

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

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of

SATIA INDUSTRIES LIMITED

(A Public Company incorporated as Satia Paper Mills Limited on 26th November, 1980
Under the Companies Act, 1956)

Registered Office

VPO Rupana, Distt. Muktsar (Pb.) Pin code – 152032

Tel: 01633-262215, 262001

Fax : 01633-263499

WEB SITE : WWW.SATIAGROUP.COM, email.id: satiapaper@gmail.com

LISTING

The entire issued Share Capital i.e. 10000000 Equity Shares having face value of Rs. 10/- each of the Company is listed on Ludhiana Stock Exchange Limited and Delhi Stock Exchange Limited. Now the Company proposes to list the equity shares on the BSE Limited. •

REGISTRAR AND SHARE 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

CONTACT NOS 011-29961281-83,

FAX 011-29961284

E-mail beetal@rediffmail.com

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(A Public Company incorporated as Satia Paper Mills Limited on 26th November, 1980 under Companies Act, 1956 and its name was changed to Satia Industries Limited on 11.08.2008)

CIN NO: L21012PB1980PLC004329

Date of Incorporation : 26.11.1980

Date of commencement : 03.01.1981

Date of Change in Name : 11.08.2008

Constitution : Public Limited company

Sector : Private

Address of Regd. Office : VPO Rupana, Distt. Muktsar (Pb.)
Pin code – 152026
Phone : 01633-262215, 262001
Fax no. 01633-263499
Email : satiapaper@gmail.com

Works : VPO Rupana, Distt. Muktsar (Pb.)
Pin code – 152026

Branches

At Delhi : 613-615 Naurang House,
21, K.G.Road, New Delhi-110001

At Jaipur : 304, Navjeevan complex, 29, Station road,
Jaipur – 302006 (Raj.)

At Chandigarh : S.C.O. no. 90-91-92, Sector 8-C, Madhya Marg
Chandigarh

Business/Activity : Manufacture of writing & printing paper.

WEB SITE : WWW.SATIAGROUP.COM

Compliance Officer : Rakesh Kumar Dhuria
Company Secretary
Phone : 01633-262215, 262001
Mobile: 9878098031

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GENERAL

I. DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS

Unless the context otherwise indicates, the following terms have the meanings given below, References to statutes, rules, Regulation, , guidelines and policies will be deemed to include all amendments and modifications notified thereto,

In this Information Memorandum, unless the context otherwise indicates, all references to ' "SIL", "the Company", "our Company" are to Satia Industries Limited, a company incorporated in India under the Companies Act, 1956 (the "Companies Act") with its Registered Office at VPO Rupana, Distt. Muktsar (Pb.)Furthermore, all references to the terms "we", "us" and "our" are to Satia Industries Limited,

Company Industries related terms

Term	Description
Act/Companies Act	The Companies Act, 1956 and Companies Act,2013 to the extent applicable including any statutory amendments or reenactment thereof.
AGM	Annual General meeting
Articles/Articles of Association	Article of Association of the company
AS	Accounting standard as issued by the institute of Chartered Accountants of India.
Auditor	M/s Rakesh Bansal & Co.
Board/Board of Director of the Company	Board of Director of our Company i.e Satia Industries Ltd.
BSE	BSE Limited
Capital/Share Capital/Equity Share Capital	Equity Share Capital of Company
CDSL	Central Depository Service (India) Limited
NSDL	National Securities Depositories Limited
DP	Depository Participant.
Depository	The Depository Act,1996 and amendments thereto.
LSE	Ludhiana Stock Exchange Limited
DSE	Delhi Stock Exchange Limited
Equity Share(s) or Share(s)	Means the equity Shares of the company having in face value of Rs.10/- Unless Specified otherwise in the context thereof.
Financial Year /Fiscal /FY	Period of 12 month ended on march 31 of that particular year unless stated otherwise.
Memorandum/ Memorandum of Association	Memorandum of Association of the Company
PMLA	The Prevention of money Laundering Act,2002
Promoter(s)	Dr. Ajay Satia
Promoter Group	Unless the context otherwise requires, refers to such person who constitute the promoter group of our
ROC	Registrar of Companies, Punjab, Himachal and Chandigarh
SEBI	Securities and Exchange Board of India

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Stock Exchange	Shall refer to the BSE Limited Where the shares of the Company proposed to list
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FORWARD LOOKING STATEMENT

The actual result may defer materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectation with respect to ,but not limited to:

- General economic and business conditions in India and other countries;
- Regulatory changes and our ability to respond to them;
- Our ability to successfully implement our strategy, our growth and expansion plans ;
- Technological changes;

Our Exposure to market risk ,general economic and political conditions in india which have a impact on our business activities on investment;

The monetary and fiscal policies of India ,inflation deflation ,unanticipated turbulence in interest rates, foreign exchange rates, equity price or other rates or prices the performance of the financial market in India and globally;

Changes in domestic and foreign law, regulation and taxes and changes in competition in our industry.

For further discussion of factors that could cause our actual results to differ, see the section' titled "Risk Factors" of this Information Memorandum. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

REGULATION & POLICIES APPLICABLE IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our C?mpany, The information detailed in this chapter has been obtained from publications available In the public domain, The regulations set out below may not be exhaustive, and are only intended to provide general information' to the investors and are neither designed nor intended to substitute for professional legal advice,

The Companies Act, 1956/2013

The Act deals with laws relating to companies and certain other associations, It was enacted by the parliament in 2013, The Companies Act primarily regulates the formation, financing, functioning and winding up of companies, The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies, Regulation of the financial and management aspects constitutes the main focus of the Act, In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection,

Regulation of Foreign Investment in India

Foreign investment in India is primarily governed by the provisions of ti:1e Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations promulgated there under. The RBI, in exercise of its powers under FEMA, has notified the Foreign Exchange Management

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(Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") which prohibit, restrict and regulate, transfer or issue of securities, to a person resident outside India. Pursuant to the FEMA Regulations, no prior consent or approval is required from the RBI for foreign direct investment under the "automatic route" within the specified sectoral caps prescribed for various industrial sectors, In respect of all industries not specified under the automatic route, and in respect of investments in excess of the specified sectoral limits under the automatic route, approval for such investment may be required from the FIPB and/or the RBI. Further, Fils may purchase shares and convertible debentures of an Indian company under the portfolio investment scheme through registered brokers on recognized stock exchanges in India, Regulation 1 (4) of Schedule II of the FEMA Regulations provides that the total holding by each FII or SEBI approved sub-account of an FII shall not exceed 10% of the total paid-up equity capital of an Indian company or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all Fils and sub accounts of Fils added together shall not exceed 24% of the paid-up equity capital or paid-up value of each series of convertible debentures, However, this limit of 24% may be increased up to the statutory ceiling as applicable, by the Indian company concerned passing a resolution by its board of directors followed by the passing of a special resolution to, the same effect by its shareholders,

Transfer of Property

Transfer of Property Act, 1882

The transfer of property is governed by the Transfer of Property Act, 1882 ("T,P, Act"), The T,P, Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property

Registration Act, 1908

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

The Easements Act. 1882

The law relating to easements is governed by the Easements Act, 1882 ("Easements Act").The right of easement is derived from the ownership of property and has been defined under the Easements Act to mean a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done in respect of certain other land not his own. Under this law an easement may be acquired by the owner of immovable property, i.e. the "dominant owner", or on his behalf by the person in possession of the property. Such a right may also arise out of necessity or by virtue of a local

Indian Stamp Act. 1899

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The Indian Stamp Act, 1899 ("Stamp Act") and the relevant State Stamp Acts provide for the imposition of stamp duty at specified rates on instruments listed in Schedule I of the Act. The applicable rates for stamp duty on these instruments, including those relating to conveyance, are prescribed by state legislation. Instruments chargeable to duty under the Stamp Act which are not duly stamped are inadmissible in a court of law and have no evidentiary value. Public officials have the power to impound such documents and if the executor wants to rectify them, he may have to pay a penalty of up to 10 times the original stamp value.

Income-tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

Service Tax

Chapter V of the Finance Act 1994 (as amended), and Chapter V-A of the Finance Act 2003 requires that where provision of certain listed services, whole taxable services exceeds Rs. 10,00,000, a service tax with respect to the same must be paid. Every person who is liable to pay service tax must register himself for the same.

Trade Marks Act, 1999

The Indian law on trademarks is enshrined in the Trade Marks Act, 1999. Under the existing legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The trademark once applied for, is advertised in the trademarks journal, oppositions, if any are invited and after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

Copyright Act, 1957

The Copyright Act, 1957 came into effect from January 1958. Copyright is an exclusive right. The statutory definition of Copyright is the exclusive right to do or authorizes others to do certain acts in relation to Literary, dramatic or musical works, Artistic work Cinematograph film; and. Sound recording. The purpose of recognizing & protecting the copyright of an author is to statutorily protect his work & inspire him to exercise his creative faculties. Copyright is granted for a specific period of time. Whether an act is an infringement or not would depend on the fact whether copyright is subsisting in the work or not. In case the copyright has expired, the work falls in the public domain & any act of reproduction of the work by any person other than then the author would not amount to infringement.

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Securities Contract (Regulation) Act, 1956

The Securities Contract (Regulation) Act, 1956 and Securities Contracts (Regulation) Rules, 1957, regulates the transactions in the securities of the Company and control the working of Stock exchanges in India. This Act and rules framed there under are applicable to Company.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time ("Insider Trading Regulations") govern the law with respect to insider trading in India. The Insider Trading Regulations inter alia prohibit all insiders from dealing in securities of a listed company when the insider is in possession of unpublished price sensitive information ("UPSI"). It further prohibits an insider from communicating, counselling or procuring, directly or indirectly, any UPSI to any person who while in possession of such UPSI is likely to deal in such securities.

Information is said to be price sensitive if it is likely to, directly or indirectly, materially affect the price of the securities of the company to which it relates. Under the Insider Trading Regulations, the concept of an "insider" is related to those of a connected person and a deemed connected person. A person is said to be connected to a company when he or she is a director, employee or officer in the company or stands in a professional or business relationship with the company and when he or she may reasonably be expected to have access to UPSI and includes inter alia market intermediaries, Merchant Bankers, share transfer agents, registrars to an issue, debenture trustees, brokers, Portfolio Managers, investment advisors.

The Insider Trading Regulations further provide that all listed companies and organisations associated with the securities market including inter alia intermediaries as defined under the SEBI Act, asset management companies, trustees of mutual funds etc. should frame a code of internal procedures and conduct based on the Model Code of Conduct specified under the Insider Trading Regulations. ~-

II. RISK FACTOR

An investment in equity securities involves a high degree of risk. Investors should carefully consider all of the information in this Information memorandum, including the risks and uncertainties described below, before making an investment in our Equity Shares. Occurrence of any of the following risks as well as the other risks and uncertainties discussed in this Information Memorandum could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss to the investor.

A. INTERNAL RISK

1. Risks relating to business operations.

The operations of the Company are subject to the assumptions in demand and supply position in terms of quantity and price of Paper.

2. The Company's revenues may vary during any financial year

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The Company's operating results may vary during any financial year depending upon a number of factors, including the raw material price i.e wheat straw, waste paper , size and timing of significant contract and product sales; product revenues; sales; the ability to scale up operation; termination of a major order; loss of a major customer; reduction in customer demand; success in expanding our presence and other general economic factors. As a result, revenues and operating results may fluctuate during the year and are difficult to predict. Thus, any adverse fluctuations in revenues and operating results may have an adverse impact on business. financial condition and results of operations and ability to generate profits and pay dividends. Therefore, historical financial results may not be an accurate indicator of future performance.

B. EXTERNAL RISK

1) A slowdown in economic growth in India could cause our business to suffer

Our performance and the growth are necessarily dependent on the health of the overall Indian economy. As a result, a slowdown in the Indian economy could adversely affect our business. India's economy could be adversely affected by a general rise in interest rates, inflation, natural calamities, such as earthquakes, tsunamis, floods and drought, increases in Commodity and energy prices, and protectionist efforts in other countries or various other factors. In addition, the Indian economy is in a state of economic transition. It is difficult to gauge the impact of these fundamental economic changes on our business.

