 115. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application is immaterial as there is no variable part, additional performance or deferred payment is included in consideration of Sale. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

Adoption of Ind AS 116, Leases:-

The Ministry of corporate Affairs has notified Ind AS 116 "Leases" on March 30, 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations.

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards from 1 April 2019. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Consolidated Financial Statements.

5. Property, plant and equipment**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
(Carrying amounts of:)		
Freehold Land	744.90	376.68
Plant and Equipment	21,661.92	18,086.87
Turbine	9,687.47	7,071.21
Solar	2,267.51	2,130.28
Roads	59.45	43.92
Buildings	3,191.85	2,756.14
Electrical installation	129.90	131.52
Office equipment	41.80	53.00
Furniture and fixtures	24.12	25.47
Vehicles	415.88	482.23
Computers	39.60	36.45
	38,264.40	31,193.77

Notes:-

- Depreciation is provided in accordance with the Companies Act, 2013 except otherwise specifically stated in policy.
- The loan due to PNB, CBI, UBI and IOB are secured by the first charge by way of equitable mortgages
- Vehicle loans are secured by hypothecation of specific assets only.

of companies immovable properties, present and future, hypothecation of companies movable assets, present and future in their favour on pari passu basis.

Notes forming part of financial statements (In Indian Rupees lacs, unless otherwise stated)

5.1 Property, plant and equipment**(Rs. in Lacs)**

Particulars	Freehold Land	Plant and Equipment	Turbine	Solar	Road	Building	Electrical installation	Office equipments	Furniture and fittings	Vehicles	Computers	Total
At Cost of Deemed cost												
Balance at March 31, 2017	214.83	21,965.72	6,846.60	-	32.67	3,180.84	167.50	35.61	28.57	578.62	58.17	33,109.13
Additions	161.85	2,819.65	856.69	2,313.98	30.41	161.93	9.64	38.93	4.81	329.10	17.76	6,744.75
Disposals		37.54								350.79		388.33
Balance at March 31, 2018	376.68	24,747.83	7,703.29	2,313.98	63.08	3,342.77	177.14	74.54	33.38	556.93	75.93	39,465.55
Additions	368.22	6,951.90	3,027.39	553.64	43.74	742.85	21.60	7.72	3.33	181.24	18.68	11,920.31
Disposals		10.69								95.85		106.54
Balance at March 31, 2019	744.90	31,689.04	10,730.68	2,867.62	106.82	4,085.62	198.74	82.26	36.71	642.32	94.61	51,279.32
Accumulated Depreciation												
Balance at March 31, 2017	-	3,336.94	238.82	-	9.60	262.06	24.52	8.97	3.26	70.57	18.71	3,973.45
Depreciation expense	-	3,334.56	393.26	183.70	9.56	324.57	21.10	12.57	4.65	199.32	20.77	4,504.06
Eliminated on disposals of assets	-	10.54								195.19		205.73
Balance at March 31, 2018	-	6,660.96	632.08	183.70	19.16	586.63	45.62	21.54	7.91	74.70	39.48	8,271.78
Depreciation expense	-	3,366.16	411.13	416.41	28.21	307.14	23.22	18.92	4.68	181.76	15.53	4,773.16
Eliminated on disposals of assets	-	-	-	-	-	-	-	-	-	30.02	-	30.02
Balance at March 31, 2019	-	10,027.12	1,043.21	600.11	47.37	893.77	68.84	40.46	12.59	226.44	55.01	13,014.92
Net block												
Balance at March 31, 2017	214.83	18,628.78	6,607.78		23.07	2,918.78	142.98	26.64	25.31	508.05	39.46	29,135.68
Balance at March 31, 2018	376.68	18,086.87	7,071.21	2,130.28	43.92	2,756.14	131.52	53.00	25.47	482.23	36.45	31,193.77
Balance at March 31, 2019	744.90	21,661.92	9,687.47	2,267.51	59.45	3,191.85	129.90	41.80	24.12	415.88	39.60	38,264.40

INR in Lakhs

Depreciation/Amortization for the year

4765.94

Add: Dep, related to IND AS adjustment of Court Grants

7.22

Depreciation/Amortization charged to statement of Profit & Loss

4773.16

6. Capital work-in-progress**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Building under construction	574.14	539.55
Plant and Machinery under erection	5038.77	2,410.01
Total	5,612.91	2,949.56

7. Financial assets: Other Investments**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Carried at Fair Value through Profit and Loss		
Unquoted investments (all fully paid)		
Investment in Equity Instruments		
35,50,000 Equity shares of Rs.10/- each fully paid up in YCD Industries Limited (Formally known as Bhandari Exports Industries Ltd.). (Value determined by registered valuer)	293.59	297.85
	293.59	297.85
Less: Impairment loss (Gain) in value of investments	(17.48)	4.26
Total investment carrying value	311.07	293.59
Aggregate value of unquoted investments	311.07	293.59
Aggregate value of quoted investments	-	-
Market value of quoted investments *	-	-
Aggregate value of provision for diminution other than temporary in value of investments	-	-
Current	-	-
Non-current	311.07	293.59
Total	311.07	293.59

*There are no quoted investments.

8. Financial Assets: Loans**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Carried at amortised cost		
Unsecured, Considered good		
Loans to directors and other officers		
Loan to Key Management Personnel	168.12	349.18
Total	168.12	349.18

9. Other financial assets**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Carried at amortised cost		
- Unsecured, Considered good		
Security deposits	101.90	99.73
Total	101.90	99.73

10. Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated balance sheet:

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	2,463.03	1,965.54
Deferred tax liabilities	1,875.31	1,486.15
Net Deferred Tax (Liability) Assets	587.72	479.39
Components of Deferred Tax Asset and Liability :		
Deferred Tax Liability		
Depreciation and Amortization expenses	1,875.31	1,486.15
	1,875.31	1,486.15
Deferred Tax Assets		
Expenditure covered by section 43B of Income tax Act 1961	291.94	330.61
Fair Value of Employee Loan	4.23	1.66
Recognition of Borrowings at effective Interest Rate	(67.09)	(75.36)
Mat Credit Entitlement	2,218.75	1,687.38
Fair Value of Investment	15.20	21.25
	2,463.03	1,965.54

Note :- Provision for Tax on income is made after into consideration benefit admissible under the provisions of the Income Tax Act, 1961 expect for deduction u/s 80IA.

