

FORM B

1.	Name of the Company	Sat Industries Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit qualification	Company has given advance money for purchase of shares.
4.	Frequency of qualification	Note No 14 : First Time.
5.	Draw attention to relevant notes In the annual financial statements and management response to the qualification in the directors report	<p>Note No. 14 (page no. 25 of Annual Report) →</p> <p>The Company has given advance money for purchase of shares.</p> <p>Management Response :</p> <p>No shares have yet been transferred in the name of the Company. The amount given is only a part of the total consideration which is subject to fulfillment of certain conditions by the seller. Necessary adjustments in the accounts will be made on receipt of shares and completion of other formalities if any in this regard.</p>
6.	Additional comments from the board/audit committee chair	There is no additional comment to offer from the Board / audit committee chairman.



7.	<p>Signed by –</p> <ul style="list-style-type: none"> ▪ Wholetime Director* And CFO ▪ Auditor of the Company ▪ Audit committee Chairman 	  <p>For R. Kabra & Co. Chartered Accountants</p>  <p>Deepa Rathi M. No.: 104808 FRN : 104502 W</p> 
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Note : * Since there is no CEO/Managing Director in the Company signed by Wholetime Director and CFO of the Company.



GLOBAL
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MANUFACTURING

Board of Directors

Ms. SHEHNAZ D. Ali Wholetime Director

Mr. HARIKANT TURGALIA Wholetime Director

Mr. RAMESH CHANDRA SONI Director

Mr. VIRENDRA HANSNATH MAURYA Director
(upto 11-11-2014)

Mr. SUNIL MITHALAL JAIN Director

Mr. NIKHIL RAUT Director (w.e.f. 12-11-2014)

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IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronics holding with the Depository through their concerned Depository Participants.

Audit Committee :

- (i) Mr. Ramesh Chandra Soni - Chairman
- (ii) Mr. Virendra Hansnath Maurya (upto 11-11-2014)
- (iii) Mr. Harikant Turgalia
- (iv) Mr. Nikhil Raut (w.e.f. 12-11-2014)

Nomination and Remuneration Committee :

- (i) Mr. Ramesh Chandra Soni - Chairman
- (ii) Mr. Virendra Hansnath Maurya (upto 11-11-2014)
- (iii) Mr. Sunil Mithalal Jain
- (iv) Mr. Nikhil Raut (w.e.f. 12-11-2014)

Stakeholders Relationship Committee:

- (i) Mr. Ramesh Chandra Soni - Chairman
- (ii) Mr. Harikant Turgalia
- (iii) Ms. Shehnaz D. Ali

Bankers

THE RATNAKAR BANK LTD.
Mittal Court, Nariman Point
Mumbai 400 021. INDIA.

HDFC BANK LTD.
Nanik Motwani Marg, Fort,
Mumbai 400 023. INDIA

KOTAK MAHINDRA BANK LTD.
Mittal Court, Nariman Point,
Mumbai 400 021. INDIA.

Auditors

M/s. R. KABRA & CO.
Chartered Accountants,
515, Tulsiani Chambers,
Nariman Point,
Mumbai - 400 021. INDIA

Registrar and Share Transfer Agent

M/s. LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (W), Mumbai 400 078. INDIA
Phone : 91-22-25963838
Fax : 91-22-25946969

Registered Office :

41, B- Wing, Mittal Tower,
Nariman Point, Mumbai- 400 021. (INDIA)
Phone : 91-22-6610 7025
Fax : 91-22-66107027
E-mail : sil@mtnl.net.in
Website www.satgroup.in

SALIENT CONSOLIDATED FINANCIAL DATA

(Figure in Rs.)