2.) Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business.

Our performance, market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. The government has usually been multi-party coalitions with differing agendas. Any political instability could affect the rate of economic liberalization and the specific laws and policies affecting foreign investment, and our industry in particular. Other matters affecting investment in the Equity Shares could change as well. A significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally, and our business in particular, if new restrictions on the private sector are introduced or if existing restrictions are increased.

3) Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets and worldwide financial markets. These acts may also result in a loss of business confidence, making travel and other services more difficult and ultimately adversely affecting our business. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as

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other adverse social, economic and political events in India could have a negative impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

4) Increases in interest rates may affect our results of operations

Increases in interest rates will adversely affect the cost of our borrowings. We cannot assure you that we will be able to enter into interest hedging contracts or other financial arrangements on commercially reasonable terms, or that any of such agreements will protect us fully against our interest rate risk. Any increase in interest expense may have an adverse effect on our business, prospects, financial condition and results of operations.

5) Increase in price of Waste Paper

Price of imported wastepaper is fluctuating due to recent high fluctuation in US Dollar against INR. Growing competition in the paper industry may disturb the projections. Govt. Policy changes, if any, could impact growth/profitability. Waste chemical of the company can hamper the environment and Govt. Policy on this may have impact on this kind of industries. Any increase in rate of interest may affect viability of the project.

SWOT Analysis

Strengths & Weakness

Accepted product quality
The Company has installed CRP, Twin roll presses, new continuous digester and modification of paper machine which will reduce the cost of production and improve the quality and sale ability in the market.
With the installation of CRP, one of the major requirements of pollution Control Board has been met with.
The Company is Commissioning the project of Co-generation with installation of new multi fuel Boiler of 75 ton capacity and matching new TG set of 12.5MW which will substantially reduce the power & fuel cost thereby improving the profitability.
Raw material i.e wheat straw, sarkanda etc are abundantly available within the radius of 50 kms of the unit at competitive rates.
Inherent expertise in core business areas of paper & the promoters are well experienced in the line of activity since 29 years.
Weaknesses:
Agro based raw material is seasonal. Hence scarcity of which can deteriorate the projected profitability
Price of imported waste paper is fluctuating.
Growing competition in the paper industry may disturb the projections.
Govt. Policy change if any, could impact growth/profitability.

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III- GENERAL INFORMATION

This is only a summary. Investors should read the following summary with the Risk Factors mentioned and the more detailed information about us and our financial statements included elsewhere in this Information Memorandum

1. SUMMARY OF INDUSTRY & BUSINESS

The Indian Paper Industry accounts for about 2.6% of the world's production of paper. The estimated turnover of the industry is INR 50,000 crore approximately and its contribution to the exchequer is around INR 4500 crore. The industry provides employment to more than 0.5 million people directly and 1.5 million people indirectly. Most of the paper mills are in existence for a long time and hence present technologies fall in a wide spectrum ranging from oldest to the most modern. The mills use a variety of raw material viz. wood, bamboo, recycled fibre, bagasse, wheat straw, rice husk, etc.; approximately 31% are based on chemical pulp, 47% on recycled fibre and 22% on agro-residues. The geographical spread of the industry as well as market is mainly responsible for regional balance of production and consumption. The operating capacity of the industry currently stands at 12.75 million tons. During 2013-14, domestic production is estimated to be 11.38 million tons. As per industry guesstimates, over all paper consumption has now touched 13.10 million tons and per capita consumption is pegged at 10 kg. Demand of paper has been hovering around 8% for some time. So far, the growth in paper industry has mirrored the growth in GDP. India is the fastest growing market for paper globally and it presents an exciting scenario; paper consumption is poised for a big leap forward in sync with the economic growth and is estimated to touch 13.95 million tons by 2015-16. The futuristic view is that growth in paper consumption would be in multiples of GDP and hence an increase in consumption by one kg per capita would lead to an increase in demand of 1 million tons.

2. BUSINESS OVERVIEW

M/s. Satia Paper Mills Ltd. was set up by Dr. Ajay Satia for manufacturing printing & writing paper in assisted sector with PSIDC at a total project cost INR 238.25 lacs with an installed capacity of 4950 tpa. This was totally integrated paper mill with its own pulping facilities based on Agro-residue. Company commenced commercial operations in August, 1984. In second stage the Satia Paper Mills Ltd. initiated the process of increasing the production capacity from 4950 tpa to 6600 tpa by taking the re-balancing, de-bottle necking process at a project cost of INR 392.73 lac. Further increasing the production capacity from 6600 tpa to 13000 tpa IN 1989, this time the expansion process was solely financed through internal accruals of earlier year. In the year 1998, the capacity of mill was increased from 13000 tpa to 40000 tpa with an investment of INR 3440 lacs, In 2001 for increasing the efficiency of operations & for reduction of chemical consumption, continuous digester, de-inking plant, oxygen-bleaching plant were installed & commissioned. The company has installed Turbine Generating Sets (2 Nos). 1st T.G. Set of 5MW was commissioned in 2003 at a cost of Rs. 347 lacs and 2nd T.G. Set of 5MW was commissioned in 2006 at a cost of Rs. 365 lacs and the company is meeting 75% of its requirement of power from own resources. The company has installed new Unbleached Pulping Section (Brown Stock Washers 4 Nos) in 2004, Bleaching Washers 2 Nos in 2006, Hypo Washer No.1 in 2007, Hypo Washer No.2 in f. y. 2008 i.e. almost new pulping section. To improve the economic viability of the unit and also meet the requirement of pollution control, the company has installed Chemical Recovery Plant at a cost of Rs. 25 crores in 2006 which is contributing cash accruals of Rs. 800 lacs per annum. In

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this process, caustic soda used in the process is recovered to the extent of 85 to 90% of its consumption in the cooking of agro based raw materials. To meet the increased requirement of steam, the company has installed New Boiler in 2006 at a cost of Rs.530 lacs and modification of existing boiler no.4 at a cost of Rs. 327 lacs has been completed in May 2007

Modification of Paper Machine No.3 at a cost of Rs. 1113 lacs (f.y 2009-10)

- Installing new T.G. Set 1 MW (f.y.2008-09- Commissioned in August, 2008)
- Installation of Dewatering Presses 2 Nos. at cost of Rs. 562 lacs
- The company also installed new Head Box on Paper Machine No. 3 at cost of Rs.311 lacs during f. y. 2008-09

The company has installed new continuous digester at a cost of Rs. 565 lacs (f. y. 2009-10)

- The company has enhanced capacity of Chemical Recovery Plant at a cost of 638 lacs (f. y. 2009-10)

the company has taken up following projects at total cost of Rs. 40.80 crores for which fresh term loan of rs. 27.20 crores has been sanctioned by the bank:

- R.O. Plant & ETP which has been completed

-ESP Expansion of Chemical Recovery Plant which has been completed in f.y 2010-11

-Expansion of Caustic zing Section of Chemical recovery Plant which has been completed in f.y. 2010-11.

-Twin Roll Presses in Pulping Section which has been completed in f.y.2010-11.

-Installing new Press Part of Paper Machine No 3 which has been commissioned in February, 2012.

- New Turbo Generating Set of 12.5 MW commissioned in July, 2012

IV FINANCIAL PERFORMANCE OF THE COMPANY

The performance of the company remained marginal till 1988-89 due to situation in Punjab and unsatisfactory power supply. During 1989 to 1997 the performance improved and company improved sales, profits and added capacity in 1997-98. However, the delay in installation of the project resulted in commercial production commencing late in December 1998,. However, with the efforts made by the management, the company earned net profits during the F.Y.2000-01 (Rs 106.78 lacs) and F.Y. 2001-02 (Rs. 132.71 lacs). The performance of the company was marginal during f.y. 2003-04 and 2004-2005 due to increase in price of raw materials and chemicals (Caustic soda). However the company improved its performance since f.y. 2005-06 earning net profit of Rs. 891 lacs (PAT). The company has earned profit (PBDT) of Rs. 1525 lacs during f.y. 2006-2007, Rs. 1511 Lacs during f.y. 2007-08, Rs. 2006 lacs during the f y 2008-09 and Rs. 1894 lacs during f.y. 2009-10 (due to shut of Paper Machine no. 3 for 40 days for major modifications to enhance its production). The company has earned PAT 523.17 lacs for the during f.y. 2010-11 , Rs 399.04 lacs for the year 2011-12, Rs 1388.18 lacs for the 2012-13 lacs and Rs 1349.67 lacs for the year 2013-14.

a) Business activities

Manufacture of Writing and Printing of Paper

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FINANCIAL INFORMATION

1. Financial Indebtedness: - Secured Borrowings

The Company has the following secured borrowings as on 31st March. 2014.

- | | |
|---------------------------------|-----------------|
| i. Long Term Borrowing from PNB | Rs 3263.33 lacs |
| 2 From Central Bank of India | Rs 1961.06 lacs |
| 3 Vehicles Loans | Rs 290.67 lacs |
| 4 Short Term Borrowing PNB | Rs 3776.61 lacs |
| 5. Short Term from CBI | Rs 841.42 lacs |

2. Stock Market Data For Our Equity Shares The Equity Shares of our Company have not been traded on LSE and DSE since last three years from the date of this Information Memorandum.

3. Related Party Transaction

No material significant related party Transaction has occurred .

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<i>Financial Performance for the last five Years</i>		Rs in Lacs				
Sr	Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Income						
1	Net Sales	38343.37	27845.18	23925.39	32040.06	25965.69
2	Other Income	348.43	338.89	333.15	480.67	482.88
3	Total Revenue	38691.80	28184.07	24258.54	32520.73	26448.57
4 Expenditures						
A	Cost of Material Consumed	15350.34	10382.08	9300.18	10078.70	8860.63
B	Cost of Purchase of Traded Goods	672.59	163.08	34.61	9452.35	6094.78
C	Change in Inventories of Finished Goods, work in progress, stocks in trade	648.06	226.65	-215.63	-388.05	-545.03
D	Employees benefit Expenses	2222.32	1779.50	1478.86	1428.29	1202.49
E	Finance Cost	1557.85	1479.06	1428.49	1255.77	983.88
F	Depreciation and Amortization	2670.53	1005.19	910.21	880.90	782.86
G	Other Expenses	14480.00	11195.37	10810.45	9043.96	7952.28
	Total Expenses	37601.69	26220.82	23747.16	31751.92	25331.89
5	Profit before exceptional and extraordinary item	1090.11	1963.25	511.38	768.81	1116.68
6	Prior period adjustment expenses (income)	0	0	0	0	5.69
7	Exceptional items	0	0	0	0	0
8	Profit before extraordinary item	1090.11	1963.25	511.38	768.81	1110.99
9	Extra Ordinary items	38.01	68.81	13.68	20.89	0
10	Profit before Tax	1052.10	1894.44	497.70	747.92	1110.99
11	Tax Expenses					
12	Tax for earlier year paid/adjusted	0	0	0	0.10	-28.80
13	1) Current Tax	710.00	0	100.29	149.06	188.81
	2) Deferred Tax	-1007.57	506.26	-1.63	134.41	402.03
	Mat Credit Entitlement	0	0	0	58.83	188.81
14	Profit	1349.67	1388.16	399.04	523.17	737.75

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Sr	Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Equity and Liabilities						
1	Share Capital	1000.00	1000.00	1000.00	1000.00	1000.00
2	Reserve and Surplus	7474.35	6124.68	4736.50	4337.46	3814.29
3	Share application Money	100.00	100.00	100.00	100.00	100.00
Non Current Liabilities						
4	Long Term Borrowing	5515.06	4366.06	6060.87	5268.68	5729.22
5	Deferred Tax Liabilities	1410.22	2417.79	1911.53	1913.16	1778.75
6	Other Long Term Liabilities	7423.67	6119.25	4921.58	4498.83	3898.86
7	Long Term Provision	550.29	334.26	289.51	0	0
Current Liabilities						
8	Short Term Borrowing	4618.03	3852.16	3409.62	3206.32	3100.48
9	Trade Payable	2621.28	2110.81	3666.48	4068.98	5766.21
10	Other Current Liabilities	937.62	843.09	622.12	649.80	649.80
11	Short Term Provisions	116.19	281.95	00	322.64	400.52
	Total	31766.71	27550.05	26718.21	25365.87	26564.55

