

36th
Annual
Report
2016 -17



Satia Industries Limited

BOARD OF DIRECTORS

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

CHAIRMAN CUM MANAGING DIRECTOR
JOINT MANAGING DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
DIRECTOR
EXECUTIVE DIRECTOR
ADDITIONAL DIRECTOR

Chief Financial Officer

Sh. Ashok Kumar Khurana

Company Secretary

Sh. 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
Andhra Bank
Indian Overseas Bank

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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: beetalrta@rediffmail.com



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the Members of Satia Industries Ltd. will be held on Friday, 29th September, 2017 At 10:00 A.M. at the Registered Office of the Company at VPO Rupana, Malout Muktsar Road, District 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, 2017 and Profit and Loss Account for the year ended on that date along with the Report of the Auditors and Directors thereon.
2. Mrs Bindu Satia who retires by rotation and does not seek her re-appointment to retire her from the Directorship of the Company.
3. To declare dividend on Equity Shares for the year ended 31st March, 2017.
4. **To Consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:-**

“RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Deepak Grover & Associates, Chartered Accountants (Firm Registration No. 505923), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. Rakesh Bansal & Co. Chartered Accountants to hold office from the conclusion of this 36th Annual General Meeting (AGM) until the conclusion of the 41st AGM, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company”

Special Business

5. **Increase in Remuneration of Sh Chirag Satia, Executive Director**

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 196, 197, 198 and 203 read with schedule V and all other applicable provisions, if any, of the Companies Act 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of the recommendation of the Remuneration Committee and as approved by the Board of Directors, Sh Chirag Satia, Executive Director of the Company be paid a remuneration of Rs 1500000/- (Rupees Fifteen Lakh only PM) with effect from 1st April, 2016”

“RESOLVED FURTHER that all other terms and conditions of appointment of Mr.Chirag Satia as approved earlier by the Members at the time of his appointment shall remain unchanged.”

“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 Executive Director.”

“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.”



6 Change in Designation of Sh R.K.Bhandari, Whole Time Director

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 196 of the Companies Act, 2013 and the rules made there under, consent of the Company be and is hereby accorded for the change in designation of Sh R.K.Bhandari, Whole-time Director to Joint Managing Director for the remaining period of his tenure”

“RESOLVED FURTHER that Board of Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things that may be required to give effect to the above resolution”.

7. Appointment of Sh Hardev Singh as Director (Technical) of the Company and if thought fit, to pass the following resolution with or without modification(s) as a Special Resolution:-

“RESOLVED that in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and / or any other guidelines issued by the Central Government from time to time (including any statutory modification (s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, if and to the extent necessary, consent of the Company be and is hereby accorded to the appointment of Sh Hardev Singh as Director (Technical) of the Company and to his receiving remuneration, benefits and amenities as the Director (Technical) for a period from 01st October, 2017 to 30th September, 2020 , upon the terms, conditions and stipulations contained in the Agreement entered into between the Company and Sh Hardev Singh, Director (Technical) and as stated here below:-

1. Terms:

a) Salary: Rs 225000 /-PM

b) Perquisites/benefits as per rules of the Company.

“RESOLVED FURTHER that Sh Hardev Singh, Director(Technical) be and is hereby nominated as Occupier of the factory of the Satia Industries Limited situated at village Rupana, Malout Muktsar Road, District: Muktsar”

“RESOLVED FURTHER that based on the recommendation of the Nomination and remuneration Committee, terms and conditions of appointment, including determination of remuneration payable to Sh Hardev Singh, Director (Technical) may be varied in such manner as the Board may in its absolute discretion deem fit, provided, however, that the remuneration payable to Sh Hardev Singh, Director (Technical) shall not exceed the maximum limits for payment of managerial remuneration specified in Section 197 of the Companies Act, 2013 and Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time or the maximum limits for payment of managerial remuneration as may be prescribed in accordance with the laws, policies, rules, regulations and guidelines in force from time to time”

“RESOLVED FURTHER that where in any financial year during the tenure of office of Sh Hardev Singh Director (Technical), the Company has no profits or its profits are inadequate, the Company shall pay remuneration, benefits and amenities to Sh Hardev Singh, Director (Technical) as specified above, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Central Government, if and to the extent necessary or in the alternative, pay remuneration to Sh Hardev Singh, Director (Technical) by way of salary, dearness allowance, perquisites and any other allowances within the ceiling limits prescribed in Section II of Part II of Schedule V to the Companies



Act, 2013 or any amendments thereto as may be made from time to time.

8. Holding of Office of Profit by Smt Suman Rani, Assistan Manager (Process)

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

“RESOLVED that pursuant to Section 188 of the Companies Act, 2013 and all other applicable Provisions, Rules and Regulations the consent of the Company be and is hereby accorded for holding the office of profit by Smt Suman Rani, Assistant Manager (Process) at monthly salary of Rs 75000/- PM plus all other allowances and perquisites on terms and condition and in pursuance of service rules as applicable to the employee of the Company”

“RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary and expedient for giving effect to the above resolution.

9. Approval of Scheme of Loan to Chairman Cum Managing Director, Whole Time Directors etc.

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

“RESOLVED that pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended, from time to time, consent of the Company be and is hereby accorded to a Scheme of loan for its Chairman Cum Managing Director, whole-time director or other senior Employees of the Company as set out in the explanatory statement annexed to the notice convening this Auunal General Meeting.