S.No.	Particulars	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
	PROFIT AND LOSS ACCOUNT					
1	Sales & other income	94,573,984	197,615,505	210,483,839	290,688,096	517,577,357
2	Profit before depreciation	(179,726,096)	(24,931,547)	(129,500,530)	(624,140,006)	19,141,907
3	Depreciation	55,688	61,100	168,701	704,750	948,815
4	Profit before tax	(178,588,366)	(24,992,647)	(165,177,951)	(624,844,756)	18,193,092
5	Taxation	(5,848)	(7,796,138)	(6,095,719)	52,274	(329,860)
6	Profit after tax	(178,582,518)	(17,196,509)	(159,082,232)	(624,897,030)	18,522,952
7	Excess Provision of income tax of previous years written back	-	-	-	-	74
8	Short Provision of Income Tax of previous years	-	-	-	-	-
9	Minority Interest	-	-	-	-	-
10	Net profit for the year	(178,582,518)	(17,196,509)	(159,082,232)	(624,897,030)	18,523,026
	BALANCE SHEET					
11	Total Assets					
	Gross Fixed Assets	514,284	541,704	597,570	5,547,572	120,108,102
	Net Fixed Assets	60,230	142,016	184,568	37,833,771	60,217,958
	Capital Work in Progress	-	-	-	-	-
	Investments	5,000,000	-	-	-	62,448,342
	Current Assets (Net)	45,253,072	217,613,140	219,116,849	334,129,613	844,863,040
	Miscellaneous Expenditure not written off	-	-	-	29,600	59,200
	Deferred Tax	1,307,306	15,104,409	7,308,271	1,212,552	1,220,826
	Total Application	51,620,608	232,859,565	226,609,688	373,205,536	968,809,366
12	Borrowings	-	7,981,301	300,000	1,164,163	25,649,356
13	Deferred Tax	-	-	-	-	-
14	Minority Interest	-	-	2,053,415	2,351,115	467,805
15	Net Worth					
	Share Capital	92,000,000	78,150,000	78,150,000	78,150,000	78,150,000
	Share Warrant	2,100,000	-	-	33,825,000	33,825,000
	Reserves & Surplus	(42,479,392)	146,728,264	146,106,273	257,715,258	830,717,205
		51,620,608	224,878,264	224,256,273	369,690,258	942,692,205
16	Total Sources	51,620,608	232,859,565	226,609,688	373,205,536	968,809,366
17	Profit/(Loss) before tax/Total Income	(188.83)%	(12.65)%	(78.48)%	(214.95)%	3.52%
18	Profit/(Loss) After Tax/Total Income	(188.83)%	(8.70)%	(75.58)%	(214.97)%	3.58%
19	Face value per share	Rs.2/-	Rs.2/-	Rs.2/-	Rs.2/-	Rs.2/-
20	Earning Per Share	(3.88)	(0.44)	(4.07)	(15.99)	0.47
21	Gross Block/Total Income	0.005 : 1	0.003 : 1	0.003 : 1	0.02 : 1	0.23 : 1
22	Net Block/Total Income	0.0006 : 1	0.0007 : 1	0.0009 : 1	0.13 : 1	0.12 : 1
23	Current Ratio	2.16 : 1	2.02 : 1	2.82 : 1	3.40 : 1	10.48 : 1
24	Book value per equity share	1.12	5.76	5.74	9.46	24.12
		(Face value Rs.2/-per share)	(Face value Rs.2/-per share)	(Face value Rs.2/-per share)	(Face value Rs.2/-per share)	(Face value Rs.2/-per share)
25	Debt / Equity Ratio	0: 1	0.035: 1	0.001: 1	0.003 : 1	0.03 : 1

DIRECTORS' REPORT

To The Members of SAT INDUSTRIES LIMITED

Directors' Report

The Directors of your Company have pleasure in presenting their Thirtieth Annual Report and the Audited Accounts of the Company for the year ended 31.3.2015.

1. FINANCIAL RESULTS

Your Company's performance during the year as compared with that during the Previous year is summarised below :

