



SATIA
INDUSTRIES LTD.

33rd
Annual Report
2013-14

BOARD OF DIRECTORS

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

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

Chief Financial Officer

Sh. Ashok Kumar Khurana

Company Secretary

Mr Rakesh Kumar Dhuria

Statutory Auditors

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

Registered Office & Works

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

Branch Offices

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

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

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

BANKERS

Punjab National Bank
Central Bank of India

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Registrar and Transfer Agent

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

SATIA INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of Satia Industries Limited will be held on Tuesday, 30th September, 2014 At 10:00 A.M. at the Registered Office of the Company at VPO Rupana, Malout Muktsar Road, District Muktsar (Punjab)- 152 032 to transact the following businesses:-

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 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. J.R.Sharma, who retires by rotation being eligible offers himself for re-appointment.
3. To Consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:-

"RESOLVED that pursuant to provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 M/s Rakesh Bansal & Co., Chartered Accountants, Muktsar (ICAI Registration No.090278), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Managing Director of the Company".

Special Business

- 4 **To appoint Sh A.C. Ahuja (DIN: 00327032) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sh A.C.Ahuja (DIN: 00327032), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 38th Annual General Meeting of the Company in the calendar year, 2019"

- 5 To appoint Sh Dinesh Sharma (DIN: 02460345) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sh Dinesh Sharma (DIN: 02460345), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 38th Annual General Meeting of the Company in the calendar year 2019"

- 6 To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED that pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

Place : Rupana
Dated : 05.08.2014

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
DGM & Company Secretary

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint proxy to attend and vote on poll instead of himself and the proxy need not be a Member of the Company. The proxies should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report
5. Members are requested to bring their copies of Annual Report at the Meeting.
6. Members are requested to notify immediately any change in their address, to the Registered Office of the Company.
7. All documents as referred in the above notice and explanatory statement are open for inspection at the Registered Office of the Company during office hours on all working days between 11:00 A.M. to 1:00 P.M. up to the date of Annual General Meeting.
8. Members seeking any information with regards to Annual Accounts at the time of Meeting, are requested to send their queries to the company so as to reach at least ten days before the date of Meeting, to enable the management to keep the relevant information ready at the time of Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2014 to 30th September, 2014 both days inclusive.
10. Explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of item No. 4 to 6 of the notice is annexed herewith.

FOR KIND ATTENTION OF THE MEMBERS OF THE COMPANY

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

Beetal Financial & Computer Services (P) Limited

Unit : Satia Industries Limited

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre,

Near Dada Harsukhdas Mandir, New Delhi- 110062

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

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

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

Item No 4 and 5

Shri A.C.Ahuja and Sh Dinesh Sharma are Independent Directors of the Company and have held the positions of Independent Directors. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Sh A.C.Ahuja and Sh Dinesh Sharma as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 38th Annual General Meeting of the Company in the calendar year 2019.

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 Listing Agreement. 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 under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Shri 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 Ordinary Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the shareholders

Item No 6

The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

With the coming into force of the Companies Act, 2013 several regulations of the existing

SATIA INDUSTRIES LIMITED

AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

Place : Rupana
Dated : 05.08.2014

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
DGM & Company Secretary

SATIA INDUSTRIES LIMITED

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

Name	Sh. A. C. Ahuja	Sh.Dinesh Chand Sharma	Sh. J. R. Sharma
Date of Birth	20.01.1943	18.10.1954	20.06.1939
Qualification	B.E. (Mech.) From BITS Pilani	Master of Engineering in Chemical Engineering	BA, LL.B
Experienc in specific functional Area	Finance (Experience in 43 years, Retired as ED of IFCI)	Worked as CEO of Technology Development Board (TDB) - Govt. of India, and IFCI-Venture Capital Funds Ltd	20 Years experience in Legal Practice and 23 years in the Industry
Directorship in other Companies	2	Nil	Nil
Chairman/member of Committee of Board of Directors of other Companies in which he has a Director	2	Nil	Nil
Share held in Satia Industries Ltd	Nil	Nil	Nil

DIRECTORS' REPORT

Dear Members,

The Directors have the pleasure of presenting the 33rd Annual Report of your Company for the Financial Year 2013-14.

1. Financial Result:

The financial performance of your Company for the year ended March 31, 2014 is summarized below:-

(Rs in Lacs)

	Current Year	Previous Year
Revenue and other income	38691.80	28184.07
Gross Profit before interest and depreciation	5318.49	4447.50
Interest and Financial charges	1557.85	1479.05
Depreciation	2670.53	1005.19
Profit from operations (before extra-ordinary item and tax)	1090.11	1963.25
Extraordinary Items	38.01	68.81
Profit before Tax	1052.10	1894.44
Current Tax	710.00	0
Deferred Tax	-1007.57	506.26
Net Profit/ (Loss) after tax	1349.67	1388.18
Less: Appropriation:		
Transfer to Profit and Loss Account	1349.67	1388.18

2. OPERATIONS

During the financial year 2013-14, net revenue from operation was Rs 38343.37 lacs as compared to Rs 27845.18 lacs during the corresponding period of previous year 2012-13. The net profit after tax of the Company is Rs 1349.67 lacs as compared to Rs 1388.18 lacs for the previous year.

Your Director has decided to plough back the profits and do not recommend any dividend.