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

	ASSETS					
1	Tangible Assets	15626.21	16257.47	12252.21	12553.89	12502.11
2	Intangible Assets	0	0	0	0	0
3	Capital Work in Progress	3317.19	624.35	3780.93	1708.16	1317.47
4	Intangible Assets under Development	0	0	0	0	0
	Current Assets					
5	Non- Current Investment	1127.00	1127.00	727.00	647.00	- 465.00
6	Inventories	2707.76	2431.83	3593.23	2976.87	2354.22
7	Trade Receivables	7390.87	4606.48	4145.77	3950.68	3554.79
8	Cash and Cash Equivalent	475.58	330.52	235.44	223.30	225.80
9	Short Term Loan and Advances	663.98	1108.36	1356.04	3300.27	6134.39
10	Other Current Assets	458.12	1064.04	627.59	5.71	10.78
	Total	31766.71	27550.05	26718.21	25365.87	26564.55

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2010

			(Rs.in Lacs)
	CURRENT YEAR	PREVIOUSYEAR	
A. CASH FLOW FROM OPERATING ACTIVITIES			
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS	1116.67		1,380.35
ADJUSTMENT FOR :-			
DEPRECIATION	782.86		626.78
LOSS ON SALE OF FIXED ASSETS	0.33		11.05
INTEREST & OTHER FINANCIAL CHARGES	928.54		805.06
PROVISION FOR GRATUITY & EARNED LEAVE	-30.13		76.01
INTEREST RECEIVED (GROSS)	-19.64		(10.78)
INCOME FROM INVESTMENT	0.00		0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	2,778.63		2,888.46
ADJUSTMENT FOR			
TRADE & OTHER RECEIVABLES	-3853.25	(1,339.04)	
INVENTORY INCREASE	-940.01	(138.99)	
TRADE PAYABLE/OTHER LIABILITIES	2459.1	(2334.16)	1,335.68
CASH GENERATED FROM OPERATIONS	444.47		(142.35)
PRIOR-PERIOD EXPENSES/(INCOME)	-5.69	(1.15)	
DIRECT TAXES PAID/ADJUSTED	-104.08	(109.77)	1,335.68
NET CASH FLOW FROM OPERATING ACTIVITIES(A)	334.70	(214.35)	2,746.11
B. CASH FLOW FROM INVESTING ACTIVITIES			
INTEREST RECEIVED	19.64		10.78
SALE OF FIXED ASSETS	0.17		7.68
INVESTMENT MADE DURING THE YEAR	-465		0.00
SALE OF INVESTMENT	0		0.00
INCOME FROM INVESTMENT	0		0.00
PURCHASE OF FIXED ASSETS	-3697.05	(3,697.05)	(2,535.57)
NET CASH USED IN INVESTING ACTIVITIES(B)	(4,142.24)	(2,535.57)	(2,517.11)
C. CASH FLOW FROM FINANCING ACTIVITIES			
SHARE APPLICATION MONEY	0		0.00
PROCEEDS FROM LONG TERM BORROWINGS	2271.19		2,118.01
REPAYMENT OF LONG TERM BORROWINGS	-1543.6		(1,168.72)
INCREASE IN WORKING CAPITALBORROWINGS			
PROCEEDS FROM WORKING CAPITAL	1206.30		(103.26)
REPAYMENT OF OTHER LOANS	-95.82		
PROCEEDS FROM OTHER LOANS	2433.68		104.82
INTEREST PAID*	-928.54		(805.06)
NET CASH FLOW FROM FINANCING ACITIVITES(C)	3343.21		145.79
NET CASH INCREASE/(DECREASE)IN CASH & CASH EQUIVALENTS	-464.33		159.30
CASH AND CASH EQUIVALENTS AT THE BEGINNING	690.13		530.83
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	225.80		690.13

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2011

(Rs. in Lacs)

	CURRENT YEAR	PREVIOUS YEAR
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS	768.80	1116.67
ADJUSTMENT FOR :-		
DEPRECIATION	880.9	782.86
LOSS ON SALE OF FIXED ASSETS	-9.43	0.33
INTEREST & OTHER FINANCIAL CHARGES	1202.63	928.54
PROVISION FOR GRATUITY & EARNED LEAVE	13.05	-30.13
INTEREST RECEIVED (GROSS)	-36.26	-19.64
INCOME FROM INVESTMENT	0	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	2,819.69	2,778.63
ADJUSTMENT FOR		
TRADE & OTHER RECEIVABLES	2502.14	1956.96
INVENTORY INCREASE	-622.65	-940.01
TRADE PAYABLE/OTHER LIABILITIES	-2023.73	(144.24)
CASH GENERATED FROM OPERATIONS	2,675.45	562.81
PRIOR-PERIOD EXPENSES/(INCOME)	-20.89	(2334.16)
DIRECT TAXES PAID/ADJUSTED	-239.99	(444.47)
NET CASH FLOW FROM OPERATING ACTIVITIES(A)	2,414.57	-5.69
		(109.77)
		334.70
CASH FLOW FROM INVESTING ACTIVITIES		
INTEREST RECEIVED	36.26	19.64
SALE OF FIXED ASSETS	61.57	0.17
INVESTMENT MADE DURING THE YEAR	-182.00	-465
SALE OF INVESTMENT	0	0
INCOME FROM INVESTMENT	0	0
PURCHASE OF FIXED ASSETS	-1375.52	-
NET CASH USED IN INVESTING ACTIVITIES(B)	(1,375.52)	3697.05
	(1,459.69)	(3,697.05)
CASH FLOW FROM FINANCING ACTIVITIES		
SHARE APPLICATION MONEY	0	0
PROCEEDS FROM LONG TERM BORROWINGS	1168.20	2271.19
REPAYMENT OF LONG TERM BORROWINGS	-1628.74	-1543.6
INCREASE IN WORKING CAPITALBORROWINGS		
PROCEEDS FROM WORKING CAPITAL BORROWINGS	105.84	1206.30
REPAYMENT OF OTHER LOANS	-2508.24	-95.82
PROCEEDS FROM OTHER LOANS	3108.19	2433.68
INTEREST PAID	-1202.63	-928.54
NET CASH FLOW FROM FINANCING ACITIVITES(C)	-957.38	3343.21
NET CASH INCREASE/(DECREASE)IN CASH & CASH EQUIVALENTS	-2.50	-464.33
CASH AND CASH EQUIVALENTS AT THE BEGINNING	225.80	690.13
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	223.30	225.80

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

	CURRENT YEAR		(Rs. in Lacs) PREVIOUS YEAR
A. CASH FLOW FROM OPERATING ACTIVITIES			
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS	511.38		768.80
ADJUSTMENT FOR :-			
DEPRECIATION	910.21		880.9
LOSS ON SALE OF FIXED ASSETS	-1.00		-9.43
INTEREST & OTHER FINANCIAL CHARGES	1386.06		1202.63
PROVISION FOR GRATUITY & EARNED LEAVE	23.35		13.05
INTEREST RECEIVED (GROSS)	-29.12		-36.26
INCOME FROM INVESTMENT	0		0
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	2800.88		2819.69
ADJUSTMENT FOR			
TRADE & OTHER RECEIVABLES	1127.24	2502.14	
INVENTORY INCREASE	-616.36	-622.65	
TRADE PAYABLE/OTHER LIABILITIES	-430.17	80.71	-2023.73
CASH GENERATED FROM OPERATIONS	2,881.59		2,675.45
PRIOR-PERIOD EXPENSES/(INCOME)	-13.68		-20.89
DIRECT TAXES PAID/ADJUSTED	-149.13	(162.81)	-239.99
NET CASH FLOW FROM OPERATING ACTIVITIES(A)	2718.78		2414.57
B. CASH FLOW FROM INVESTING ACTIVITIES			
INTEREST RECEIVED	29.12		36.26
SALE OF FIXED ASSETS	55.17		61.57
INVESTMENT MADE DURING THE YEAR	-80.00		-182.00
SALE OF INVESTMENT	0		0
INCOME FROM INVESTMENT	0		0
PURCHASE OF FIXED ASSETS	-2735.47	-2735.47	-1375.52
NET CASH USED IN INVESTING ACTIVITIES(B)	(2,731.18)		(1,459.69)
C. CASH FLOW FROM FINANCING ACTIVITIES			
SHARE APPLICATION MONEY	0		0
PROCEEDS FROM LONG TERM BORROWINGS	2553.21		1168.20
REPAYMENT OF LONG TERM BORROWINGS	-1792.96		-1628.74
INCREASE IN WORKING CAPITALBORROWINGS			
PROCEEDS FROM WORKING CAPITAL BORROWINGS	203.30		105.84
REPAYMENT OF OTHER LOANS	-146.79		-2508.24
PROCEEDS FROM OTHER LOANS	569.56		3108.19
INTEREST PAID	-1386.06		-1202.63
NET CASH FLOW FROM FINANCING ACITIVITES(C)	0.26		-957.38
NET CASH INCREASE/(DECREASE)IN CASH & CASH EQUIVALENTS	12.14		-2.50
CASH AND CASH EQUIVALENTS AT THE BEGINNING	223.30		-225.80
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	235.44		223.30

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

	CURRENT YEAR		(Rs. in Lacs) PREVIOUS YEAR
A. CASH FLOW FROM OPERATING ACTIVITIES			
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS	1963.25		511.38
ADJUSTMENT FOR :-			
DEPRECIATION	1005.19		910.21
LOSS ON SALE OF FIXED ASSETS	11.46		-1.00
INTEREST & OTHER FINANCIAL CHARGES	1434.06		1386.06
PROVISION FOR GRATUITY & EARNED LEAVE	44.75		23.35
INTEREST RECEIVED (GROSS)	-38.42		-29.12
INCOME FROM INVESTMENT	0		0
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,420.29		2,800.88
ADJUSTMENT FOR			
TRADE & OTHER RECEIVABLES	-660.83	1127.24	
INVENTORY INCREASE	1161.40	-616.36	
TRADE PAYABLE/OTHER LIABILITIES	-1041.40	(540.83)	-430.17
			80.71
CASH GENERATED FROM OPERATIONS	3,879.46		2,881.59
PRIOR-PERIOD EXPENSES/(INCOME)	-68.81	-13.68	
DIRECT TAXES PAID/ADJUSTED	0	(68.81)	-149.13
			(162.81)
NET CASH FLOW FROM OPERATING ACTIVITIES(A)	3,810.65		2,718.78
B CASH FLOW FROM INVESTING ACTIVITIES			
INTEREST RECEIVED	38.42		29.12
SALE OF FIXED ASSETS	19.34		55.17
INVESTMENT MADE DURING THE YEAR	-400.00		-80.00
SALE OF INVESTMENT	0		0
INCOME FROM INVESTMENT	0		0
PURCHASE OF FIXED ASSETS	1884.68	-1884.68	2735.47
NET CASH USED IN INVESTING ACTIVITIES(B)		(2,226.92)	-2735.47
			(2,731.18)
C CASH FLOW FROM FINANCING ACTIVITIES			
SHARE APPLICATION MONEY	0		0
PROCEEDS FROM LONG TERM BORROWINGS	416.25		2553.21
REPAYMENT OF LONG TERM BORROWINGS	-2111.05		-1792.96
INCREASE IN WORKING CAPITALBORROWINGS			
PROCEEDS FROM WORKING CAPITAL BORROWINGS	442.54		203.30
REPAYMENT OF OTHER LOANS & SECURITY DEPOSITS	-2227.70		-146.79
PROCEEDS FROM OTHER LOANS & SECURITY DEPOSITS	3425.37		569.56
INTEREST PAID	-1434.06		-1386.06
NET CASH FLOW FROM FINANCING ACITIVITES(C)	-1488.65		0.26
NET CASH INCREASE/(DECREASE)IN CASH & CASH EQUIVALENTS	95.08		12.14
CASH AND CASH EQUIVALENTS AT THE BEGINNING	235.44		223.30
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	330.52		235.44