Stand Alone	(Rs. in lakhs)	
Particulars	2014-2015	2013-2014
Turnover	893.28	1430.38
Other Income	40.03	36.19
Profit/Loss(-) before Tax, Interest and Depreciation	(220.77)	(225.37)
Interest	0.00	0.18
Depreciation	0.56	0.61
Exceptional Items	(1155.18)	0.00
Profit/(Loss) before Tax	(1376.51)	(226.16)
Less: Provision for Taxation	0.06	77.96
Profit/(Loss) after Tax	(1376.45)	(148.20)
Profit available for appropriation	(1376.45)	(148.20)
Surplus carried from Previous year	(34.05)	114.15
Balance carried to Balance Sheet	(1410.50)	(34.05)
Consolidated	(₹ in lakhs)	
Particulars	2014-2015	2013-2014
Turnover	893.28	1939.96
Other Income	52.46	36.19
Profit before Tax	(1785.88)	(249.93)
Less: Provision for Taxation	0.06	77.96
Profit after Tax	(1785.82)	(171.97)
Net Profit for the year	(1785.82)	(171.97)
Balance carried from last year	(612.76)	(440.79)
Balance carried to Balance Sheet	(2398.58)	(612.76)

02. STATE OF COMPANY'S AFFAIRS:

The Company is engaged in the business of general trading etc. During the year the Company clocked a turnover of Rs. 893.28 lakhs as against Rs. 1430.38 lakhs in corresponding previous year registering a decrease by 37.55%. During the year the Company incurred a loss of Rs. 1376.45 lakhs as against Rs. 148.20 lakhs in the corresponding previous year registering an increase by 828.78%.

03. MATERIAL CHANGES AND COMMITMENTS :

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statement relate and the date of report.

04. DIVIDEND :

In view of the loss, the Directors are unable to recommend any dividend for the year 2014-2015.

05. CHANGE IN NATURE OF BUSINESS:

There is no change in nature of business.

06. LISTING OF SHARES :

The Equity Shares of your Company are listed on the BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and the listing fees for the year 2015-2016, has been paid.

07. SHARE CAPITAL :

During the year under report the Issued, subscribed and paid up capital of the Company increased to Rs. 92,000,000/- from Rs. 78,150,000/- with the allotment of 6,925,000 equity shares of Rs. 2/- each at a premium of Rs. 0.10 per Equity Share consequent upon issue of 6,925,000 equity shares on preferential basis to the existing shareholders of the Company. The equity shares have since been listed on BSE Limited.

08. PARTICULARS OF PERSONNEL AND RELATED DISCLOSURES :

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limits prescribed under rule 5(2) of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this report vide **Annexure – "A"**

09. DEPOSITS:

The Company has not accepted any Deposit within the meaning of Section 73 of the Companies Act, 2013 and rules made there under as such, no amount of principal or interest was outstanding as of the Balance Sheet date, nor is there any deposit in non-compliance of Chapter V of the Companies Act, 2013.

10. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

(a) DIRECTORS :

During the year Mr. Asad Daud was appointed as a director on the Board of Directors of the Company with effect from 19-07-2014. Mr. Nikhil Raut, Mr. Ramesh Chandra Soni and Mr. Sunil Jain were appointed as Independent Directors with effect from 01-10-2014 on the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement.

Mr. Virendra Maurya resigned from the Board of Directors of the company w.e.f. 12-11-2014 due to his personal reason. The Board places on record its appreciation for the services rendered by him during his office as director of the Company.

In terms of the Articles of Association of the Company, Mr. Asad Daud Director retires by rotation at the ensuing Annual General Meeting. Mr. Asad Daud being eligible has offered himself for re-appointment.

Your Directors recommend the above re-appointment.

(b) KEY MANAGERIAL PERSONNEL :

During the year Mr. Nirav Patel was appointed as a Company Secretary in accordance with the provisions of the section 203(1)(ii) of the Companies Act, 2013. Mr. Nirav Patel is an associate Member of the Institute of Company Secretary of India and has one year post qualification experience. Pursuant to section 203(1)(iii) of the Companies Act, 2013 Mr. Harikant Turgalia was appointed as Chief Financial Officer. Mr. Harikant Turgalia is a commerce graduate with the 30 years experience in finance and accounts.

11. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTOR U/S 149(6) OF THE COMPANIES ACT, 2013

It is stated pursuant to provisions 134(3)(d) of the Companies Act, 2013 that the declaration given by Mr Ramesh Chandra Soni, Mr. Sunil Jain and Mr. Nikhil Raut who are independent director meets the criteria of independence as mentioned in the Schedule IV of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :

Pursuant to rule 8(3) of the Companies (Accounts) Rules, 2014, it is stated that the Company has no particulars to be furnished under the head Energy Conservation and Technology Absorption because it has carried on no manufacturing activity during the year under review. The operation of the Company are not power intensive. The Company is, however, taking every possible steps to conserve the energy wherever possible. It has imported no technology.

The Company is making continuous efforts to explore new foreign markets and to enlarge its market of exports.

The earning in foreign exchange of UAE Branch was Rs. 8,93,28,089/- (prev.yr. Rs. 14,30,38,043/-). Outgo in foreign exchange on accrual basis was Rs. 10,84,39,085/- (prev. yr. Rs. 16,25,41,676/-).

13. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to clause (c) of sub-section 3 of section 134 of the Companies Act, 2013 It is stated that :

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. AUDITORS :

The Board of Directors of the Company have on the recommendation of the Audit Committee proposed that M/s R. Kabra & Co (ICAI FRN : 104502W) ., Chartered Accountants, Mumbai be re-appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company. M/s R.Kabra & Co., Chartered Accountants, Mumbai have forwarded their letter to the Company stating that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

Your Directors request you to appoint the auditors and fix their remuneration.

15. QUALIFICATION IN THE AUDITORS' REPORT - BOARD'S COMMENTS OR EXPLANATION

- (a) note no. 14 regarding the advance given for purchase of shares amounting to Rs. 1,84,00,000/-.

Management response : No shares have yet been transferred in the name of the Company. The amount given is only a part of the total consideration which is subject to fulfillment of certain conditions by the seller. Necessary adjustments in the accounts will be made on receipt of shares and completion of other formalities if any in this regard.

16. EXTRACT OF ANNUAL RETURN :

Extract of Annual Return as provided under sub-section (3) of section 92 of the Companies Act, 2013 is attached herewith **(Annexure B)**.

DIRECTORS' REPORT

17. CLAUSE 49 OF THE LISTING AGREEMENT - CORPROATE GOVERNANCE

Clause 49 of the Equity Listing Agreement executed with the BSE Limited is not applicable to the Company pursuant to the circular no.: CIR/CFD/POLICY CELL/7/2014 dated Septemehr 15, 2014 issued by the Securities and Exchange Board of India and circular no. : DCS/COMP/10/2014-15 September 16, 2014, issued by the BSE Limited.

18. NUMBER OF MEETINGS OF THE BOARD :

Number of meetings of the Board during the year were 11 (i.e. eleven) on 22-04-2014, 30-05-2014, 19-06-2014, 02-07-2014, 19-07-2014, 21-07-2014, 19-08-2014, 12-11-2014, 09-02-2015, 11-03-2015 and 27-03-2015.

19. PARTICULARS OF LOANS GIVEN, INVESTMENT MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013 :

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 9,11 and 14 to the standalone financial statement).

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

The Company has not entered into any contract or arrangement with any person including persons covered under sub - section(1) of section 188 of the Companies Act, 2013. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's Website: www.satgroup.in

21. AUDIT COMMITTEE :

The Audit committee of the Company was reconstituted on 12-11-2014 and comprises of the following persons :

Composition

Audit Committee of the Board of directors ("Audit Committee") is entrusted with the Responsibility to supervise the company's Internal Controls and Financial reporting process. The Composition, quorum, powers, role and scope are in accordance with section 177 of the Companies act, 2013 and the Provisions of Clause 49 of the listing Agreement. All members of the Audit Committee are financially literate and being in expertise in the fields of Finance, taxation, Economics, Risk and international Finance. Mr. Ramesh Chandra Soni, Non-Executive, Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. Harikant Turgalia and Mr. Nikhil Raut.

Meetings and Attendance

The Audit committee met six time during the financial Year 2014-15. The Company is in full Compliance with the provisions of Clause 49 of the listing Agreement on gaps between any two Audit Committee meetings. The Committee met on 22-04-2015, 30-05-2014, 19-06-2014, 21-07-2014, 12-11-2014 and 09-02-2015 during the financial Year 2014-15. The Necessary quorum was present for all meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the company. The table below provided Attendance of the Audit Committee members.