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to ratify any loans given earlier and to finalize, sanction and disburse the loans to CMD, whole-time director, and also to delegate all or any of the above powers to any one Director of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

Place : New Delhi
Dated : 29.08.2017

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
Company Secretary



NOTES:

- 1) A Member entitled to attend and vote at the Meeting is entitled to appoint proxy to attend and vote on poll instead of himself and the proxy need not be a Member of the Company. The proxies should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
- 2) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
- 3) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting
- 4) 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 25.09.2017 to 29.09.2017 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 26.09.2017, 10.00 AM and ends on 28.09.2017 at 5.00 PM. During this period shareholders holding share either in physical form or in dematerialized form as on the cut-off date 22.09.2017 (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.22.09.2017 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 in practice, has been appointed as the Scrutinizer. the e-voting process in a fair and transparent manner(including the ballot forms).The Scrutinizer shall with in a period of two working days for the conclusion e-voting period, unblock the votes in presence of at least 2 witnesses not in employment of the Company and make a report of the vote cast in favour or against, if any, forthwith refer to the Chairman of the Company.

11. 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.

EXPLANATORY STATEMENT OF MATERIALS FACTS IN RESPECT OF THE SPECIAL BUSINESS

PURSUANT TO SECTION 102 OF THE COMPANIES ACT,2013

Item No 5

The Nomination and Remuneration Committee and the Board of Directors, in their respective meetings held on 07th February, 2017, approved the payment of remuneration of Rs 1500000/- per month to Sh. Chirag Satia (holding DIN 03426414),as Executive Director of the Company with effect from 01st April, 2016 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 Chirag Satia is a C.A (Inter). The appointment as well as payment of remuneration was approved by the Board based on industry standards, work responsibilities handled by the Executive 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, 2016 to Sh Chirag Satia as Executive Director of the Company. Mr. Chirag Satia shall be deemed to be concerned or interested in the resolution to the extent of remuneration payable to Sh. Chirag Satia 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 Mr. Chirag Satia himself and Dr Ajay Satia, CMD 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 6

Sh R.K.Bhandari was appointed as Whole-Time Director of the Company with effect from 01st October, 2015. The Board of Directors has proposed the change in his designation to Joint Managing Director.

According to Section 196 of the Companies Act, 2013, approval of Members is required. The Board of Directors have, subject to the approval of the shareholders, approved the change in designation of Sh R.K.Bhandari as Joint Managing Director of the Company with effect from 29.09.2017 for the remaining period of his tenure.

Sh R.K.Bhandari may be deemed to be concerned or interested in the said resolution. No other Director, key managerial personnel or their relatives are concerned or interested in the said resolution.

Item No 7

Keeping in view the responsibility being shared by Sh Hardev Singh as Vice President (Technical), the remuneration Committee and Board of Directors in their respective meetings held on 29.09.2017 have approved the appointment of Sh Hardev Singh as Director (Technical) of the Company for a period of three years with effect from 01.10. 2017 and payment of remuneration thereof on the terms and conditions as are set out in the

resolution. As per the provisions of the Companies Act, 2013, read with schedule V thereof, approval of shareholders is required for the purpose. Hence the Board recommends the resolution for your approval by way of a special resolution.

The information as required under Schedule V of the Companies Act, 2013 is given hereunder:

1. General Information

Nature of Industry

Satia Industries limited is manufacturing writing and printing paper.

Commercial Production

As on March. 31st, 2017 the Company is having capacities for manufacture as hereunder:-

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

Financial Performance

During the financial year 2016-17, total revenue from operation was Rs 51977.63 lakh and the net profit after tax of the Company is Rs 2552.81 lakh

11 Information about the appointee

Background details

Sh Hardev Singh aged 60 years is serving the Company as Vice President (Technical) since 13.08.2009. He is having wide experience of installation of projects.

Job Profile and his suitability

Sh Hardev Singh, Vice President (Technical) is responsible for the running of plant, process and head all projects.

Remuneration proposed

Keeping in view the responsibilities assigned to Sh Hardev Singh, it is proposed to appoint Sh Hardev Singh, as Director (Technical) on the monthly salary



of Rs 226000/- PM plus other allowance and perquisites as specified in resolution.

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

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

Pecuniary relationship with the Company or relationship with managerial personnel.

Sh Hardev Singh, is not having any pecuniary relation with the Company.

111 Other information

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

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

None of the Directors is interested in the above resolution expect Sh Hardev Singh himself.

Item No. 9

In compliance with Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended from time to time, company introduces a policy of Loan Scheme for its Chairman Cum Managing Director, Whole-Time Director(s) and other Senior Employees of the Company.

- i) Amount of loan : Maximum 36 monthly gross pay
- ii) Rate of Interest : Nil
- iii) Recovery : In not more than 60 monthly installments
- iv) Advance to the CMD, Whole Time Director will be with the approval of remuneration committee or Board of Directors and advance to KMP or other senior staff with the prior approval of Chairman Cum Managing Director.
- v) No fresh Loan shall be granted unless previous advance has been repaid/adjusted in full.

The Board of Directors recommend passing of the said resolution. Dr. Ajay Satia, Chairman Cum Managing Director, Sh. Chirag Satia, Executive Director are interested in the resolution at Item No. 9. No other Director and/or Key Managerial Personnel of the Company and their relatives is concerned or interested.

Place : New Delhi

Dated : 29.08.2017

By Order of the Board
For Satia Industries Ltd.

(Rakesh Kumar Dhuria)
Company Secretary