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014

			(Rs. in Lacs)	
	CURRENT YEAR		PREVIOUS YEAR	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS		1090.11		1963.25
ADJUSTMENT FOR :-				
DEPRECIATION		2670.53		1005.19
LOSS ON SALE OF FIXED ASSETS		308.22		11.46
INTEREST & OTHER FINANCIAL CHARGES		1438.50		1434.06
PROVISION FOR GRATUITY & EARNED LEAVE		216.03		44.75
INTEREST RECEIVED (GROSS)		-29.17		-38.42
INCOME FROM INVESTMENT		0		0
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		5,694.22		4,420.29
ADJUSTMENT FOR				
TRADE & OTHER RECEIVABLES	-2223.44		-660.83	
INVENTORY INCREASE/DECREASE (-)	-275.93		1161.40	
TRADE PAYABLE/OTHER LIABILITIES	605.00	(1894.37)	1041.40	(540.83)
CASH GENERATED FROM OPERATIONS		3,799.85		3,879.46
PRIOR-PERIOD EXPENSES/(INCOME)	-38.01		-68.81	
DIRECT TAXES PAID/ADJUSTED	-436.70	(474.71)	0	(68.81)
NET CASH FLOW FROM OPERATING ACTIVITIES(A)		3,325.14		3,810.65
B. CASH FLOW FROM INVESTING ACTIVITIES				
INTEREST RECEIVED		29.17		38.42
SALE OF FIXED ASSETS		544.00		19.34
INVESTMENT MADE DURING THE YEAR		0.00		-400.00
SALE OF INVESTMENT		0.00		0.00
INCOME FROM INVESTMENT		0.00		0.00
PURCHASE OF FIXED ASSETS	--5534.03	-5534.03	-1884.7	-1884.68
NET CASH USED IN INVESTING ACTIVITIES(B)		(4,960.86)		(2,226.92)
C. CASH FLOW FROM FINANCING ACTIVITIES				
SHARE APPLICATION MONEY		0		0
PROCEEDS FROM LONG TERM BORROWINGS		2976.30		416.25
REPAYMENT OF LONG TERM BORROWINGS		-1827.31		-2111.05
INCREASE IN WORKING CAPITALBORROWINGS				
PROCEEDS FROM WORKING CAPITAL BORROWINGS		765.87		442.54
REPAYMENT OF OTHER LOANS & SECURITY DEPOSITS		-3194.05		-2227.70
PROCEEDS FROM OTHER LOANS & SECURITY DEPOSITS		4498.47		3425.37
INTEREST PAID		-1438.50		-1434.06
NET CASH FLOW FROM FINANCING ACITIVITES(C)		1780.78		-1488.65
NET CASH INCREASE/(DECREASE)IN CASH & CASH EQUIVALENTS		145.06		95.08
CASH AND CASH EQUIVALENTS AT THE BEGINNING		330.52		235.44
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		475.58		330.52

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

V. BRIEF ABOUT COMPANY AND MANAGEMENT

Satia Industries Ltd has developed an in house presentation system by all the department of the Company on quarterly basis to review the operation and performance of the Company. The Company Audit Committee and Board of Directors also meet regularly and advise for strengthening the corporate governances, the maximization of returns and minimization of risk. The Company is having writing and Printing Paper, Chemical Recovery and Co-generation plants at VPO Rupana, Malout –Muktsar Road, distt Muktsar and also engaged in the trading activities of the cotton and yarn. The Company has prepared the Balance sheet, profit and Loss account and other statement of accounts in compliance with the requirement of the Companies Act, 1956/2013 and as per mandatory accounting standard issued by the Institute of Chartered Accountants of India

Industry Structure and Development

India' s Pulp and Paper industry, as one of the old and core industrial manufacturing sector with a bearing on socio-economic development has undergone a significant change during the last three decades, especially after liberalization with globalization and advancement in printing sector paper manufacture were driven to adopt better technology and cost efficiency along with quality improvement. Further analysis reveals that, apart from rising production and consumption, erstwhile import dependent India, has achieved self-sufficiency and also witnessed tremendous increase in exports since liberalization. During the same time, the energy efficiency of the sector has improved while the raw-material consumption has seen drastic shift from conventional type to energy-efficient carbon-neutral non-conventional

Opportunities and threats

Satia Industries Limited has a very strong pulping base having capacity to make sufficient agro waste pulp besides significant capacity to make deinked pulp. along with a Strong marketing network and loyal customer base to fulfill increasing market demand with increase in production and productivity. Three different machines that give your company flexibility to cater to a wider range of market are major strengths. At the same time, the major threat being faced by your company is the stringent environmental regulation being imposed by the government. Increasing competition with globalization and emergence of new units with latest technology, threat of Zero import duty on paper inputs, raw material shortage and economy of scale.

Segmentation or product wise performance

Satia Industries Limited has introduced a premium quality paper 'super snow white paper' excelling in all qualities like brightness, formation, bulk and strength properties and its share in total production is increasing. This product has made a place for itself in the market. Plans to introduce photocopier paper under a brand name in near future are underway. There has been good demand for colored and azure laid paper made by your company. There has been more than full capacity utilization of manufacturing capacity of your company.

Internal Control Systems and their adequacy

There is adequate internal control system in the company through Internal Audit and regular operations review and efforts are being made to strengthen it.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

VI. MANAGEMENT DISCUSSION AND ANALYSIS

The Company was incorporated as "SATIA PAPER MILLS LIMITED" on 26th November, 1980 under the Companies Act, 1956 in the State of Punjab. The Company obtained certificate of Commencement of Business pursuant to Section 149(3) of the Companies Act, 1956 from the Registrar of Companies, Punjab, Himachal and Chandigarh vide certificate dated 26.11.1980 . The name of the Company was changes as "SATIA INDUSTRIES LIMITED on 11.08.2008"

The Company came out with its initial public offering in the year 1987 for 10, 20,000 Equity Shares of Rs. 10 each and obtained listing on LSE and DSE.

CIN NO: L21012PB1980PLC004329

Date of Incorporation : 26.11.1980

Date of commencement : 03.01.1981

Date of Change in Name : 11.08.2008

Address of Regd. Office : VPO Rupana, Distt. Muktsar (Pb.)

Pin code – 152026

Phone : 01633-262215, 262001

Fax no. 01633-263499

Email : satiapaper@gmail.com

MAIN OBJECTS OF THE COMPANY

The main objects of the company are as follows:

(1)To manufacture, buy, sell, supply, import ,export and deal in all kinds and types and qualities of paper and board including printing paper, art paper, coated and uncoated paper, waxed paper ,printed paper, marble paper, chrome paper, poster paper, Wanila paper, match paper, colored and whitepaper Sulphite paper, writing paper, bond paper, manifold paper, account book paper, security paper, packing and warping paper, tissue paper, craft paper, water proof paper, glassine paper ,grease-proof paper, parchment paper, photographic paper, sand paper, abrasive paper, emery paper, paper mache, valvet paper, news paper mats, plastic coated paper, cloth lined paper , photo mount paper, gum paper, box board, card board hard board art-board , steroflongs , presspahn board, wall-board, laminated board, vulcanized board, corrugated board, building board, mill board, file board, ivory card-board ,ticket board, all material including pulp, rags, waste cotton and cloth and all machinery used in manufacture of the same and all kinds and type of things articles and goods manufactured from pulp and paper and board.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

(2) To carry on the business of manufacturing all kinds of packing material including corrugated sheets and all kinds and types of containers made out of paper, rubber, plastic glass, PVC, wood, metal, cloth, leather, and other material.

(3).To carry on the business of manufactures, dealers, sellers, resellers, exporters and importers of chip board particle boards, hard boards, waste boards, insulation board, fire board ,strawboard, cardboards, millboards and or pasteboards and its bye-products made out of Bagasse wood bamboo, sawdust-rice husk, katha-residue fibrous grasses, hemp-flex, rags or any other raw material or agricultural waste, wood waste, forest waste, or waste material of all description.

(4)To carry on the business of manufacturers and dealers in all kinds and classes of pulp including sulphate and sulphate wood pulp, mechanical pulp, soda pulp, and paper including transparent, vellum writing, printing, glazed absorbent, news print wrapping, tissue cover, blotting, filter, bank or bond, badmal, brown buff or water proof, hand –made ,parchment, drawing ,laid craft, carbon, envelope and box and sraw, duplex and tripled boards ,art boards or any other kind of paper or boards and all kinds of articles in the manufacture of which any of the above paper or board is used.

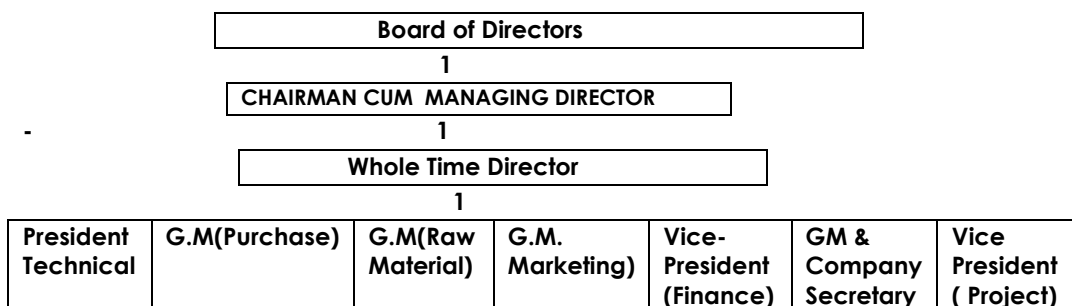
(5)To purchase, take on lease and otherwise acquire spinning mills, manufacturing yarns of all kinds i.e Cotton yarn, polyester yans, acrylic, nylon, viscose, polypropylene, blended, synthetic, regenerated, man made fibers, filaments ,yarns ,etc and ti buy sell, import, export, and deal in all kind of Yarns.

(6)To manufacture, import, export and deal in all type of textile ,erry towels, bed sheets yarns, readymade garments ,hosiery goods, spinners, weavers, manufactures, cotton textile etc.

Major Events

Events	Year
1980	Our Company was incorporated as " SATIA INDUSTRIES LIMITED "
1987	Initial Public Offering and listing of our Equity Shares on LSE and DSE

ORGANSITATIONAL STRUCTURE OF OUR COMPANY



INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

MANAGEMENT

Board of Directors

Under our Articles of Association, our Company is required to have not less than three (3) directors and not more than fourteen (14) directors. Our Company currently has three (10) directors on Board. The following table sets forth current details regarding our Board of Directors:

Details of Directors

Sr. No.	Name and father name	Date of Appointment	Status of the Director in our Company	Status of the Director in other Companies	Date of Birth
1	Dr. Ajay Satia S/o Sh Balraj Satia	26/11/1980	Chairman cum Managing Director	1) Director in RYM REALATORS PRIVATE LIMITED	29/06/1954
2	Sh. R.K.Bhandari S/o Sh MUKAND LAL BHANDARI	27/10/1994	Whole-time director	-NIL-	25/10/1957
3	Sh. Avantsa Krishna S/o AVANTSA VENKATA NARSINGH RAO	17/06/1991	Director	-NIL-	01/09/1934
4.	Sh.Avinash Chander Ahuja S/o JAIPAL AHUJA	29/06/2005	Director	1) Director- Genau Extrusions Ltd- Director 2) Chairman –Audit Committee- Genau Extrusions Ltd- Director	20/01/1943
5	Sh J.R. Sharma S/o Sh PARMA	01/11/2008	Whole Time Director	1) Director- Muktsar Logistics and Trading	20/06/1939

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

	NAND SHARMA			Private Ltd	
6	Sh. S.K. Arora S/o KASHMIR LAL ARORA	11/08/2011	Director	Director -in following Companies:- 1) V.J.Agritech (P) Ltd 2) Krishna Gardens (P) Ltd 3) Khera Baba Finlease and Investment (P) Ltd	29/06/1954
7	Sh.Dinesh Chand Sharma S/o Sh KASHMIR LAL ARORA	30/09/2010 16 475251	Director	Directors in following Companies:- 1) KSMG Constancy Services (P) Ltd 2) BIOR Venture Advisors Private Ltd 3) Vidhu Polymers (P) Ltd	25/10/1957
8	Sh.Inder dev Singh S/o Kartar Chand	14/05/2013	Director	-Nil-	01/09/1934
9	Smt. BINDU SATIA W/o Dr Ajay Satia	12/11/2014	Director	Director-T.C. Leasing and Investment (P) Ltd	29/01/1958
10	Sh CHIRAG SATIA	13/02/2015	Director	Director in RHINO OVERSEAS PRIVATE LIMITED	28/05/1992

Brief Profile of our Directors

1. Dr. Ajay Satia

Dr Ajay Satia, Chairman Cum Managing Director, MBBS, aged 61 Year, Satia Paper Mills Ltd. was set up by Dr.Ajay Satia in the year 1980 for manufacturing of printing & writing paper and Company started commercial production under his able guidance in the year 1984.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

2 Sh R.K.Bhandari

Sh R,K.Bhandari aged 58 Years, Whole Time Director. He has Master degree in Business Administration and looking after the marketing and administration of the Company since the last 26 years.