Sr no.	Name of the Director	Position	Category	Meetings Attended
1.	Mr. Ramesh Chandra Soni	Chairman	Non-Executive Independent	6
2.	Mr. Harikant Turgalia	Member	Executive	6
3.	Mr. Virendra Maurya	Member (Up to 11-11-2014)	Non-Executive Independent	4
4.	Mr. Nikhil Raut	Member (w.e.f. 12-11-2014)	Non- Executive Independent	2

Terms of Reference

The Audit Committee inter alia performs the function of approving Annual Internal Audit plan, review of financial reporting system, Internal controls system, discussion on quarterly, half-yearly and annual financial results, interaction with statutory and internal Auditors, one-on-one meetings with statutory and internal Auditors, recommendation for the appointment of statutory and cost Auditors and their remuneration, recommendation for the appointment and remuneration of internal auditors, review of Business Management plan, review of internal audit reports significant related party transactions. The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement in fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Functions of Audit Committee :

The Audit Committee, while reviewing the Annual Financial Statements also review the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2015.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. The Statutory Auditors are responsible for performing independent audit of the

DIRECTORS' REPORT

Company's financial Statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Whole-time Director, Chief Financial Officer, the representatives of the Statutory Auditors and the internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Clause 49(III)(A) (6) of the Listing Agreement of Stock Exchanges.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis the un-audited Standalone Financial Results as Required by the Clause 41 of the Listing Agreement entered with Stock Exchanges. The Company's quarterly un-audited Standalone Financial Results are made available on the website www.satgroup.in and are also sent to the BSE Limited where the Company's Equity Shares are listed for display at their website.

The Audit Committee also oversees and review the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy and Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

22. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM :

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company.

23. NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee comprises of Three Directors, Mr. Ramesh Chandra Soni Non-executive Independent Director is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mr. Sunil Jain and Mr. Nikhil Raut. The Composition of Nomination and Remuneration Committee are in accordance with the provisions of section 178 of the Companies act, 2013 and Clause 49 of the listing Agreement.

Meeting and Attendance

The Nomination and Remuneration Committee met four times during the financial Year 2014-15. The necessary quorum was present for all Meetings. The Chairman of the Nomination

and Remuneration Committee was present at the last Annual General Meeting of the company. The table Below provided Attendance of the Nomination and Remuneration Committee members.

Sr no.	Name of the Director	Position	Category	Meetings Attended
1.	Mr. Ramesh Chandra Soni	Chairman	Non-Executive Independent	4
2.	Mr. Virendra Maurya	Member (Up to 11-11-2014)	Non-Executive Independent	2
3.	Mr. Sunil Jain	Member	Non-Executive Independent	4
4.	Mr. Nikhil Raut	Member (w.e.f. 12-11-2014)	Non-Executive Independent	2

Terms of Reference

- The Board has framed the Nomination and Remuneration Committee Charter which ensures effective Compliance of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Board has clearly defined terms of reference for the Nomination and Remuneration Committee, which are as follows:
- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/whole time Director(s) and Senior Management (one level below the Board);
- To help in determining the appropriate size, diversify and composition of the Board.
- To recommend to the Board appointment/re-appointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- Fixing the remuneration to executive Directors (the restrictions contained in the Companies Act, 2013 is to be considered);
- To create an evaluation framework for Independent Directors and the Board;
- To provide necessary reports to the chairman after the evaluation process is completed by the Directors;
- To assist in developing a succession plan for the Board;
- To assist the Board in fulfilling responsibilities entrusted from time to time;
- Delegation of any of its powers to any Member of the Committee of the Compliance Officer.

The following policies of the Company are attached herewith

- Policy for selection of Directors and Determining Directors independence **Annexure "C"**; and
- Remuneration Policy for Directors, Key Managerial Personnel and other employees – **Annexure - "D"**.

24. Stakeholder Relationship Committee Composition and Attendance

DIRECTORS' REPORT

This Committee comprises of Three Directors. Mr. Ramesh Chandra Soni Non –Executive Independent Director is the Chairman of this Committee. The Table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.