11. Other non current assets

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred employee cost	-	37.07
Total	-	37.07

12. Inventories

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	2314.03	1,799.31
Work-in-progress	988.64	908.38
Finished goods	471.72	382.39
Stock of Cotton	-	191.64
Stores and spares	1810.50	1,978.83
Agriculture produce/Harvested Wood	402.22	-
Total	5,987.11	5,260.55

The Mode of valuation of inventories has been stated in note. All inventory has been hypothecated to secure borrowings of the company.

13. Biological Assets other than bearer plants**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	2,951.65	1,790.58
Other adjustments	562.66	1,191.12
Disposal during the year	(485.11)	(30.05)
Balance at the end of the year	3,029.20	2,951.65

The company had 1,79,241 numbers of Eucalyptus trees (2018-2,01,319).

14. Financial assets: Trade receivables**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Unsecured - considered good		
Outstanding for a period exceeding six months from the date they are due for payment	23.16	22.12
Others	10551.00	11,771.84
	10,574.16	11,793.96
Less Allowances for credit impaired	-	-
Total	10,574.16	11,793.96

The average credit period on sales of goods is 52 days. No interest is charged on trade receivables.

The Company has no history of bad debts and based on historical trend the company has not provided any provision on trade receivables. The Company's exposure and credit worthiness of its counterparties is regularly monitored.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

All book debts have been hypothecated to banks to secure loans for the company.

Age of trade receivables is as follows**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Within the credit period	10,551.00	9,011.84
Upto 6 Months	-	2,760.00
More than 6 Months	23.16	22.12
Total	10,574.16	11,793.96

The concentration of credit risk is limited.

15. Financial assets: (i) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and Cash Equivalents		
Cash on hand	7.70	4.39
Draft in transit	23.75	117.44
Bank balances		
Current accounts	15.46	12.78
Total	46.91	134.61
Cash and Cash Equivalents as per Cash Flows Statement	46.91	134.61

There are no material non cash transactions made by company during the year.

16. Financial assets: Bank balances other than (i) above

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed deposits held as margin money	353.95	635.01
Total	353.95	635.01

Fixed deposits held as margin money

The amount in deposit accounts represents the restricted balance in respect of letter of credits/Bank Guarantee issued by the banks in favour of the Company.

17. Other financial assets

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Carried at amortised cost		
Unsecured, Considered good		
Security/tender deposits	231.07	207.57
Interest accrued on deposits	31.76	27.22
Total	262.83	234.79

18. Current tax assets/(Liability)

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax /TDS (net of provisions)	-	213.42
	-	213.42

19. Other current assets**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured - Considered Good		
Advance to supplier	479.22	1,253.11
Advance rent	69.51	90.24
Other Advance	13.77	14.26
Prepaid insurance	36.69	25.94
Prepaid expense (others)	45.38	58.86
Export incentive receivable	30.10	33.71
DEPB Recoverable	4.40	0.42
Deferred employee cost	15.95	41.36
Miscellaneous recoverable	42.29	42.28
Total	737.31	1,560.18

20. Equity**a. Equity share capital****(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised capital		
2,20,00,000 equity shares of Rs 10 each (Previous year 2,20,00,000 equity shares of Rs.10 each)	2,200	2,200
Issued, Subscribed and Paid up		
1,00,00,000 equity shares of Rs 10 each	1,000	1,000
	1,000	1,000

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening balance	Change	Closing balance
Equity shares			
Year Ended March 31, 2019			
No. of Shares	100	-	100
Amount	1,000	-	1,000
Year Ended March 31, 2018			
No. of Shares	100	-	100
Amount	1,000	-	1,000

(ii) Rights, preferences and restriction attached to shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 5% shares in the Company:

Particulars	As March 31, 2019		As at March 31, 2018	
	Number of shares held	%	Number of shares held	%
Equity shares				
Sh. Ajay Satia	22.3	22.35%	22.3	22.35%
Smt. Bindu Satia	8.1	8.12%	8.1	8.12%
Mr. Dhruv Satia	8.0	7.97%	7.8	7.76%
S.D.S Cotton (P) Ltd	14.9	14.93%	15.1	15.13%
Muktsar Logistics and Trading (P) Ltd.	15.7	15.73%	15.7	15.73%
Chirag Satia	6.85	6.85%	6.37	6.37%

No shares allotted as fully paid up without payment being received in cash during 5 years immediately preceding March 31, 2019.

21. Other Equity

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Retained Earnings	29,678.95	21182.66
Investment Allowance utilisation reserve	78.43	78.43
Total	29757.38	21261.09

21.1 Retained Earnings

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	21,182.66	14752.34
Profit for the year	8,777.13	6867.03
Other comprehensive income for the year (net of tax)	20.51	(75.63)
Payment of dividends	(250.00)	(300.00)
Tax on dividends	(51.35)	(61.08)
Balance at the end of the year	29,678.95	21182.66

22. Non current borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Secured (Carried at amortised cost)		
Term loan from banks		
Punjab National Bank	3482.48	4,627.18
Central Bank of India	3872.84	3,095.28
Indian Overseas Bank	87.27	262.66
Andhra Bank	398.24	559.76
Union Bank of India	2360.22	-
Vehicle loans	122.16	113.42
Unsecured (at amortised cost)		
HDB Financial Services	217.39	437.62
Total	10,540.60	9,095.92