3 Sh A.C.Ahuja, Independent Director , B.E (Mech) from BITS Pilani,43 years experience, retired as ED of

4. Sh Dinesh Chand Sharma, Independent Director Master of Engineering(Cheical Engineer) Worked as CEO in Technology Development Board(TDB) Govt of India, and IFCI Venture Capital Funds

5 Sh S.K.Arora, Independent Director, Chartered Accountant, Practising Chartered Accounts

6. Sh A.Krishna, Independent Director, Chemical Engineer Pulp and Paper. 43 years experience as consultant in pulp and paper industry.

7 Sh I.D Singh , Independent Director, B.Com, CAIIB, LL.B 40 years experience at senior management position in Punjab National Bank,

8) Sh J.R.Sharma, Director (Legal) LL.B fourteen years experience as practicing advocate and more than 25 years experience in the Industry.

9) Smt Bindu Satia, (Woman Director) , Graduate and have the industrial experience

10) Sh Chirag Satia, Director have Industrial Experience.

Material Contracts

The Company has not entered into any material contract. concessions and similar other documents except those entered into in the ordinary course of the business carried on or intended to be carried on by the company.

Our Subsidiaries

Our Company at present has no subsidiary as on date of the Information Memorandum.

Our Group Companies

No Group Companies as on date of the Information Memorandum

. Collaborations

The Company has so far not entered into any technical or financial collaboration agreement.

9 Statement containing particulars of any commission, brokerage, discount or other special terms including an option for the issue of any kind of securities granted to any person, if applicable
Our Company at present has no subsidiary as on date of the Information Memorandum.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

No. Our Company has not given commission, brokerage, discount or other special terms including an option for the issue of any kind of securities granted to any person

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

CONTACT NOS 011-29961281-83,

FAX 011-29961284

E-mail beetal@rediffmail.com

Auditor to the Company

Rakesh Bansal & Company

Chartered Accountants,

New Grain Market

Muktsar

Banker to the Company

- 1) Punjab National Bank,
Main Branch Muktsar
- 2) Central Bank Of India
Abohar Road, Muktsar
- 3) Indian Overseas Bank
SCO 11-12, New Grain Market
Muktsar-152026

Compliance Officer

Sh Rakesh Kumar Dhuria is the Company Secretary & Compliance Officer of the Company. (Investors can contact the Compliance Officer and Registrar & Share Transfer Agent in case of transfer, transmission, conversion, endorsement, consolidation, splitting of shares, issue of duplicate certificate or any other related problem.)

Now the Equity Shares of the Company i.e. Satia Industries Limited, shall be admitted to trading on BSE. Such admission for trading will be subject to fulfillment by the Company of listing criteria of BSE for such issues and

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

also subject to such other terms and conditions as may be prescribed by BSE at the time of the application by the Company seeking listing.

Eligibility Criterion

The Company is submitting its Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues as applicable, to BSE for making the said Information Memorandum available to public through their website viz .• www.bseindia.com. The information memorandum shall also be available at the site of our Company www.satiagroup.com

Prohibition by SEBI

The Company, its Directors, its Promoters, other companies promoted by the Promoters and companies with which the Company's Directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI

Caution

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section, of, the investors in any manner.

Disclaimer Clause of BSE As required, a copy of this Information Memorandum is being submitted to BSE. The BSE does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- Warrant that this Company's securities will be traded or will continue to be traded on the BSE;
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed to mean that this Information" Memorandum has been cleared or approved by the BSE. Every person who desires to acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing

Copies of this Information Memorandum have been filed with BSE in due compliance.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

Listing

Application has been made to BSE for listing and permission to deal in and for an official quotation of the Equity Shares of the Company.

Demat

The Company has executed Agreements with National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) for dematerialization of its securities.

Dematerialization of Shares

Tripartite agreements have been signed between the Company, the Registrar & Share Transfer Agent and CDSL & NSDL. The ISIN No. allotted to the Company is INE 170E01015.

Statement of Dividend

The declaration and payment of dividends on our Equity Shares will be recommended by the Board of Directors and approved by the shareholders of our Company, at their discretion, and will depend on a number of factors, including but not limited to the profits, cash flows, capital expenditure, capital requirements and overall financial condition. The Board may also from time to time pay interim dividend.

Our Company has declared dividend as follows: Particulars	Face Value Per Equity shares	Dividend Paid
Fiscal Year 2014	Rs. 10/	NIL
Fiscal Year 2013	Rs. 10/-	NIL
Fiscal Year 2012	RS.10/-	NIL
Fiscal Year 2011	RS.10/-	NIL
Fiscal Year 2010	Rs 10/	Nil
Fiscal Year 2009	Rs. 10/-	NIL
Fiscal Year 2008	Rs.10/	NIL
Fiscal Year 2007	Rs.10/	NIL
Fiscal Year 2006	Rs. 10/	NIL
Fiscal Year 2005	Rs. 10/	NIL
Fiscal Year 2004	RS.10/	NIL
Fiscal Year 2003	Rs 10/-	Nil
Fiscal Year 2002	Rs 10/-	Nil
Fiscal Year 2001	Rs 10/-	Nil
Fiscal Year 2000	Rs 10/-	Nil
Fiscal Year 1999	Rs 10/	Nil
Fiscal Year 1998	Rs 10/	Nil
Fiscal Year 1997	Rs 10/	Nil

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

Fiscal Year 1996	Rs 10/	Nil
Fiscal Year 1995	Rs 10/	Nil
Fiscal Year 1994	Rs 10/	Nil
Fiscal Year 1993	Rs 10/	Nil
Fiscal Year 1992	Rs 10/	Nil
Fiscal Year 1991	Rs 10/	Nil
Fiscal Year 1990	Rs 10/	Nil
Fiscal Year 1989	Rs 10/	Nil
Fiscal Year 1988	Rs 10/	Nil
Fiscal Year 1987	Rs 10/	Nil
Fiscal Year 1986	Rs 10/	Nil
Fiscal Year 1985	Rs 10/	Nil
Fiscal Year 1984	Rs 10/	Nil

Bonus Shares;

Our Company has issued 2000000 Bonus Shares on 27.07.2009 to the equity shareholder of the Company in the ratio of One shares for every four held

Capital Structure Our Share Capital as on the date of this Information Memorandum is set forth below:-:

Sr	Particulars	No of Shares	Face Vale	Total Amount
1	Authorized Capital (120,00,000 equity shares of Rs 10/- each)	12000000	Rs 10/-	Rs 12,00,00,000/-
2	Issued, Subscribed and paid up capital (100,00,000 equity shares of Rs 10/- each)	100,00,000	10/-	Rs 10,00,00,000/-

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchanges and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our board has Ten (10) Directors. We have 5 Independent & Non-Executive Director & three Executive Directors and two non-executive Directors. The constitution of our Board is in compliance with the requirements of Clause 49 of the Listing Agreement.

The following committees have been formed in compliance with the Corporate Governance norms:

- i) Audit Committee
- ii) Shareholders/Investors Grievance Committee
- iii) Nomination & Remuneration Committee
- iv) Share Transfer Committee
- v) CSR Committee

1. AUDIT COMMITTEE

Purpose of the audit committee is to ensure the objectivity, credibility and of the Company's financial reporting and disclosure processes, internal controls, risk The management policies and processes, tax policies, compliance and legal requirements and associated matters.

Terms of reference

- Oversight of the Company's financial reporting process and disclosure of its financial information
- To ensure that the financial statements are correct, sufficient and credible.
 - Recommending the appointment and removal of statutory and internal Auditors whenever required, fixation of audit fee and also approval for payment for any other services.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

- Approval of payment to statutory auditors for any other services rendered. Reviewing with Management the quarterly half yearly and the annual financial statements before submission to the Board. focusing primarily on: Matters required to be included in the Director's Responsibility Statement' to be included in the Board's report in terms of clause (2M) of section 217 of the Companies Act, 1956.
- Any Change in accounting policies and practices.
- Major accounting entries based on exercise of judgement by management.
- The going concern assumption.
- Compliance with accounting standards,
- Compliance of legal requirement concerning financial statements,
- Any related party transactions.
- Reviewing with the management, statutory and internal Auditors, the adequacy and compliance of Internal control system,
- Reviewing with the management, the quarterly financial statements before submission to the board for approval .
- Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
- Discussion on internal Auditors significant findings and follow up there on,
- 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.
- Discussion with Statutory Auditors about the scope of audit as well as have post audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies,
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, Further 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; 4, Internal audit reports relating to internal control weaknesses; and

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Composition:

The Audit Committee is comprised of four members, Sh R.K.Bhandari, Whole Time Director, Sh A.C.Ahuja, Independent Non Executive Director, Sh S.K.Arora, Independent Non Executive Director, Sh I.D.Singh Non Executive Independent director. Sh A.C.Ahuja is heading the Committee.

Audit Committee has been re-constituted by the Board of Directors in its Board meeting held on 14 June 2013 to inter alia look in to the matters related to the Financial Reporting and Compliance of the Company with regulatory & legal requirements,

2. Investor Grievance Committee

The purpose of constituting investor grievance committee is to expedite the process of redressal of investors' grievances

Terms of reference

To consider and review the queries/complaints received from Share/ Debenture Holders.

To take steps to redress queries! Complaints and ensure speedy satisfaction to shareholders! Investors.

To work under the control & supervision of the Board of Directors

Composition

The Shareholders 'investors' Grievance Committee comprises of three members, including, Mr. A.Krishna, Independent Director, Dr Ajay Satia, Managing Director, Sh R.K.Bhandari, Whole Time Director, and Mr. A.Krishna, the Independent Director is heading the Committee.

Role and Powers of Shareholders Investors' Grievance Committee

The Investors' Grievance Committee have the following role, functions and responsibilities:

To look and supervise the complaints of Shareholders and Investors.

- To oversee the performance of the Registrars and Share Transfer Agents and recommend measures for overall improvement of the quality of investor services.

3 Share Transfer Committee

In order to expedite the process of transfer of securities, the Board of Directors has constituted a Share Transfer Committee comprising of Dr Ajay Satia, Managing Director and Sh R.K.Bhandari, Whole Time Director .

- To consider and approve the transfer of shares, transmission of shares, dematerialization of shares, transposition of shares, issuance of duplicate share, deletion of names, splitting and consolidation of shares, etc.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

REMUNERATION COMMITTEE

4. Nomination and Remuneration Committee

The purpose of Nomination & Remuneration Committee is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and to carry out evaluation of every director's performance.