Sr no.	Name of the Director	Position	Category	Meetings Attended
1.	Mr. Ramesh Chandra Soni	Chairman	Non-Executive Independent	4
2.	Mrs. Shehnaz D Ali	Member	Executive	4
3.	Mr. Harikant Turgalia	Member	Executive	4

Terms of Reference

The Board has clearly defined the terms of reference for this Committee, which generally meets once in a quarter. The Committee looks into the matters of Shareholder/Investors grievances along with other matter listed below:

- Approval of transfer of shares/debentures and issue of duplicate /split/consolidation/sub-division of share/debenture certificates.
- opening /modification of operation and closing of bank accounts;
- grant of special /general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions.
- to fix record date/book closure of share /debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
- to change the signatories for availment of various facility from Banks /Financial Institutions;
- to grant authority to execute and sign foreign exchange contracts and derivative transactions;
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.

The Secretarial Department of the Company and the Register and Share Transfer Agent Link Intime India Pvt. Ltd. attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the Investors.

INDEPENDENT DIRECTORS :

The Non-Executive Independent Directors fulfil the conditions of Independence specified in section 149(6) of Companies Act, 2013 and Rules made thereunder and meet with requirement of clause 49 of Listing Agreement entered into with the stock exchanges. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company at the link: www.satgroup.in

The Company has put in place a system to familiarize the Independent Directors about the Company, its business and the on-going events relating to the Company.

25. EVALUATION OF THE PERFORMANCE OF THE BOARD MEMBERS ETC.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of Listing Agreement, the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at their separate meeting.

26. SECRETARIAL AUDIT REPORT :

The Board has appointed M/S S.K. Jain & Co., Company Secretaries wholetime in practice to carry out secretarial audit under the provisions of section 204 (1) of the Companies Act, 2013. The Secretarial Audit is attached to this report vide **Annexure –“E”**

The observations made by the Secretarial Auditors are self explanatory and require no further comment of the Board of Directors.

27. SUBSIDIARY COMPANY :

The Company as of March 31, 2015 had only one wholly owned subsidiary viz. Sat Middleeast Limited FZC, UAE.

28. CONSOLIDATION OF ACCOUNTS :

Pursuant to section 129(3) of the Companies Act, 2013 read with Rule 6 of the Companies(Accounts) Rules, 2014 and also required under clause 32 of the Listing Agreements with the BSE Limited, audited consolidated financial statements form part of the Annual Report.

29. GENERAL :

Your Directors state that no disclosure or reporting is

DIRECTORS' REPORT

required in respect of the following items as there were no transactions on these items during the year under review:

- (a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (c) Name of Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.
- (d) None of the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- (e) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

30. RISK MANAGEMENT :

The Company has laid down the procedures to inform to the Board about the Risk assessment and minimization procedures and the Board has Formulated Risk management policy to ensure that the Board, its Audit Committee and its Executive Management Should collectively identify the risks impacting the Company's business and document their process of risk identification, risk Minimization, risk optimization as a part of a risk management policy/strategy.

The common risks inter alia are : Regulations, Credit Risk, Foreign Exchange and Interest Risk, Competition, Business Risk, Technology Obsolescence, Investments, Retention

of Talent and Expansion of Facilities etc. Business risk, inter-alia further includes financial risk, political risk, legal risk etc. The Board reviews the risk trend, exposure and potential impact analysis and prepares risk mitigation plans, if necessary.

Further, in accordance with Clause 49 of the Listing Agreement, a Risk Management Committee has also been formed which also oversees the Risk Management of the Company.