Term loans:

- (1) The loans due to Punjab National Bank, Central Bank of India, Indian Overseas Bank and Andhra Bank are secured by way of equitable mortgage on all present and future immovable properties, hypothecation of company's present and future movable assets except Vehicles which have been specifically hypothecated.
- (2) The mortgages and charges referred to above rank pari-passu among the lenders.
- (3) All the borrowings are personally guaranteed by the Chariman Cum Managing Director and joint managing director of the company.
- (4) The loans due to Punjab National Bank are further secured by pledge of 24 lacs equity shares of the company.
- (5) Vehicle loans are secured by hypothecation of vehicles acquired against such loans.
- (6) Installment for repayment of term loans due to be paid in the next year amounting Rs.4707.69 lacs (2018- 4202.36 Lacs) has been treated as current liability and are not included in long term liability.
- (7) The weighted average effective interest rate on the bank loans is 10.22% per annum.
- (8) **Terms of repayment:**
Normal Repayment Period : 5-7 Years

23. Other financial liabilities**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured		
Security deposits	8229.07	8,373.27
Total	8,229.07	8,373.27

24. Other non current liabilities**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred capital government grants	28.18	34.15
Total	28.18	34.15

25. Long term provisions**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Leave encashment	210.68	159.63
Gratuity obligation	561.07	529.63
Total	771.75	689.26

The provision for employee benefits includes annual leave and gratuity. Relevant factors related to Provision are explained in Note No.43.

26. Current borrowings**(Rs. in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Working capital loans from Banks		
Punjab National Bank	3,264.16	5,375.01
Union Bank of India	754.73	-
Central Bank of India	1,347.84	1,384.02
Total	5,366.73	6,759.03

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 C.M.D & joint managing 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.

The loans due to Punjab National Bank are further secured by pledge of 24 lacs equity shares of the company.

27. Financial liabilities: Trade payables (Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Due to Micro and Small enterprises	414.12	37.05
Others	2783.59	1,906.34
Acceptances Against LC	1340.40	2,529.59
Total	4,538.11	4,472.98

28. Other financial liabilities (Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due	11.08	25.31
Current maturities of non-current borrowings	4,707.69	4,202.35
Others	443.83	448.67
Total	5,162.60	4,676.33

29. Current tax liabilities (Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax payable	129.85	1.15
Total	129.85	1.15

30. Other current liabilities/(Assets) (Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from customers	28.89	1,216.88
Statutory dues	368.15	416.00
Deferred capital government grants	5.96	7.22
Others	38.50	-
Total	441.50	1,640.10

31. Short term provisions (Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Leave encashment	18.55	132.18
Gratuity obligation	53.27	51.01
Total	71.82	183.19

The provision for employee benefits includes annual leave and gratuity. Relevant factors related to Provision are explained in Note No.43.

32. Revenue from Operations

(Rs. in Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gross sales (Amount related to Year ended March 2018 includes excise duty INR 796.89 Lacs)	90,718.22	75,670.86
Less: Inter divisional sale	16,870.93	11,452.27
Less: Discount	6.74	11.27
Total	73,840.55	64,207.32

Sale of Products

(Rs. in Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Particulars of sale of products comprises		
I PAPER DIVISION		
MANUFACTURED GOODS		
Writing & Printing Paper (Including Excise Duty)	72,171.23	62,211.53
Sale of Chemicals	79.67	29.45
Sale Of Scrap	102.57	207.87
Sale of Waste	117.82	101.81
TRADED GOODS		
Sale Of Wood Pulp	210.75	82.15
Sale Of Waste Paper	-	65.28
Gross Sales	72,682.04	62,698.09
Sales Less Returns	72,682.04	62,698.09
II COTTON & YARN DIVISION (TRADE)		
Sale (Cotton)	887.87	1,082.81
Sale (Yarn)	548.65	299.80
III CO-GENERATION DIVISION		
Sale Of Electricity & Steam	15,864.49	11,452.26
IV SOLAR DIVISION		
Sale of Solar Power	245.77	107.85
Sale (Cotton)	406.51	-
V AGRICULTURE DIVISION		
Agriculture division	82.89	30.05
	90,718.22	75,670.86

33. Other Income

(Rs. in Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income	43.39	66.02
Interest income on employee loan	45.72	37.23
Insurance claims	16.83	30.67
Miscellaneous income	61.92	14.41
Exchange Rate fluctuation, Gain	48.99	-
Discount earned on DEPB and SHIS purchase	0.27	3.59
Export incentive	46.03	51.64
Income from Renewable energy certificate	605.95	1737.05
Income from E scerts	-	40.21
Profit on sale of capital assets (net of loss on assets sold/scrapped/written off)	7.25	26.07
Gain on fair valuation of Biological assets	559.47	1010.68
Government grant income	7.22	8.75
Cash Discount	1.53	-
Total Other Income	1,444.57	3,026.32

34 A. Cost of material consumed**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Raw materials	16,178.55	12621.93
Chemicals	11,235.00	9729.07
Biological assets	370.99	36.57
Total	27,784.54	22,387.57

34 B. Cost of purchase of stock in trade**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cotton	1,101.66	1304.77
Yarn	547.55	298.59
Less : Inter Division Transfer	1,006.44	-
Total	642.77	1,603.36

34 C. Change in inventory**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening stock		
Finished goods	382.39	274.90
Stock in process	206.15	136.43
Semi finished	702.23	229.97
Scrap	-	8.83
Cotton	191.64	-
	1,482.41	650.13
Closing stock		
Finished goods	471.72	382.39
Stock in process	240.30	206.15
Semi finished	748.34	702.23
Cotton	-	191.64
	1,460.36	1,482.41
(Increase)/decrease in stocks	22.05	(832.28)