Terms of Reference Nomination & Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

Composition The Nomination & Remuneration Committee comprises of three members, 1) Sh A.C.Ahuja Chairman of the Committee- Independent Non-Executive Director and Mr A.Krishna, (Member) Independent Non-Executive Director and Mr. I.D.Singh Independent Non-Executive Director,

5. CSR Committee

The Board has also constituted a CSR Committee for implementing corporate social responsibilities activities and expenses. The Committee is comprising of three members as below:

1. Sh A.C.Ahuja, Independent Director, Non-Executive Director
2. Sh R.K.Bhandari, Whole Time Director (Executive Director)
3. Sh J.R.Sharma, Director(Legal), Executive Director

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

7. SHAREHOLDING PATTERN OF OUR COMPANY

Scrip Name: Satia Industries Limited

Statement showing the *shareholding Pattern* as on 31st December, 2014

Category code	Category of shareholders	Number of Shareholder	Total Number of shares	Number of Shares In Dematerial form	Total shareholding as a percentage of total number of share		Shares Pledged or otherwise Encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	Number of SHARE	As a Percentage
(A)	Shareholding of promoter and promoter group							
(1)	Indian							
(A)	Individuals Hindu-undivided family	11	4088156	0	40.88	40.88	902200	22.07
(b)	Central government/state government	0	0	0	0.00	0.00	0	0.00
©	Bodies corporate	0	0	0	0.00	0.00	0	0.00
(d)	Financial institutions/Banks							
(e)	Any others	0	0	0	0	0	0	0
	directors & their	0	0	0	0	0	0	0
	relatives	0	0	0	0	0	0	0
	society	0	0	0	0	0	0	0
	partnership firm	0	0	0	0	0	0	0
	RBI	0	0	0	0	0	0	0
	Employee welfare	0	0	0	0	0	0	0
	Fund, ESOP/ESOS	0	0	0	0	0	0	0
	Trust s	0	0	0	0	0	0	0
	Sub-total(a)(1)	11	4088156	0	40.88	40.88	902200	22.07
(2)	Foreign							
(a)	Individual	0	0	0	0.00	0.00	0	0.00

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

	NRI							
(b)	Bodies corporate	0	0	0	0.00	0.00	0	0.00
©	institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investo	0	0	0	0.00	0.00	0	0.00
(E)	Any others directors & their relatives society partnership firm RBI Employee welfare Fund, ESOP/ESOS Trust s	0	0	0	0	0	0	0
	Sub-total (a) (2)	0	0	0	0	0	0	0
	Total Shareholding Promoters)+(A)(2)	11	4088156	0	40.88	40.88	902200	22.07
(B)	Public Shareholding							
(1)	institution							
(a)	Mutual fund/	0	0	0	0	0	0	0
(b)	Financial Inst./ bank	0	0	0	0	0	0	0
©	Cent. Gvt. / State Govt.	0	0	0	0	0	0	0
(d)	Venture Capital Fund	0	0	0	0	0	0	0
(E)	Insurance Companies	0	0	0	0	0	0	0

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

(f)	Foreign Institutional Investor	0	0	0	0	0	0	0
(G)	Foreign venture Capital Investor	0	0	0	0	0	0	0
(H)	Qualified foreign investors	0	0	0	0	0	0	0
(i)	Any other foreign Inst./mut. funds	0	0	0	0	0	0	0
	Sub-Total (b)(1)	0	0	0	0	0	0	0

(2)	Non-Institution							
(A)	BODIES CORPORATE	16	3364535	248000	33.65	33.65	0	0
(B)	INDIVIDUALS 1. Individual Shareholders holding nominal share capital upto Rs 1 Lakh	478	99775	6500	1.00	1.00	0	0
	INDIVIDUALS Individual Shareholders holding nominal share capital Excess of Rs 1 Lakh	17	2447534	19400	24.48	24.48	0	0
c	Qualified Foreign Investor	0	0	0	0	0	0	0
(d)	Any other	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0
	Directors	0	0	0	0	0	0	0

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

	&their Relatives Market Maker, NRI, clearing Member HUF/NRIS/OCBS	0	0	0	0	0	0	0
	Sub-total(b)(2)	511	5911844	273900	59.12	59.12	0	0
	Total Public shareholding(B)=(B)	511	5911844	273900	59.12	59.12	0	0
	Total(A)+(B)	522	10000000	273900	100.00	100.00	902200	9.02
©	Shares held by custodians and against which depository receipt has been issued							
1	promoter and promoter group	0	0	0	0	0	0	0
2	public	0	0	0	N.A.	0	0	0
	Grand Total (A)+(b)+(c)	522	10000000	273900	N.A.	100.00	902200	9.02

PARTLY PAID UP SHARES	NUMBER OF PAID –UP SHARES	AS A% OF TOTAL NO.OF PAID –UP SHARES	AS A %OF TOTAL NO.OF
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INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

			SHARES OF THE COMPANY
HELD BY PROMOTER/PROMOTER	0	0	0
HELD BY PUBLIC	0	0	0
TOTAL	0	0	0
Outstanding convertible securities	No. of outstanding securities	As a %of Total number of outstanding Convertible securities	As a% of total nos. of shares of the company Ass. Full conversion of the Convert into securities
Held by promoter and promoter group	0	0	0
Held by public	0	0	0
Total-E	0	0	0
warrants	Nos. of warrants	As a %of total number of warrants	As a %of total no.sof shares of the company, assuming full conversion of warrants
Held by promoter and promoter group	0	0	0
Held by public	0	0	0
Total-f	0	0	0
TOTAL PAID-UP CAPITAL OF THE COMPANY, ASSUMING FULL CONVERSION OF WARRANTS AND CONVERTIBLE SECURITIES((A+B+C)(D+E+F)	10000000	N.A.	100.000

STATEMENT SHOWING PROMOTER AND PROMOTER GROUP

SR.NO	NAME OF THE SHAREHOLDER	DETAIL OF SHARES	SHARES PLEDGED	DETAILS OF WARRANTS	DETAIL OF CONVERTIBLE SECURITIES	TOTAL SHARES
1.	ANIL SATIA HUF	16875 0.17	0 0 0			
2.	AJAY SATIA HUF	19375 0.19	0 0 0			
3.	CHIRAG SATIA	417071 4.17	0 0 0			

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

4.	MASTER CHIRAG	38094	0.38	0	0	0			
5.	SALONI SATIA	174344	1.74	0	0	0			
6.	KRISHNA SATIA	212875	2.13	0	0	0			
7.	YACHNA SATIA	258750	2.59	0	0	0			
8.	DHRUV SATIA	543169	5.43	0	0	0			
9.	ANIL SATIA	567719	5.68	0	0	0			
10.	Bindu Satia	751094	7.51	0	0	0			
11.	AJAY SATIA	1475861	14.76	902200	61.13	9.02			
	TOTAL	4475227	44.75	902200	22.07	9.02			

STATEMENT SHOWING PUBLIC HOLDING OF SECURITIES MORE THAN 1%

SR.N	Name of the shareholder	Number of shares held				
1.	Muktsar fincap pvt ltd	1572800	15.73			
2	SDS COTTON P LTD]	1518285	15.18			
3.	MASTER ANKIT SATIA	793344	7.93			
4.	MASTER AKHIL SATIA	332844	3.33			
5.	WHITE GOLD TRANSPORT PVT LTD	247000	2.47			
6.		130000	1.30			
7	SABHYATA BHAI APMINDER SINGH	112750	1.13			
8	GURCHARAN KAUR	110000	1.10			
9	JASMINDER KAUR	106875	1.07			
10	JASKARAN SINGH	106250	1.06			
	TOTAL	5030148	50.30			

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

PUBLIC HOLDING MORE THAN 5% OF THE TOTAL NUMBER OF SHARES OF THE COMPANY

SR.NO	Name of the holder	Number of shares held	% of shares	Details of shares	Details of convertible securities		
1.	MUKTSAR FINCAPPVT	1572800	15.73				
2.	S.D.S.COTTON PVT LTD	1518285	15.18				
3.	MASTER ANKIT SATIA	793344	7.94				
	TOTAL	3884429	38.84				

STATEMENTS SHOWING DETAILS OF LOCKED IN SHARES

SR.NO	Name of shareholders	Number of locked in shares	Locked in shares as a % of total number of shares	Promoter/promoter group/public
	Not applicable	N.A.	N.A.	

STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS

SR.NO	TYPE OF OUTSTANDING DR.	NUMBER OF OUTSTANDING DRS	NUMBER OF SHARES UNDERLYING OUTSTANDING DRS	SHARES UNDERLYING OUTSTANDING DRS
	NOT APPLICABLE	N.A.	N.A.	N.A.
	TOTAL			

STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS Shares held by pr.&promoter group in excess of 1% of total nos.of shares

SR.NO	TYPE OF OUTSTANDING DR.	NUMBER OF OUTSTANDING DRS	NUMBER OF SHARES UNDERLYING OUTSTANDING DRS	SHARES UNDERLYING OUTSTANDING DRS
	NOT APPLICABLE	N.A.	N.A.	N.A.
	TOTAL			

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

Scrip Name: Satia Industries Limited

Statement showing the *shareholding Pattern* as on 31st March, 2015

Category code	Category of shareholders	Number of Shareholder	Total Number of shares	Number of Shares In Dematerial form	Total shareholding as a percentage of total number of share		Shares Pledged or otherwise Encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	Number of SHARE	As a Percentage
(A)	Shareholding of promoter and promoter group							
(1)	Indian							
(A)	Individuals Hindu-undivided family	11	4088156	0	40.88	40.88	902200	22.07
(b)	Central government/state government	0	0	0	0.00	0.00	0	0.00
©	Bodies corporate	0	0	0	0.00	0.00	0	0.00
(d)	Financial institutions/Banks							
(e)	Any others	0	0	0	0	0	0	0
	directors & their relatives	0	0	0	0	0	0	0
	society	0	0	0	0	0	0	0
	partnership firm	0	0	0	0	0	0	0
	RBI	0	0	0	0	0	0	0
	Employee welfare Fund, ESOP/ESOS	0	0	0	0	0	0	0
	Trust s	0	0	0	0	0	0	0
	<i>Sub-total(a)(1)</i>	<i>11</i>	<i>4088156</i>	<i>0</i>	<i>40.88</i>	<i>40.88</i>	<i>902200</i>	<i>22.07</i>
(2)	Foreign							

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

(a)	Individual NRI	0	0	0	0.00	0.00	0	0.00
(b)	Bodies corporate	0	0	0	0.00	0.00	0	0.00
©	institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(E)	Any others directors & their relatives society partnership firm RBI Employee welfare Fund, ESOP/ESOS Trust s	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0
	Sub-total (a) (2)	0	0	0	0	0	0	0
	Total Shareholding Promoters)+(A)(2)	11	4088156	0	40.88	40.88	902200	22.07
(B)	Public Shareholding							
(1)	institution							
(a)	Mutual fund/	0	0	0	0	0	0	0
(b)	Financial Inst./ bank	0	0	0	0	0	0	0
©	Gen Gvt. / State Govt.	0	0	0	0	0	0	0
(d)	Venture Capital .Fund	0	0	0	0	0	0	0
(E)	Insurance Companies	0	0	0	0	0	0	0

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

(f)	Foreign Institutional Investor	0	0	0	0	0	0	0
(G)	Foreign venture Capital Investor	0	0	0	0	0	0	0
(H)	Qualified foreign investors	0	0	0	0	0	0	0
(i)	Any other foreign Inst./mut. funds	0	0	0	0	0	0	0
	Sub-Total (b)(1)	0	0	0	0	0	0	0

(2)	Non-Institution							
(A)	BODIES CORPORATE	16	3364535	248000	33.65	33.65	0	0
(B)	INDIVIDUALS	478	99775	6500	1.00	1.00	0	0
	1. Individual Shareholders holding nominal share capital upto Rs 1 Lakh							
	INDIVIDUALS	17	2447534	19400	24.48	24.48	0	0
	Individual Shareholders holding nominal share capital Excess of Rs 1 Lakh							
c	Qualified Foreign Investor	0	0	0	0	0	0	0
(d)	Any other	0	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0	0
	Directors	0	0	0	0	0	0	0

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

	&their Relatives Market Maker, NRI, clearing Member HUF/NRIS/OCBS	0	0	0	0	0	0	0
	Sub-total(b)(2)	511	5911844	273900	59.12	59.12	0	0
	Total Public shareholding(B)=(B)	511	5911844	273900	59.12	59.12	0	0
	Total(A)+(B)	522	10000000	273900	100.00	100.00	902200	9.02
©	Shares held by custodians and against which depository receipt has been issued							
1	promoter and promoter group	0	0	0	0	0	0	0
2	public	0	0	0	N.A.	0	0	0
	Grand Total (A)+(b)+(c)	522	10000000	273900	N.A.	100.00	902200	9.02

