

*Twenty Third
Annual Report
2013-2014*

Sai Industries Limited

SAI INDUSTRIES LIMITED
Twenty Third Annual Report 2013-2014

BOARD OF DIRECTORS	Dr. Niraj K. Singh	Chairman & Managing Director
	Mrs. Juhi Singh	Director (Non Executive)
	Dr. S.M. Pathak	Director (Non Executive, Independent)
	Mr. Harish Kumar	Director (Non Executive, Independent)

BANKERS

INDIAN BANK,
Aurobindo Place,
Hauz Khas,
New Delh - 110 016

AUDITORS

M/s. A K G & Co.
E-10, KAILASH COLONY,
NEW DELHI-110048

**REGISTRAR & SHARE
TRANSFER AGENT**

M/S. BEETAL FINANCIAL & COMPUTER
SERVICES PVT. LTD.
Beetal House 3rd Floor, 99, Madangir,
New Delhi - 110062

Company Secretaries

H.P. Sharma & Associates
1584/113, Tri Nagar,
Delhi - 110035

REGISTERED OFFICE

204, Aurobindo Place,
Hauz Khas,
New Delhi - 110016

Contents	Page
Notice	1
Directors' Report	2-9
Auditor's Report	10-12
Balance Sheet & Notes	13-16
Profit & Loss Account & Notes	17-18
Cash Flow Statement &	19
Schedule of Fixed Assets	20
Investment (7a)	21-24
Notes	25-28

SAI INDUSTRIES LIMITED

NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that the TwentyThird Annual General Meeting of the Company will be held as scheduled below:

Day and Date Tuesday, 30th September 2014
Time 10.00 A.M.
Place 2nd Floor, Aurobindo Place, Hauz Khas, New Delhi - 110016.

The agenda for the meeting will be as follows:

ORDINARY BUSINESS

1 To receive, consider and adopt the Balance Sheet as on 31st March, 2014 and Profit & Loss Account for the year ended as on that date and reports of the Auditors and Directors thereon.

2 To appoint a Director in place of Mrs. Juhi Singh (DIN 02022313) who retires by rotation and being eligible offers herself for reappointment

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Harish Kumar (DIN 01889511) who was appointed as Additional Director of the Company and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice u/s 160 of the Companies Act, 2013 from a Member signifying his intention to propose his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for 5 (five) consecutive years with effect from the date of passing of this resolution and he shall not be liable to retire by rotation".

4 "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Surya Mani Pathak (DIN 02584931) who was appointed as Director liable to retire by rotation and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice u/s 160 of the Companies Act, 2013 from a Member signifying his intention to propose his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for 5 (five) consecutive years with effect from the date of passing of this resolution and he shall not be liable to retire by rotation".

5 To appoint Auditors who shall hold office, if appointed from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution :
"RESOLVED that M/s. A K & Co., Chartered Accountants (Firm Registration No. 004924N) be and are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting Until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors exclusive of travelling and other out of pocket expenses"

NOTES :

1 The register of members and share transfer books of the company will remain closed from 16-09-2014 to 30-09-2014 (Both days inclusive).

2 A member entitled to attend and vote is entitled to appoint a proxy to attend and vote

SAI INDUSTRIES LIMITED

Instead of himself/herself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the time of holding meeting.

3 Members desiring any information of the accounts at the annual general meeting are requested to write to the company at its registered office atleast 10 days in advance so as to enable the company to keep the information ready.

4 As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring the copy of the Annual Report with them at the Meeting.

5 In terms of Clause 49 of the Listing Agreement information on Directors seeking appointment/ reappointment at this Annual General Meeting is as under:

Particulars	Harish Kumar	Juhi Singh	Dr. Surya Mani Pathak
Date of Birth & Age	May 19, 1980/34 yrs	Nov 05, 1965/48 yrs	July 15, 1931/82 yrs.
Appointed on	10/23/2013	30/9/2010	30/6/2009
Qualifications	Inter	B.A., P.G.D.B.M.	Ph.D.
Expertise in specific functional areas	10 years experience in Marketing & Product Development	23 years rich experience in Marketing & General Admn	Retired Gen. Manager Bank of India
Directorship held in other Public Companies (excluding Foreign Companies)		M/s Sai Capital Ltd.	M/s. Software Tech. Group Intl. Ltd.

Memberships/Chairmanships of committees across

6 Public Companies 3 4 5
Members who have not registered their e-mail IDs yet are requested to do the same for receiving all communications from the Company including Annual Reports, Notices, etc. in electronic form.