35. Employee Benefits Expense**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salary, Allowances & Other Employee Benefits	3,561.44	3124.25
Contribution to PF, EPS	152.69	156.84
Staff Welfare Expenses	1,008.39	1078.04
Total Employee Benefit Expense	4,722.52	4359.13

36. Depreciation**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation	4,773.16	4504.07
Total depreciation and amortisation expense	4,773.16	4,504.07

37. Impairment in value of Financial Assets**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Impairment in value of Investments	(17.48)	4.26
	(17.48)	4.26

38. Finance Cost**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on term loans	1,161.74	1295.27
Interest on working capital	807.60	968.42
Bank and other charges	108.16	108.90
Total	2,077.50	2,372.59

39. Other Expenses**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Printing and Stationery	7.34	6.58
Traveling and Conveyance	115.33	118.09
Fuel	8,972.42	6420.70
Stores and spare parts consumed	4,075.30	4423.16
Packing material and expense	2,515.67	2369.95
Power consumed	497.17	984.78
Water supply charges	51.14	51.51
Electricity & Water	10.26	9.18
Effluent treatment expense	-	0.58
Repairs and maintenance - Buildings	97.57	323.24
Repairs and maintenance - Plant and Machinery	370.19	452.00
Repairs and maintenance - Others	15.75	27.57
Raw Material and chemical expense	453.91	430.10
Handling and Shifting - Fuel	120.08	103.46
Insurance expenses	96.79	97.24
Freight and handling outward/export expenses	2,488.67	2471.98
Vehicle Running & Maintenance Expenses	61.79	42.53
Postage, telegram and telephone	17.60	23.37
Sales tax	16.51	55.81
Disposal and cartage	123.62	142.01

Rent	63.93	53.12
Legal & Professional Charges	68.34	88.52
Fees & Subscriptions	50.77	68.71
Advertisement	3.66	17.58
Board meeting expenses	5.30	3.00
Rebate & Discounts	3.14	284.23
Charity and donations	0.34	16.13
Auditors remuneration and expenses	13.49	11.22
Commission	3,508.82	4458.67
Net loss/(gain) on foreign currency transactions	-	42.73
Computer expense	22.01	23.77
CSR Expenses	112.53	49.21
Entrepreneur Social Commitment (ECS)	235.83	-
Institution & Other Building Tax	35.55	-
Miscellaneous Expenses	41.17	34.27
Total Other Expenses	24,271.99	23,705.00

40. Income tax recognised in profit or loss**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
In respect of the current year	2324.86	1566.88
In respect of prior years	(204.30)	18.47
Mat Credit Entitlement	(306.60)	(946.09)
	1813.95	639.26
Deferred tax		
In respect of the current year	416.99	826.76
	416.99	826.76
Total income tax expense recognised in the current year relating to continuing Operations	2230.94	1466.02

Income tax recognised in other comprehensive income**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Deferred tax		
Remeasurement of defined benefit obligation (Deferred Tax Asset)	(10.85)	40.0
Total income tax recognised in other comprehensive income	(10.85)	40.0
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(10.85)	40.0
Items that may be reclassified to profit or loss	-	0.0
	(10.85)	40.0

41. Earning per share

IN INR

Particulars	As at March 31, 2019	As at March 31, 2018
Basic earning per share		
From continuing operations	87.77	68.67
Total basic earnings per share	87.77	68.67

There are no dilutive instruments issued by the company.

Basic earning per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Profit for the year attributable to owners of the Company	8777.13	6867.03
Earnings used in the calculation of basic earnings per share	8777.13	6867.03
Earnings used in the calculation of basic earnings per share from continuing operations	8777.13	6867.03
Weighted average number of equity shares for the purposes of basic earnings per share	100.00	100.00

Impact of changes in accounting policies

There are no changes in the accounting policies which had impact on the amounts reported for earning per share

42. Operating lease arrangements

The Company has entered into Operating leases arrangements for agriculture land and branch office with lease terms between 7 and 10 years.

All operating lease contracts are for a period over 5 years. The company does not have an option to purchase the leased land at the expiry of the lease periods.

Payments recognised as an expense

(Rs. in Lacs)

Particulars	2019	2018
Payments recognised as an expense	63.93	53.12

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 expense in the Profit & Loss Account on a Straight-Line basis over the lease term.

employees' provident fund and employees' pension scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes. The Company recognized 139.88 lacs (2017-18 -125.3 lacs) during the year as expense towards contribution to these plans.

43. Employee benefit plans**A. Defined Contribution Plans**

The Company makes contribution towards

During the year the Company has recognised the following amounts in the statement of profit and loss :-

(Rs. in Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Employers contribution to Employee's Pension Scheme 1995	94.83	85.35
b) Employers contribution to Provident fund	45.05	39.95
	139.88	125.3

B. Defined Benefit Plans and Other Long Term Benefits

a) Contribution to Gratuity Funds - Employee's Gratuity Fund.

The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is non funded. The liability for the same is recognized on the basis of actuarial valuation.

b) Leave Encashment/Compensated Absence

The company has a defined benefit leave encashment plan for its employees. Under this plan, they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same. The liabilities towards leave encashment have been provided on the basis of actuarial valuation.

These plans typically expose the company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit plan liability(denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life's expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation and the present value of the defined benefit obligation were carried out as at March 31, 2019 by Ashok Kumar Garg. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

An actuarial valuation was carried out in respect of the aforesaid defined benefit plans and other long term benefits based on the following assumptions.

Particulars	March 31, 2019		March 31, 2018	
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund
Economic Assumptions				
Discount rate (per annum)	7.75%	7.75%	7.75%	7.75%
Rate of increase in compensation levels	5.00%	5.00%	5.00%	5.00%
Rate of return on plan assets	0	0	0	0
Demographic Assumptions				
Employee Turnover/ Withdrawal Rate	5.00%	5.00%	5.00%	5.00%
Retirement Age	60	60	60 Years	60 Years
Mortality	IALM2006-2008	IALM2006-2008	IALM2006-2008	IALM2006-2008

“Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.”