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

PARTLY PAID UP SHARES	NUMBER OF PAID –UP SHARES	AS A% OF TOTAL NO.OF PAID –UP SHARES	AS A %OF TOTAL NO.OF SHARES OF THE COMPANY
HELD BY PROMOTER/PROMOTER	0	0	0
HELD BY PUBLIC	0	0	0
TOTAL	0	0	0
Outstanding convertible securities	No. of outstanding securities	As a %of Total number of outstanding Convertible securities	As a% of total nos. of shares of the company Ass. Full conversion of the Convert into securities
Held by promoter and promoter group	0	0	0
Held by public	0	0	0
Total-E	0	0	0
warrants	Nos. of. warrants	As a %of total number of warrants	As a %of total no.sof shares of the company, assuming full conversion of warrants
Held by promoter and promoter group	0	0	0
Held by public	0	0	0
Total-f	0	0	0
TOTAL PAID-UP CAPITAL OF THE COMPANY, ASSUMING FULL CONVERSION OF WARRANTS AND CONVERTIBLE SECURITIES((A+B+C)(D+E+F)	10000000	N.A.	100.000

STATEMENT SHOWING PROMOTER AND PROMOTER GROUP

SR.NO	NAME OF THE SHAREHOLDER	DETAIL OF SHARES		SHARES PLEDGED			DETAILS OF WARRANTS	DETAIL OF CONVERTIBLE SECURITIES	TOTAL SHARES
1.	ANIL SATIA HUF	16875	0.17	0	0	0			
2.	AJAY SATIA HUF	19375	0.19	0	0	0			

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

3.	CHIRAG SATIA	30000	0.30	0	0	0			
4.	MASTER CHIRAG	38094	0.38	0	0	0			
5.	SALONI SATIA	174344	1.74	0	0	0			
6.	KRISHNA SATIA	212875	2.13	0	0	0			
7.	YACHNA SATIA	258750	2.59	0	0	0			
8.	DHRUV SATIA	543169	5.43	0	0	0			
9.	ANIL SATIA	567719	5.68	0	0	0			
10.	Bindu Satia	751094	7.51	0	0	0			
11.	AJAY SATIA	1475861	14.76	902200	61.13	9.02			
	TOTAL	4088156	40.88	902200	22.07	9.02			

STATEMENT SHOWING HOLDING OF SECURITIES MORE THAN 1%

SR.N	Name of the shareholder	Number of shares held				
1.	Muksar fincap pvt ltd	1572800	15.73			
2.	SDS COTTON P LTD]					
3.	MASTER ANKIT SATIA	1518285	15.18			
4.	SHAKTI SINGH	793344	7.93			
5.	MASTER AKHIL SATIA	387071	3.87			
6.	WHITE GOLD TRANSPORT PVT LTD	332844 247000	3.33 2.47			
7.	SABHYATA BHAI APMINDER SINGH	130000	1.30			
8.	GURCHARAN KAUR	112750	1.13			
9.	JASMINDER KAUR	110000	1.10			
10.	JASKARAN SINGH	106875	1.07			
11.		106250	1.06			
	TOTAL	5417219	54.17			

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

PUBLIC HOLDING MORE THAN 5% OF THE TOTAL NUMBER OF SHARES OF THE COMPANY

SR.NO	Name of the holder	Number of shares held	% of shares	Details of shares	Details of convertible securities		
1.	MUKTSAR FINCAPPVT	1572800	15.73				
2.	S.D.S.COTTON PVT LTD	1518285	15.18				
3.	MASTER ANKIT SATIA	793344	7.94				
	TOTAL	3884429	38.84				

STATEMENTS SHOWING DETAILS OF LOCKED IN SHARES

SR.NO	Name of shareholders	Number of locked in	Locked in shares as a % of number of shares	Promoter/promoter group/public
	Not applicable	N.A.	N.A.	

STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS

SR.NO	TYPE OF OUTSTANDING DR.	NUMBER OF UNDERLYING DR	NUMBER OF SHARES UNDERLYING OUTSTANDING DR	SHARES UNDERLYING OUTSTANDING DR
	NOT APPLICABLE	N.A.	N.A.	N.A.
	TOTAL			

STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS Shares held by pr.&promoter group in excess of 1% of total nos.of shares

SR.NO	TYPE OF OUTSTANDING DR.	NUMBER OF UNDERLYING DR	NUMBER OF SHARES UNDERLYING OUTSTANDING DR	SHARES UNDERLYING OUTSTANDING DR
	NOT APPLICABLE	N.A.	N.A.	N.A.
	TOTAL			

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

VII. INFORMATION RELATED TO CAPITAL OF THE COMPANY

Sr	Particulars	No of Shares	Face Vale	Total Amount
1	Authorized Capital (1,20,00,000 equity shares of Rs 10/- each)	12000000	Rs 10/-	Rs 12,00,00,000/-
2	Issued, Subscribed and paid up capital (100,00,000 equity shares of Rs 10/- each)	100,00,000	Rs 10/-	10,00,00,000/-

Equity Share Capital History of the Company since Incorporation

Date of Allotment	No of Equity Shares	Face Value	Issue Price	Nature of Consideration	Reasons for Allotment	Cumulative No of shares	Share Premium
On Incorporation	80	100	100	Cash	Subscription of Memorandum	80	-
26.12.1980	320	100	100	cash	Further issue	400	-
Conversion of face value of Rs 100 Shares into Rs 10/- per shares on 05.07.1982	4000	10	10	-	conversion	4000	-
31.08.1983	462900	10	10	Cash	Further Allotment	466900	-
23.12.1983	346300	10	10	Cash	Further Allotment	813200	-
28.03.1985	81800	10	10	Cash	Further Allotment	895000	-
15.05.1987	1125000	10	10	Cash	Further and Public Issue allotment	2020000	-
23.01.1991	250000	10	10	Cash	Further Issue of Preferential Shares	2270000	-

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

10.03.1997	730000	10	10	Cash	Further (Preferential)Issue	3000000	-
22.09.1997	2550000	10	10	Cash	Further (Preferential)Issue	5550000	-
07.03.1998	450000	10	10	Cash	Further (Preferential)Issue	6000000	-
23.09.2005	2000000	10	10	Cash	Further (Preferential)Issue	8000000	-
27.07.2009	2000000	10	10	Bonus Issue	Bonus Issue	10000000	-

List of Top Ten Shareholders

Sr No	Name of Shareholder	No. of Shares	% of Total Share Capital
1	MUKTSAR FINCAP PVT LTD	15,72,800	15.7280
2	S.D.S COTTON (P) LTD	15,18,285	15.1829
3	Dr AJAY SATIA	14,75,861	14.7586
4	ANKIT SATIA	7,93,344	7.9334
5	BINDU SATIA	7,51,094	7.5109
6	ANIL SATIA	5,67,719	5.6772
7	DHRUV SATIA	5,43,169	5.4317
8	SHAKTI SINGH AND CHIRAG SATIA	3,87,071	3.8707
9	AKHIL SATIA	3,32,844	3.3284
10	YACHNA SATIA	2,58,750	2.5875

DETAILS OF OUTSTANDING CONVERTIBLE INSTRUMENTS

On the date of this Information Memorandum, there are no outstanding convertible instruments including warrants that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Share.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

No payment, direct, indirect in the nature of brokerage, discount, commission, and allowance, or other special terms including an option for the issue of any kind of securities has been made either by us or by our Promoters to any person.

VIII. OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding or pending litigation, suit, criminal or civil-prosecution, proceeding or tax liabilities against our Company that would have a material adverse effect on our business and there are no defaults, nonpayment or overdue of statutory dues, institutional bank dues or dues payable to holders of debentures, bonds and fixed deposits and arrears of preference shares (irrespective of whether they are specified under Part I of Schedule XIII of the Act), that would have a material adverse effect on our business:

A. OUTSTANDING LITIGATION INVOLVING OUR COMPANY

1. Litigations filed against our Company There are no litigations filed against our Company.
2. Litigations filed by our Company

There are no litigations filed by our Company. Income Tax Proceedings There are no pending Income tax proceeding involving our Company.

B. OUTSTANDING LITIGATION INVOLVING OUR DIRECTORS AND PROMOTERS

1. Litigations involving our Directors There are no litigations involving our Directors.
2. Litigations filed against the Promoters There are no litigations involving our Promoters.

MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial statements disclosed in this Information Memorandum, any circumstances which materially and adversely affect or are likely to affect the performance and prospects of the Company in any manner

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED
MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES
(Incorporated under the Companies
Act, 1956)

ARTICLES OF ASSOCIATION

OF

SATIA INDUSTRIES LIMITED

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the annual general meeting of the Company held on 30.09.2014 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

TABLE 'F' EXCLUDED

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|----|-----|--|--|
| 1. | (1) | The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. | Table 'F' not to apply |
| | (2) | The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. | Company to be governed by these Articles |

Interpretation

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| 2. | (1) | In these Articles — | |
| | | (a) "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable. | "The Act" |
| | | (b) "Articles" means these articles of association of the Company or as altered from time to time. | "The Articles" |
| | | (c) "Board of Directors" or "Board", means the collective body of the directors of the Company. | "The Board of Directors"
or "The Board"
"The Company" |
| | | (d) "Company" means Satia Industries Limited. | "The Rules" |
| | | (e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act. | "The Seal" |
| | | (f) "seal" means the common seal of the Company. | "Number" and Gender" |
| | (2) | Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender. | |

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

- (3) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be. Expressions in the Articles to bear the same meaning as in the Act

Share capital and variation of rights

3. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Shares under control of Board
4. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be. Directors may allots hares otherwise than for cash
5. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: Kinds of Share Capital



INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

- (a) **Equity share capital:**
 - (i) **with voting rights; and / or**
 - (ii) **with differential rights as to dividend, voting or otherwise in accordance with the Rules; and**
 - (b) **Preference share capital**
6. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide -
- (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.
- 2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

Issue of certificate

Certificate to bear seal

One certificate for shares held jointly

ption to receive certificate or hold share with depository

Issue of new certificate in Place of one defaced, lost or destroy

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

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| 9 | The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities debentures (except where the Act otherwise | Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc. |
| 10. | (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules. | Power to pay commission in connection with securities issued |
| | (2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules. | Rate of commission in accordance with Rules |
| | (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. | Mode of payment of commission |
| 11. | (1) If at any time the share capital is divided into different rights classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act. | Variation of members' |



INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. Issue of further shares not to affect rights of existing members
13. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

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| 17. | <p>(1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>(3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.</p> <p>(4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.</p> | <p>Validity of sale</p> <p>Purchaser to be registered holder</p> <p>Validity of Company's receipt</p> <p>Purchaser not affected</p> |
| 18. | <p>(1) The proceeds of the sale shall be received by the Company sale and applied in payment of such part of the amount in – Respect of which the lien exists as is presently payable.</p> <p>(2) The residue, if any, shall, subject to a like lien for sums not money presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p> | <p>Application of proceeds of</p> <p>Payment of residual</p> |
| 19. | <p>In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.</p> | <p>Outsider's lien not to affect Company's lien</p> |

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

20.	The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc.
	Calls on shares	
21.	(1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their Shares whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.	Board may make calls
	(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
	(3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	Board may extend time for payment
	(4) A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
22.	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.	Call to take effect from date of resolution
23.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
24.	(1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
	(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive
25.	(1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of non-payment of sums
26.	The Board – (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and	Payment in anticipation may carry interest

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
27. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder. **Instalments on shares to be duly paid**
28. All calls shall be made on a uniform basis on all shares falling under the same class.
Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class. **Calls on shares of same class to be on uniform basis**
29. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. **Partial payment not to preclude forfeiture**
30. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company. **Provisions as to calls to apply *mutatis mutandis* to debentures, etc.**
- Transfer of shares**
31. (1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
32. The Board may, subject to the right of appeal conferred by the Act decline to register - **Board may refuse to register transfer**
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the Company has a lien.