7 The Securities and Exchange Board of India (SEBI) has made it mandatory for every participant in the Securities Market to submit Permanent Account Number (PAN). Members are requested to submit their PAN to the Company/RTA.

8 Members holding shares in single name are advised to register their nomination with the Company.

9. Voting through electronic means:

E-voting facility is being provided to all members pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the Listing Agreement. The Company has engaged the services of Beetal Private Limited ("") for providing e-voting facilities. The e-voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being **day, 1, 2014. Detailed instructions for availing the e-voting facility indicating the process and manner of e-voting are given separately in the e-voting notice sent along with the Annual Report. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company, www. and on Beetal's website. <https://evoting.karvy.com> within two (2) days of passing of the resolutions and communication of the same to Bombay Stock Exchange Limited (BSE).

PLACE : NEW DELHI
DATED : May 30, 2014

BY ORDER OF THE BOARD OF DIRECTORS
(DR. NIRAJ K. SINGH)
Chairman & Managing Director

SAI INDUSTRIES LIMITED

DIRECTORS' REPORT

To the Shareholders of SAI INDUSTRIES LIMITED

The Directors take pleasure in presenting the Twenty Third Annual Report of your Company and the Audited Statement of Accounts for the year ended on March 31, 2014.

The financial results of your Company for the year ended on March 31, 2014 are as follows:

	2013-14	2012-13
Total Income	(1.11)	(0.42)
Profit/Loss before Depreciation and Tax	(3.72)	(3.56)
Depreciation	0.08	0.12
Profit/Loss before Tax	(3.80)	(3.68)
Provision for Income Tax (FBT)	0.00	0.00
Net Profit/Loss	(3.80)	(3.68)
Profit/(+)/Loss(-) brought forward	(317.77)	(314.09)
Accumulated Loss	(321.56)	(317.77)

PERFORMANCE: The performance of your company remained stagnant during the year due to paucity of resources. Efforts are being made to augment the working capital of the Company.

DIVIDEND Due to inadequacy of profits, your Directors do not recommend payment of dividend for the year under report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Trends and Business Analysis Although the global economic scenario remains uncertain, general elections have provided a stable government at the centre. Capital Markets are likely to show positive movements, however, Crude oil prices remain elevated. High inflation continues to be a cause of concern and could pose a hindrance in reduction of interest rates. A change in investment sentiment will be the key to spurring growth. A favourable monsoon will act as a catalyst in promoting growth.

OPPORTUNITIES AND THREATS

Opportunities : The Company hopes to capitalise on its experience and expertise and report a better performance in the coming years.

Threats : There is severe competition in the financial services sector. Margins have been impacted with Public Sector Banks and large Private Sector Banks offering retail financial services. Small and mid-size NBFC's have been marginalised.

Segment wise performance: The Company is engaged primarily in the business of Investments & Finance and accordingly there are no separate reportable as per Accounting Standard 17.

Future Prospects and Outlook: With retail financial services almost having been monopolised by Public & Private Sectors Banks, the Company will have to develop niche areas for itself and explore means to substantially increase its investible funds to participate in the growth of the economy. The Company is also looking to providing services to large corporates in India and abroad.

Risks and Concerns: The performance of the Company is very closely linked with the conditions of the economy (both domestic & global) and is also very sensitive to the fluctuations in the Capital Markets, interest rates fluctuations, inflation and credit risks.

Internal Control Systems and Their Adequacy: The Company has put in place an adequate system of internal controls which are monitored on a regular basis, commensurate with the nature of its business. All activities are monitored to prevent any unauthorised transactions or misuse of any assets. The Audit committee of the Board oversees and reviews the adequacy of internal controls at regular intervals. The Company has put in place a whistle blower policy.

Financial Performance: The Company reported a loss of Rs. 3.80 Lacs during the year under review as against a loss of Rs. 3.68 Lacs during the previous year. The paid up capital of the Company stood at Rs. 296.76 Lacs. The issued and subscribed capital is Rs. 300 Lacs.

SAI INDUSTRIES LIMITED

Allotment money due but not received is Rs. 3.24 Lacs.

Human Resources: The management of the Company maintains cordial relations with the employees and considers human capital as one of the most valuable resources.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the directors have prepared the annual accounts on going concern basis.

CORPORATE GOVERNANCE

A separate section on Corporate Governance forming part of the Director's Report and the certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in the Annual Report.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

As the Company is not engaged in manufacturing/processing, it is not in a position to undertake any measure for energy conservation or technology absorption.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no income or expenditure in Foreign Exchange during this period.