Amounts recognised in statement of profit or loss in respect of the defined benefit plans are as follows-

Particulars	March 31, 2019		March 31, 2018	
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund
Current service cost	35.45	51.43	57.71	52.97
Company's Contribution	-	-	-	-
Past Service Cost	-	-	-	10.97
Remeasurements	-	-	-	0.00
Net Interest cost	22.62	45.00	18.61	31.54
Net actuarial (Gains)/loss	(64.40)	-	116.01	0.00
Components of defined benefit costs recognised in profit or loss*				
	(6.34)	96.43	192.33	95.47
	-	-	-	-
Remeasurement on the net defined benefit liability	-	-	-	-
-Return on plan assets (excluding amounts included in net interest expense)	-	-	-	-
-Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	-	-
-Actuarial (gains)/losses arising from changes in financial	-	-	-	15.18
-Actuarial (gains)/losses arising from experience adjustments	-	(31.36)	-	100.49
Components of defined benefit costs recognised in other comprehensive income(OCI)**				
	-	(31.36)	-	115.67
Total	(6.34)	65.07	192.33	211.15

* Included in “Employee benefits expense” line item in the statement of profit and loss.

** Included in “Other Comprehensive Income”

Movement in the present value of the defined benefit obligation are as follows-

(Rs. in Lacs)

Particulars	March 31, 2019		March 31, 2018	
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund
Present value of obligation as at beginning of the year	291.81	580.64	240.07	406.95
Adjustment in beginning balance	-	-	-	-
Interest cost	22.62	45.00	18.61	31.54
Past Service Cost	0.00	0.00	0.00	10.97
Current service cost	35.45	51.43	57.71	52.97
Contribution by plan participants	-	-	-	-
Benefits paid	56.24	31.37	140.58	37.46
Transfer In	-	-	-	-
Actuarial (gain) / loss on obligations due to remeasurements	-	-	-	-
a. Effect of change in Financial Assumptions	-	-	7.59	15.18
b. Effect of change in Demographic Assumptions	-	-	0.00	0.00
c. Experience (Gain)/ Losses	(64.40)	(31.36)	108.42	100.49
Present value of obligation as at the year end	229.23	614.34	291.80	580.64

Reconciliation of present value of defined benefit obligation and fair value of assets

(Rs. in Lacs)

Particulars	March 31, 2019		March 31, 2018	
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund
Present value of obligation as at the year end	229.23	614.34	291.81	580.64
Fair value of plan assets as at the year end	-	-	-	-
Net (asset)/ liability recognised in balance sheet	229.23	614.34	291.81	580.64
Classified as non- current	210.68	561.07	159.63	529.63
Classified as current	18.55	53.27	132.18	51.01
Total	229.23	614.34	291.81	580.64

Sensitivity Analysis (Based on most likely/possible changes in assumptions used)

Gratuity

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 42.82 lacs (increase by Rs.48.88) (as at March 31, 2018: decrease by Rs. 39.26 lacs (increase by Rs.44.84 lacs).
- If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by Rs. 48.98 lacs (decrease by Rs. 43.44 lacs) (as at March 31, 2018: increase by Rs. 44.92 lacs (decrease by Rs. 39.81 lacs)).
- The estimated term of the benefit obligations in case of gratuity is 13 years(As at March 31, 2018:13 years

Leave Encashment

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 16.92 lacs (increase by Rs.19.70 lacs) (as at March 31, 2018: decrease by Rs. 12.61 lacs (increase by Rs. 14.52 lacs))
- If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by Rs.20.05 lacs (decrease by Rs. 17.49 lacs) (as at March 31, 2018: increase by Rs. 14.78 lacs (decrease by Rs. 13.03 lacs))

The estimated term of the benefit obligations in case of leave encashment is 16 years (As at March 31, 2018: 15 years)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period,

which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods

Notes forming part of the Financial statements.

44. Segment information

Information reported to the chief operating decision maker (CODM) i.e. Managing director for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company.

Specifically, the Group's reportable segments under Ind AS 108 are as follows

1. Paper division
2. Yarn and cotton division
3. Co generation division
4. Agriculture division
5. Solar division

Note:

The note should state the the judgements made by management in applying the aggregation criteria. This includes a brief description of the operating segments that have been aggregated in this way and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics.

Year ended 31 March 2019

(Rs. in Lacs)

Particulars	Paper division		Yarn and cotton division		Co Generation division		Agriculture division		Solar division		Total Segments
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
1 Revenue											
Segment Revenue											
*-'External Sales	72,675.29	62,686.31	430.09	1,382.61	0.00	-	82.89	30.05	652.29	107.85	73,840.56
*-'Inter Segment Sales			1,006.44	-	15,864.49	11,452.27	-	-	-	-	16,870.93
- Interest Income	89.11	103.25	-	-	-	-	-	-	-	-	89.11
- Other Income	749.51	513.89	-	-	605.95	1,524.63	-	-	-	-	1,355.46
Total revenue	73,513.91	63,303.45	1,436.53	1,382.61	16,470.44	12,976.90	82.89	30.05	652.29	107.85	92,156.06
2 Segment results											0
Unallocated corporate expenses (net off unallocated Income)											0
Profit before interest and tax	6510.8	4016.06	1.63	-30.38	6531.94	5820.02	235.31	982	(194.11)	(82.06)	13085.57
Interest expense	1807.55	2120.3	-	-	174.77	186.59	-	-	95.18	65.7	2077.5
Provision for taxation	2230.94	1466.02	-	-	-	-	-	-	-	-	2230.94
Share of profit/ loss from associate(s)	-	-	-	-	-	-	-	-	-	-	0
3 Profit/(loss) after tax	2472.31	429.74	1.63	-30.38	6357.17	5633.43	235.31	982	(289.29)	(147.76)	8777.13
wvg											0
4 Other information											0
a Segment assets	51916.48	42922.85	418.56	484.76	7900.2	8754.42	3534.84	3309.56	2267.51	2714.88	66037.59
Unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	0
Total assets	51916.48	42922.85	418.56	484.76	7900.2	8754.42	3534.84	3309.56	2267.51	2714.88	66037.59
b Segment liabilities	15386.57	16964.83	447.32	366.23	662.46	1118.38	7.16	6.76	7.03	0.00	16510.54
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	-	-	0
Total liabilities	15386.57	16964.83	447.32	366.23	662.46	1118.38	7.16	6.76	7.03	-	16510.54
Others											0
Capital Expenditure	11125.56	4092.25	-	-	2793.97	1430.21	3.95	4.86	553.64	2790.72	14477.12
Depreciation	3895.20	3886.58	-	-	459.62	432.95	1.93	0.84	416.41	183.7	4773.16
"Material non cash items other than depreciation and amortization"	-	-	-	-	-	-	-	-	-	-	-