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

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| 33. | <p>In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless -</p> <p>(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;</p> <p>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p> | <p>Board may decline to recognise instrument of transfer</p> |
| 34. | <p>On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p> | <p>Transfer of shares when suspended</p> |
| 35. | <p>The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p> <p style="text-align: center;">Transmission of shares</p> | <p>Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.</p> |
| 36. | <p>(1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</p> <p>(2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> | <p>Title to shares on death of a member</p> <p>Estate of deceased member liable</p> |

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37. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- (3) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.
38. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
39. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
40. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.
- Transmission Clause**
- Board's right unaffected**
- Indemnity to the Company**
- Right to election of holder of share**
- Manner of testifying election**
- Limitations applicable to notice**
- Claimant to be entitled to same advantage**
- Provisions as to transmission to apply *mutatis mutandis* to debentures, etc.**

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Forfeiture of shares

41. **If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.** **If call or instalment not paid notice must be given**
42. **The notice aforesaid shall:** **Form of notice**
- (a) **name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and**
 - (b) **state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.**

INFORMATION MEMORANDUM OF SATIA INDUSTRIES LIMITED

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| 43. | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. | In default of payment of shares to be forfeited |
| 44. | Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. | Receipt of part amount or grant of indulgence not to affect forfeiture |
| 45. | When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid. | Entry of forfeiture in register of members |
| 46. | The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share. | Effect of forfeiture |
| 47. | <p>(1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.</p> <p>(2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p> | <p>Forfeited shares may be sold, etc.</p> <p>Cancellation of forfeiture</p> |
| 48. | <p>(1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</p> <p>(2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.</p> | <p>Members still liable to pay money owing at the time of forfeiture</p> <p>Member still liable to pay money owing at time of forfeiture and interest</p> |

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	(3) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cesser of liability
49.	(1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
	(2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3) The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
50.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
52.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
53.	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
54.	The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.

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Alteration of capital

55. Subject to the provisions of the Act, the Company may, by ordinary resolution-
- (a) increase the share capital by such sum, to be divide into shares of such amount as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum
 - e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Power to alter share capital ordinary reso

56. Where shares are converted into stock:
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose

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- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
 - (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/“member” shall include “stock” and “stock-holder” respectively.

Right of stockholders

57. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —
- (a) its share capital; and/or
 - (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or
 - (d) any other reserve in the nature of share capital.

Reduction of capital

Joint Holders

58. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

Joint-holders

- (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.
- (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Liability of Joint-holders

Death of one or more joint-holders

- (c) Any one of such joint holders may give effectual receipts for any amount payable in respect of such share.
- (d) Only the person whose name stands first in the list of joint-holders shall be deemed to be the person to whom such receipts shall be given.

Receipt of one sufficient receipts of any amount payable in respect of such share

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- (d) Only the person whose name stands first in he the register of members as one of the joint-holders of any Delivery of certificate and share shall be entitled to the delivery of certificate, if giving of notice to first any, relating to such share or to receive notice (which term named holder shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.
- (e)(I)Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in
- (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
- (f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.
- Vote of joint holders
- Executors or administrators as joint holders
- Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc

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Capitalization of profits

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| 59. (1) | <p>The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> | Capitalization |
| (2) | <p>The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>- (B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).</p> | Sum how applied |
| (3) | <p>A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> | |
| (4) | <p>The Board shall give effect to the resolution passed by the Company in pursuance of this Article.</p> | |
| 60. (1) | <p>whenever such a resolution as aforesaid shall have been passed, the Board shall -</p> <p>(a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other</p> | Powers of the Board for capitalization |

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	securities, if any; and	
	(b) generally do all acts and things required to give effect thereto.	
(2)	The Board shall have power—	
	(a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable infractions; and	Board’s power to issue fractional certificate/coupon etc.
	(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	
(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
	Buy-back of shares	
61.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
	General meetings	
62.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
63.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
	Proceedings at general meetings	
64.	(1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of Quorum
	(2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
	(3) The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting

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| 65. | The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company. | Chairperson of the meetings |
| 66. | If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting. | Directors to elect a Chairperson |
| 67. | If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting. | Members to elect a Chairperson |
| 68. | On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote. | Casting vote of Chairperson at general meeting |
| 69. | <p>(1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -</p> <p style="margin-left: 20px;">(a) is, or could reasonably be regarded, as defamatory of any person; or</p> <p style="margin-left: 20px;">(b) is irrelevant or immaterial to the proceedings; or</p> <p style="margin-left: 20px;">(c) is detrimental to the interests of the Company.</p> <p>(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.</p> <p>(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.</p> | <p>Minutes of proceedings of meetings and resolutions passed by postal ballot</p> <p>Certain matters not to be included in Minutes</p> <p>Discretion of Chairperson in relation to Minutes</p> <p>Minutes to be evidence</p> |
| 70. | <p>(1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</p> <p style="margin-left: 20px;">(a) be kept at the registered office of the Company; and</p> | Inspection of minute books of general meeting |

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- (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
- (2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.
71. The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.
- Adjournment of meeting**
72. (1) The Chairperson may, *suo motu*, adjourn the meeting from time to time and from place to place.
- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- Voting rights**
73. Subject to any rights or restrictions for the time being attached to any class or classes of shares -
- Members may obtain copy of minutes
- Powers to arrange security at meetings
- Chairperson may adjourn the meeting
- Business at adjourned meeting
- Notice of adjourned meeting
- Notice of adjourned meeting not required
- Entitlement to vote on show of hands and on poll

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- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
74. A member may exercise his vote at a meeting by electronic means means in accordance with the Act and shall vote only once. **Voting through electronic**
75. (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. **Vote of joint-holders**
- (2) For this purpose, seniority shall be determined by the order which the names stand in the register of members. **Seniority of names in**
76. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians. **How members non compos Mentis and minor may vote**
77. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. **Votes in respect of shares of deceased or insolvent members, etc.**
78. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. **Business may proceed pending poll**
79. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien. **Restriction on voting rights**
80. A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article. **Restriction on exercise of voting rights in other cases to be void**

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81. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class. Equal rights of members

Proxy

82. (1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. Member may vote in person or otherwise

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- (2) The instrument appointing a proxy and the power-of-deposited attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
83. An instrument appointing a proxy shall be in the form as Form of proxy prescribed in the Rules.
84. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- Board of Directors
85. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 14 (fourteen). Board of Directors
86. (1) Dr Ajay Satia shall be a director not be liable to retire by rotation. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. Directors not liable to retire by rotation
- (2) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company Same individual may be Chairperson and Managin Director / g Chief Officer Executive
87. (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. Remuneration of directors
- (2) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting. Remuneration to require members' consent
- (3) In addition to the remuneration payable to them In pursuance of the Act, the directors may be paid alltravelling, hotel and other expenses properly incurred by them— Travelling and other expenses
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company;

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(b) in connection with the business of the Company.

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| 88. | All cheques, promissory notes, drafts, <i>hundis</i> , bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine. | Execution of negotiable instruments |
| 89. | <p>(1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>(2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p> | <p>Appointment of additional directors</p> <p>Duration of office of additional director</p> |
| 90. | <p>(1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.</p> <p>(2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.</p> <p>(3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.</p> | <p>Appointment of alternate director</p> <p>Duration of office of alternate director</p> <p>Re-appointment provisions applicable to Original Director</p> |
| 91. | <p>(1) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.</p> <p>(2) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated</p> | <p>Appointment of director to fill a casual vacancy</p> <p>Duration of office of Director appointed to fill casual vacancy</p> |
| Powers of Board | | |
| 92. | The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to | General powers of the Company vested in Board |

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the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Proceedings of the Board

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| 93. | (1) | The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. | When meeting to be convened |
| | (2) | The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. | Who may summon Board meeting |
| | (3) | The quorum for a Board meeting shall be as provided in the meetings Act. | Quorum for Board |
| | (4) | The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law. | Participation at Board meetings |
| 94. | (1) | Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. | Questions at Board meeting how decided |
| | (2) | In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. | Casting vote of Chairperson at Board meeting |
| 95. | | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose. | Directors not to act when number falls below minimum |
| 96. | (1) | The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. | Who to preside at meetings of the Board |
| | (2) | If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting. | Directors to elect a Chairperson |
| 97. | (1) | The Board may, subject to the provisions of the Act, | Delegation of powers |

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| | <p>delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.</p> | <p>Committee to conform to Board regulations</p> |
| (2) | <p>Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p> | |
| (3) | <p>The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p> | <p>Participation at Committee meetings</p> |
| 98. | <p>(1) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.</p> | <p>Chairperson of Committee</p> |
| | <p>(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p> | <p>Who to preside at meetings of Committee</p> |
| 99. | <p>(1) A Committee may meet and adjourn as it thinks fit.</p> | <p>Committee to meet</p> |
| | <p>(2) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.</p> | <p>Questions at Committee meeting how decided</p> |
| | <p>(3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.</p> | <p>Casting vote of Chairperson at Committee meeting</p> |
| 100. | <p>All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.</p> | <p>Acts of Board or Committee valid notwithstanding defect of appointment</p> |
| 101. | <p>Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.</p> | <p>Passing of resolution by circulation</p> |
| | <p>Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer</p> | |
| 102. | <p>(a) Subject to the provisions of the Act,—</p> <p>A chief executive officer, manager, company etc. secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may</p> | <p>Chief Executive Officer,</p> |

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think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

- (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Director may be chief executive officer, etc.

Registers

103. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Statutory registers
104. (a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. Foreign register
- (b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.
- The Seal
105. (1) The Board shall provide for the safe custody of the Seal. The seal, its custody and uses
- (2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director Affixation of seal

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manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividends and Reserve

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| 106. | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend. | Company in general meeting may declare dividends |
| 107. | Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit. | Interim dividends |
| 108. | (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. | Dividends only to be paid out of profits |
| | (2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | Carry forward of profits |
| 109. | (1) Subject to the rights of persons, if any, entitled to with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. | Division of profits shares |
| | (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. | Payments in advance |
| | (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. | Dividends to be apportioned |
| 110. | (1) The Board may deduct from any dividend payable to any member all sums of money, if any, presently | No member to receive dividend whilst indebted to the Company and |

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| | <p>payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.</p> | <p>Company's right to reimbursement there from</p> |
| (2) | <p>The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.</p> | <p>Retention of dividends</p> |
| 111. | <p>(1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> | <p>Dividend how remitted</p> |
| | <p>(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> | <p>Instrument of payment</p> |
| | <p>(3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.</p> | <p>Discharge to Company</p> |
| 112. | <p>Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.</p> | <p>Receipt of one holder sufficient</p> |
| 113. | <p>No dividend shall bear interest against the Company.</p> | <p>No interest on dividends</p> |
| 114. | <p>The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.</p> | <p>Waiver of dividends</p> |
| <p>Accounts</p> | | |
| 115. | <p>(1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.</p> | <p>Inspection by Directors</p> |
| | <p>(2) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as</p> | <p>Restriction on inspection by members</p> |

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conferred by law or authorised by the Board.

Winding up

116. Subject to the applicable provisions of the Act and the Rules made there under - **Winding up of Company**
- (a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity and Insurance

117. (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. **Directors and officers right to indemnity**
- (b) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
- (c) The Company may take and maintain any insurance

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as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

General Power

118. Wherever in the Act, it has been provided that the General power Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

IX. DECLARATION

NO STATEMENT MADE IN THIS INFORMATION MEMORANDUM SHALL CONTRAVENE ANY OF THE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE RULES MADE THEREUNDER. ALL THE LEGAL REQUIREMENTS AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC., ISSUED BY SEBI, GOVERNMENT OR ANY OTHER COMPETENT AUTHORITY IN RESPECT OF LISTING OF SECURITIES HAVE BEEN DULY COMPLIED WITH. ALL THE INFORMATION CONTAINED IN THIS DOCUMENT ARE TRUE AND CORRECT.

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Place: VPO: Rupana

Dated 30.05.2015

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