DEPOSITS The Company has no public deposits and has neither invited nor accepted any deposit from the public during this period.

DIRECTORS Mrs. Juhi Singh, Director retires by rotation and being eligible, offers herself for reappointment. The Board recommends the appointment of Dr. S. M. Pathak and Mr. Harish Kumar as Non Executive, Independent Directors to hold office for 5 (five) consecutive years. Dr. S. M. Pathak and Mr. Harish Kumar shall not be liable to retire by rotation.

LISTING OF EQUITY SHARES The Equity Shares of your company are listed on Delhi, Mumbai and Chennai Stock Exchanges. Your Company has paid the Listing Fee upto and including the financial year 2013-14 to BSE Limited. The pending listing fee due to Delhi and Chennai Stock Exchanges will be paid once the status of these stock exchanges is finalized.

EMPLOYEES During the year, there was no employee, whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956.

AUDITORS In accordance with the provisions of Companies Act, 1956, M/s. A K G & Co., Chartered Accountants, statutory auditors, retire at the conclusion of the Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received certificate from M/s. A K G & Co. to the effect that their appointment, if made, would be within the prescribed limit U/s 224(1-B) of the Companies Act, 1956.

ACKNOWLEDGMENTS

Your Directors take this opportunity of expressing their gratitude to Indian Bank, Hauz Khas, New Delhi and all associates for the cooperation and assistance extended to your Company.

BY ORDER OF THE BOARD OF DIRECTORS
(DR. NIRAJ K. SINGH)

Chairman & Managing Director

4

PLACE : NEW DELHI
DATED : May 30, 2014

SAI INDUSTRIES LIMITED

REPORT ON CORPORATE GOVERNANCE

In line with the requirement for providing a "Report on Corporate Governance" as per Clause 49 of the Listing Agreement with the Stock Exchanges, given below is the report on the Company's Corporate Governance norms.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages transparency, accountability and propriety in the functioning of the Company and in the conduct of its business internally and externally, including its interactions with employees, shareholders, creditors and other lenders.

BOARD OF DIRECTORS

The composition of the Board, attendance at Board Meetings held during the financial year under review and at the last Annual General Meeting, number of Directorships and memberships/ chairmanships in public companies (including the Company) are given below:

Name of Director	Category	FY 2013-14		No. of Directorships	As on date Committee Members
		Attendance at BM	Last AGM		
Dr. Niraj Kumar Singh	Promoter Executive	6	Yes	1	0
Mrs. Juhi Singh	Promoter	6	Yes	1	4
Dr. S. M. Pathak	Non Executive Independent	1	No	1	4
Mr. Harish Kumar	Non Executive Independent	2	No	0	3

During the year under review, 6 (Six) Board Meetings were held as follows:

Date of Board Meeting	Board Strength	No. of Directors Present
May 25, 2013	4	3
August 10, 2013	4	3
October 23, 2013	4	3
November 09, 2013	4	3
January 25, 2014	4	4
February 13, 2014	4	3

Change in Directorship

Mrs. Juhi Singh, Director retires by rotation and being eligible, offers herself for reappointment. The Board recommends the appointment of Dr. S. M. Pathak and Mr. Harish Kumar as Non Executive, Independent Directors to hold office for 5 (five) consecutive years. Dr. S. M. Pathak and Mr. Harish Kumar shall not be liable to retire by rotation.

AUDIT COMMITTEE

The Audit Committee consists of three directors. It provides direction to audit functions, reviews the financial accounts, interacts with statutory auditors and reviews matters of special interest. The Committee meets regularly to carry out its functions. The quorum for a meeting of audit committee is any two directors personally present at the meeting. Members of the Audit Committee are Mr. Harish Kumar, Dr. S. M. Pathak, and Mrs. Juhi Singh. Mr. Harish Kumar is the Chairman of the Audit Committee.

Date of Meeting	Strength	No. of Members Present
May 25, 2013	3	2
August 10, 2013	3	2
November 09, 2013	3	2
February 13, 2014	3	2

In terms of the requirements under corporate governance practices, arrangements for presence of Mr. Harish Kumar at the forthcoming AGM in September 2014 are being made.

SAI INDUSTRIES LIMITED

REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee consisting of Independent Non-Executive Directors, Dr. S. M. Pathak and Mr. Harish Kumar. The committee did not meet during the year.

REMUNERATION TO DIRECTORS

No remuneration was paid to the Directors during the year.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Company has put in place a Code of Conduct for the prevention of Insider Trading. Directors, Promoter Group and Designated Employees of the Company can transact in the securities of the Company within the Trading Window, which shall remain closed during such periods as decided by the Company at the time of dissemination of any price sensitive information including declaration of financial results or any corporate actions.

DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS

Year	Location	Date	Day	Time
2011	2nd Floor, Aurobindo Place,	30/09/2011	Friday	12.30 P.M.
	Hauz Khas, New Delhi-110016			
2012	2nd Floor, Aurobindo Place,	29/09/2012	Saturday	10.00 A.M.
	Hauz Khas, New Delhi-110016			
2013	2nd Floor, Aurobindo Place,	30/09/2013	Monday	10.00 A.M.
	Hauz Khas, New Delhi-110016			

Whether Special Resolution were put through Postal Ballot, last year?

Are votes proposed to be conducted through postal ballot, this year?

No No

DISCLOSURES

1 The Company has complied with various rules and regulations prescribed by Stock Exchanges, SEBI or any other Statutory Authorities relating to the Capital Markets during the last three years. No penalties or strictures have been imposed by them on the Company.

2 During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, management and associate companies.

SHAREHOLDERS INFORMATION

- Annual General Meeting
Date and Time Tuesday, 30th September, 2014 at 10:00 a.m.
Venue 2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-110016
- Book Closure Date 16-09-2014 to 30-09-2014 (Both days inclusive)
- Financial Calendar**
Financial Reporting for the Quarter ending June 30, 2014 Second week of August, 2014
Financial Reporting for the Quarter ending September 30, 2014 Second week of Nov 2014
Financial Reporting for the Quarter ending December 31, 2014 Second week of Feb. 2015
Financial Reporting for the Quarter ending March 31, 2015 Last week of May, 2015
AGM for the year ended March 31, 2015 Last week of September, 2015
- Dividend Payment Date Not Applicable
- Stock Exchange Listing Mumbai, Delhi and Chennai
- Stock Exchange Code BSE Limited 530905
Delhi Stock Exchange 19475
Madras Stock Exchange SSIT

MARKET PRICE DATA (RS.)

Bombay Stock Exchange	High	Low
Month	—	—
Apr. 2013	—	—
May 2013	—	—
		6

SAI INDUSTRIES LIMITED

June 2013	—
July 2013	—
Aug. 2013	—
Sept. 2013	—
Oct. 2013	—
Nov. 2013	—
Dec. 2013	—
Jan. 2014	—
Feb. 2014	—
Mar. 2014	—

REGISTRARS AND SHARE TRANSFER AGENT

The Company has appointed M/s. Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, New Delhi - 110062 as Share Transfer Agent. Share transfers and shareholder queries/complaints are handled by the Share Transfer Agent. E-mail ID for Investor Grievance sai@vsnl.com Website thesaigroup.in

The website displays all investor related information.

MEANS OF COMMUNICATIONS

i) Half yearly report sent to each household of shareholder	No
ii) Quarterly results sent to each shareholder	No
iii) In which News Papers the results are normally published	The Pioneer and Hari Bhumi
iv) Any website, where results are displayed	thesaigroup.in
v) Whether MD & A are part of Annual Report	Yes
vi) Whether shareholders information system is part of Annual Report	Yes

SHARE TRANSFER COMMITTEE

The share transfer committee considers and approves share transfers in the physical form

SHAREHOLDER & INVESTOR GRIEVANCE COMMITTEE

Shareholders/Investor Grievance Committee consists of Mr. Harish Kumar, Dr. S. M. Pathak and Mrs. Juhi Singh. The Committee is chaired by Mr. Harish Kumar. Share Transfer Committee deals with approval of issue of duplicate share certificates and reviews all matters connected with the security transfer and redressal of Shareholders and Investor Grievance like transfer of shares, non-receipt of Balance Sheet etc. One Complaint was received during the year and the same has been resolved. No shareholders investor grievance is pending against the Company.

Compliance Officer

The Board has designated Mr. Ved Parkash as the Compliance Officer.

ADDRESS FOR CORRESPONDENCE

All queries of investors may be sent at the following address:
204, Aurobindo Place, New Delhi-110016 or M/s Beetal Finance & Computer Service Pvt. Ltd., Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062

Disclosures

1. The Company has complied with all mandatory requirements of the clause and is gradually moving towards compliance of non-mandatory requirements.
2. No penalty or strictures have been imposed on the Company by Stock Exchanges or SEBI during the last three years.

4. The Company maintains transparency in its operations and has a whistle blower policy in place. No person has been denied access to the Audit Committee.

LISTING ON STOCK EXCHANGE

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.