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, investment income, other gains and losses, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Revenue and expenses directly identifiable to the segments have been allocated to the relatively primary reportable segments.

Segment revenue and expenses which are not directly identifiable to the primary reportable segments have

been disclosed under unallocable, which primarily includes interest and other income and Corporate Expenses. Other income includes interest income, export incentives Income. Corporate Expenses includes Employee staff benefit expense, Administrative expense and Depreciation expense of Corporate office.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segment
- all liabilities are allocated to reportable segments other than Rs. 30757.38 (As at March 31, 2018: Rs. 22261.08) on account of share capital, other equity, deferred tax liabilities and other liabilities of corporate office.

Other segment information

(Rs. in Lacs)

Particulars	Paper division		Yarn and cotton division		Co Generation division		Agriculture division		Solar division		Total Segments
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	
Capital Expenditure	11125.56	4092.25	-	-	2793.97	1430.21	3.95	4.86	553.64	2790.72	14477.12
Depreciation and amortisation	3895.20	3886.58	-	-	459.62	432.95	1.93	0.84	416.41	183.70	4773.16
Non cash expenses other than depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-

Notes:

Capital Expenditure includes addition during the year to Fixed Assets and CWIP.

Geographical information:

The geographical segments considered for disclosure are based on markets , broadly as under :

- India
- Rest of the World

Revenue from external customers

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
India	70,735.47	61,134.29
Rest of the world	3,105.09	3,073.03
	73,840.56	64,207.32

Information about major customers

No single customer contributed 10% or more to company's revenue for both 2018-19 and 2017-18.

45. Financial Instruments

45.1 Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the capital structure.

The capital structure of Company consist of equity and external borrowings.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows;

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Debt *	20615.02	20057.30
Cash and bank balances	400.86	769.62
Net debt	20214.16	19287.68
Equity**	30757.38	22261.08
Net debt to equity ratio	65.72%	86.64%

*Debt is defined as long-term and short-term borrowings (excluding derivatives and financial guarantee contracts).

** Equity includes all capital and reserved of the company that are managed as capital.

45.2 Categories of financial instruments

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	400.86	769.62
(b) Trade and other receivables	10574.16	11793.96
(c) Loans	168.12	349.18
(d) Other Financial Assets	364.73	334.52
Measured at Fair Value through Profit and Loss		
(a) Investments	311.07	293.585
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	15907.33	15854.95
(b) Trade payables	4538.11	4472.98
(c) Other Financial Liabilities	13391.67	13049.60

45.3 Financial risk management objectives

The Company's corporate treasury function monitors and manages the financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

45.3.1 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

45.3.2 (a) Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when

transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period.

(Rs. in Lacs)

Currency	Liabilities as at		Assets as at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
USD	154.94	726.64	119.88	85.26
EURO	-	981.78	-	-

45.3.2 (b) Foreign Currency sensitivity analysis

For the year ended March 31, 2019, every one rupee depreciation/appreciation in the exchange rate against U.S. dollar, might have affected the Company's incremental operating margins approximately by 0.01 % the Company's exposure to foreign currency changes for all other currencies is not material. And for every one rupee depreciation/appreciation in the exchange rate against Euro, might have affected the Company's incremental operating margins approximately by 0.02 %

45.3.3 (a) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long term debt obligations with floating interest rates.

45.3.3 (b) Interest rate sensitivity analysis

For the year ended March 31, 2019, every 1 percent increase/decrease in weighted average bank interest rate might have affected the company's incremental operating margins approximately by 0.31%

45.3.4 Other price risks

The company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The company doesn't actively trade these investments.

45.4 Credit risk management

"Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has limited exposure to credit risk owing to the balance of trade receivables as explained in Note no. 14. Company's bank balances are held with a reputed and creditworthy banking institution resulting to limited credit risk from the counterparties."

45.5 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2019:

(Rs. in Lacs)

Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th Year	Due after 5th and above	Total contracted cash flows
Financial Liabilities							
Accounts payable & acceptances	4538.11	4538.11	-	-	-	-	4538.11
Borrowings & interest thereon	21069.93	10074.42	3708.12	2509.82	1869.31	2728.80	20890.47
Other financial liabilities	8229.07	8229.07	-	-	-	-	8229.07

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

(Rs. in Lacs)

Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th Year	Due after 5th and above	Total contracted cash flows
Financial Liabilities							
Accounts payable & acceptances	4472.98	4472.98	-	-	-	-	4472.98
Borrowings & interest thereon	20531.28	10961.38	3926.42	2808.12	1609.82	969.31	20275.05
Other financial liabilities	8373.27	8373.27	-	-	-	-	8373.27

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

(Rs. in Lacs)

Particulars	Carrying amount	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th Year	Due after 5th and above	Total contracted cash flows
Financial Liabilities							
Accounts payable & acceptances	4472.98	4472.98	-	-	-	-	4472.98
Borrowings & interest thereon	20531.28	10961.38	3926.42	2808.12	1609.82	969.31	20275.05
Other financial liabilities	8373.27	8373.27	-	-	-	-	8373.27

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2019:

(Rs. in Lacs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
Non-current investments**	311.07	-	-	-	311.07	311.07
Trade receivables	10574.16	10574.16	-	-	-	10574.16
Loans and advances	168.12	-	186	-	-	186
Other financial assets	364.73	-	-	-	364.73	364.73

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2018:

(Rs. in Lacs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
Non-current investments**	293.59	-	-	-	293.59	293.59
Trade receivables	11793.97	11793.97	-	-	-	11793.97
Loans and advances	349.18	-	432.00	-	-	432.00
Other financial assets	334.52	-	-	-	334.52	334.52

46. STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Name of related party and nature of related party relationship

A. Individual owning directly or indirectly substantial interest in the voting power of the company

T.C Spinners Pvt Ltd

Satia Paper Mills Pvt. Ltd

YCD Industries Ltd (Formerly known as Bhandari Export Industries Ltd)

B. Key Management Personnel and other relatives

Dr. Ajay Satia (Chairman-cum-Managing Director)

Mr. Chirag Satia (Director)

Mrs Bindu Satia (Wife of Dr. Ajay Satia)

Mrs Priyanka Satia (Daughter in Law of Dr. Ajay Satia)

Mrs. Archana Saluja (Sister of Dr. Ajay Satia)

Mrs.Yachna Satia (Daughter of Dr. Ajay Satia)

Mrs.Pushpa Bhandari (Mother of Mr. R.K. Bhandari)

Ms.Vasudha Bhandari (Daughter of Mr. R.K. Bhandari)

Mr. Vineet Bhandari (Son of R.K Bhnadari)

Mrs Suman Rani (Wife of Mr. Hardev Singh)

Mr. R.K. Bhandari (Joint Managing Director)

Mr. Hardev Singh (Director)

Mr. Dhruv Satia (Son of Dr Ajay Satia)

Mrs. Renu Pahwa (Sister of Dr. Ajay Satia)

Mr. Anil Satia (Brother of Dr. Ajay Satia)

Mr. Rajat Mehta (son in law of Dr.Ajay Satia)

Mrs. Kiran Bhandari (Wife of Mr. R.K. Bhandari)

Mr. Ankit Dani (Son in law of Mr. R.K Bhandari)

Satia Paper Mills (Enterprise of Mr. Dhruv Satia)

“The following table summarizes related-party transactions and balances included in the financial statements for the year ended and as at March 31, 2019:”

(Rs. in Lacs)

Particulars	Individual owning directly or indirectly substantial interest in the voting power of the company		Key Management Personnel		Relatives of Key managemnt Personnel	
	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Repayment Loan and advances	-	-	246.00	-	-	-
Rent	-	-	-	11.40	37.62	12.06
Manageral Remuneration	-	-	1138.18	888.08	-	-
Salary	-	-	-	-	15.56	19.42
Sales	281.05	108.47	-	-	1913.06	2041.31
Purchases	678.66	1268.85	-	-	-	-
Commision	-	523.40	-	-	-	-
Consultancy Fees	-	-	-	1.02	-	-

The following table summarizes related-party transactions outstanding balances included in the financial statements for the year ended and as at March 31, 2019:

(Rs. in Lacs)

Particulars	Individual owning directly or indirectly substantial interest in the voting power of the company		Key Management Personnel		Relatives of Key management Personnel	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Loan & Advances Debit	-	-	168.12	349.18	-	-
Manageral Remuneration	-	-	5.13	36.41	-	-
Salary	-	-	-	-	0.36	0.72
Investment in Equity Shares	311.07	293.59	-	-	-	-
Rent	-	-	-	-	1.26	1.26
Debtors	-	42.15	-	-	2575.47	1207.12

Compensation of key management personnel:

(Rs. in Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Short-term benefits	1,138.18	888.08
Post-employment benefits	-	10.47
Total	1138.18	898.55

47. Contingent liabilities and contingent assets

Contingent Liabilities and Commitments to the extent not provided for :-

(Rs. in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
i) Bank Guarantee	635.00	1477.88
ii) Excise & Customs duty demand in dispute	5.57	5.57
iii) Punjab Vat, demand in dispute	1.24	1.24

Commitments for expenditure

- (a) Estimated amounts of contracts remaining to be executed on capital account, net of advances - Rs. 0 (2018: 0 lakhs)

48. The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")**(Rs. in Lacs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount due to suppliers under MSMED Act at the year end.	414.12	37.05
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	-	-
Payment made to suppliers (other than interest) beyond the appointed date during the year	-	-
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	-	-

Note: The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Company.

49. Payment to Auditors**(Rs. in Lacs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Statutory Audit (including consolidated accounts)	1	1
Tax audit and other audits	0.6	0.6
For taxation matters	0.75	0.75
Cost Audit Fees	1.5	1
Out of Pocket Expenses	0.4	0.4
Total	4.25	3.75

Note : The above amount are exclusive of taxes.

50. Events after the reporting period

There were no adjusting events occurred subsequent to the balance sheet date and before date of approval of financial statements.

51. Approval of financial statements

The financial statements were approved for issue by the board of directors on May 9, 2019.

Note 52. - Fair Value Measurement**Fair Valuation Techniques and Inputs used - recurring Items**

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	3/31/2019	3/31/2018			
Investments in Equity	311.07	293.59	Level3	Fair valuation of investment is based on weighted average Discounted of cash flow and Net asset value. Future cash flows are estimated based on the management projections, discounted at weighted average cost of capital of the Company."	Weighted average cost of capital

There are no significant changes observed in fair value of investment due to change in unobservable input.

Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring)

Particulars	3/31/2019		3/31/2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>Financial assets carried at Amortised Cost</u>				
– loans to related parties	168.12	168.12	349.18	349.18
– trade and other receivables	10938.89	10938.89	12128.48	12128.48
Total	11107.01	11107.01	12477.66	12477.66

Particulars	3/31/2019		3/31/2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
<u>Financial Instruments not carried at Fair Value</u>				
– bank loans	20615.02	20615.02	20057.30	20057.30
– trade and other payables	13222.09	13222.09	13320.23	13320.23
Total	33837.11	33837.11	33377.53	33377.53

Fair value hierarchy as at 31-March-2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– loans to related parties	-	-	168.12	168.12
– trade and other receivables	-	-	10938.89	10938.89
Total	-	-	11107.01	11107.01

Financial liabilities				
<u>Financial Instruments not carried at Fair Value</u>				
– bank loans	-	-	20,615.02	20,615.02
– trade and other payables	-	-	13,222.09	13,222.09
Total	-	-	33,837.11	33,837.11

Fair value hierarchy as at 31-March-2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– loans to related parties	-	-	349.18	349.18
– trade and other receivables	-	-	12,128.48	12,128.48
Total	-	-	12,477.66	12,477.66
Financial liabilities				
<u>Financial Instruments not carried at Fair Value</u>				
– bank loans	-	-	20057.30	20057.30
– trade and other payables	-	-	13320.23	13320.23
Total	-	-	33377.53	33377.53

The fair values of the financial assets and financial liabilities included in the level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements - Recurring items

Particulars	3/31/2019	3/31/2018
Opening balance	293.59	297.85
Total gains or losses:		
– in profit or loss	17.48	(4.26)
– in other comprehensive income		
Reclassification	-	-
from investment in associate to FVTOCI following partial sale of interest		
Purchases	-	-
Issues	-	-
Disposals/settlements	-	-
Transfers out of level 3	-	-
Closing balance	311.07	293.59

SATIA INDUSTRIES LTD
VILL. RUPANA, MALOUT-MUKTSAR ROAD, MUKTSAR, PB 152026
CIN: - L21012PB1980PLC004329

To
Beetal Financial & Computer Services (P) Ltd
Office: Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi-110062

Updating of Shareholders Information as mandated by SEBI

I/We request you to record the following information against my/our Folio No:

General Information:	
Folio No.:	
First Holder Name :	
Second Holder Name :	
Third Holder Name :	
PAN : Enclose self attested copy all holders/ joint holders	
E-mail id:	
Mobile No. :	
Bank details of First Holder	
Bank Name :	
Bank Branch Address:	
Account Number (as appearing in cheque): #	
Bank A/c Type (Savings/Current/NRE/NRO):	
IFSC (11 digit) :	
MICR (9 digit) (as appearing in cheque) :	

#A blank cancelled cheque with name of the first holder is enclosed to enable verification of bank details. Checklist for Shareholder:

Particulars	Mark ✓ if enclosed
☞ Self-attested copy of PAN Card all holders / joint holders	
☞ Cancelled Cheque with name of the first holder (if name is not printed, bank attested copy of the first page of pass book showing name of account holder)	
☞ Address proof of the first holder (self-attested copy of Aadhar-card / Electricity bill / Telephone bill / Passport)	

(Note: all enclosures are mandatory)

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio No. Further, as Green Initiative, I / We hereby agree to receive all future correspondence / documents of the Company in electronic mode at the E-mail Id mentioned above.

Signatures :

X	X	X
_____ First Holder	_____ Second Holder	_____ Third Holder

Date :

Place :

SATIA INDUSTRIES LTD

Registered Office: VILL. RUPANA, MALOUT-MUKTSAR ROAD, MUKTSAR, PB 152026

CIN: - L21012PB1980PLC004329

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 (the Act)
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) holding _____ shares of the above named Company, hereby appoint:

- Name : _____ Address : _____
 E-mail Id : _____ Signature : _____, or failing him
- Name : _____ Address : _____
 E-mail Id : _____ Signature : _____, or failing him
- Name : _____ Address : _____
 E-mail Id : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th ANNUAL GENERAL MEETING of the Company, to be held on Monday, September 30, 2019 at 10.00 AM at Registered Office: VILL. RUPANA, MALOUT-MUKTSAR ROAD, MUKTSAR, PB 152026 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Business to be transacted
1.	To receive, consider and adopt the Audited Balance Sheet of Company as at 31st March, 2019 and profit and Loss Account for the year ended on that dated along with the Report of the Auditors and Directors thereon.
2.	To appoint a Director in place of Sh Hardev Singh, Director (Technical) who retires by rotation, being eligible and offer himself for re-appointment
3.	To declare dividend on Equity Shares for the year ended 31st March, 2019
4.	To ratify and confirm the interim dividend of Rs. 1/- per equity share already paid during the financial year 2018-19.
5.	Ratification of appointment of Auditors
6.	Re-appointment of Sh AC Ahuja, Independent Director for the Second Term
7.	Re-appointment of Sh Dinesh Chand Sharma, Independent Director for the Second Term
8.	Increase in Salary of Dr.Ajay Satia,(DIN: 00850792) Chairman Cum Managing Director of the Company
9.	Increase in Salary of Sh R.K.Bhandari, Joint Managing Director of the Company
10.	Increase in Salary of Sh Hardev Singh, Director (Technical) of the Company

11.	Sub-division of 1 (one) equity share of face value of Rs. 10/- each into 10 (Ten) equity shares of Rs. 1/- each.
12.	Amendment of Authorised Share Capital Clause V of the Memorandum of Association.
13.	Approval for Related Party Transactions

Signed this _____ day of _____ 2019

Signature of the Member

Signature of Proxy holder(s)

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.

If undelivered please return to:

Satia Industries Limited

Malout–Muktsar Road, Village Rupana,
Dist. Muktsar, Punjab- 152032