31. INTERNAL FINANCIAL CONTROLS :

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

32. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the banks, Central and State Government Authorities etc. during the year under review.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, Staff and Workers of the Company for its success.

for and on behalf of the Board of Directors

Place : Mumbai

H.K. Turgalia Shehnaz D. Ali

Dated : 29.05.2015 Wholetime Director Wholetime Director

DIN : 00049544

DIN:00185452

DIRECTORS' REPORT

Annexure – "A"

DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15	S.No.	Name of Director		Ratio of the remuneration of each director to the median remuneration of the employees
		1	Mrs. Shehnaz D Ali		7.60:1
		2	Mr. Harikant Turgalia		4.82:1
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year 2014-15:-	S.No.	Name	Designation	Increase in remuneration in the financial year 2014-15
		01	Mrs. Shehnaz D Ali	Wholetime Director	7.69%
		02	Mr. Harikant Turgalia	Wholetime Director and Chief Financial Officer	11.05%
		03	Mr. Nirav Patel	Company Secretary	Not applicable since he was appointed with effect from 03-07-2014
3	The percentage increase in the median remuneration of employees in the financial year	11.40%			
4	The number of permanent employees on the rolls of Company	7			
5	The explanation on the relationship between average increase in remuneration and Company performance	Average increase in Remuneration during the financial year 2014-15 was 9.53% whereas the turnover declined by 37.55% and Loss after tax Increase by 828.78%.			
6	Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company	Aggreagte remuneration of the KMP excluding Remuneration of Mr.Nirav Patel who join the Company from 03/07/2014 for the financial year 2014-15 is Rs. 18.89 lakhs which is higher by 8.97 % as compared with the previous year, whereas the turnover declined by 37.55% and loss after tax increase by 828.78%.			
7	Variation in the market capitalisation of the Company,price earnings ratio as at the closing, date of the current financial year and previous financial year and percentage increase or decrease in the market quotation of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	Particulars	As on 31.03. 2015	As on 31.03. 2014	
				Changes	
		Market Capitalisation	12,65,00,000	5,86,12,500	
		Price earnings ratio	NA	NA	
		The last public issue of the Company was made at par on19-04-1985 for Rs. 24,49,300/- divided into 2,44,930 no. of equity Shares of Rs. 10/- each. The face value of one equity share of Rs. 10/- each was subsequently divided into 5 nos. of equity shares divided into Rs. 2/- each on 03-02-2003. The market quote as on 31.03.2015 is Rs. 2.75 which is 37.5% higher of the shares offered at the public issue.			

DIRECTORS' REPORT

8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	<p>The average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year is 9.53% whereas the increase in the remuneration of the managerial personnel is 9.37%.</p> <p>Justification: The percentile increase in the managerial remuneration in the financial year 2014-15 is lower as compared with the average percentile increase of the employees. The increase in the KMP salary is decided on the individual performance, inflation prevailing industry trends and benchmarks and therefore comparison of one against the other is not feasible</p>			
9	Comparison of each remuneration of the key managerial personnel against the performance of the Company	Name of key managerial personnel	Mrs. Shehnaz D Ali- Wholetime Director	Mr.Harikant Turgalia-Whoelttime Director and Chief Financial Officer	Mr. Nirav Patel – Company Secretary
		Remuneraton paid during the FY 2014-15	Rs. 12.60 lakhs	Rs. 7.99 lakhs	Rs. 1.57 lakhs
		As a percentage of the turnover (i.e. Rs.893.28 lakhs) of the Company	1.41%	0.89%	0.18%
		As a percentage of the profit after tax(i.e. (-)Rs. 1376.45 lakhs) of the Company	Not calculated since there is loss	Not calculated since there is loss	Not calculated since there is loss
10	The key parameters for any variable components of remuneration availed by the directors	NIL			
11	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	None			
12	Affirmation that the remuneration is as per the remuneration policy of the Company:	The company affirms remuneration is as per the remuneration policy of the Company to all the directors, Key Managerial Personnel and other Employees.			

DIRECTORS' REPORT

Annexure – "B"

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

REGISTRATION & OTHER DETAILS :

CIN	L25199MH1984PLC034632
Registration Date	23-11-1984
Name of the Company	Sat Industries Limited
Category/Sub-category of the Company	Category : Company limited by shares Sub- category : Non-government Indian Company
Address of the Registered office & contact details	41, B- Wing, Mittal Tower, Nariman point, Mumbai- 400 021. Tel. +91 22 66107025 Fax : 91 22 66107027 website: www.satgroup.in e-mail: sil@mtnl.net.in
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W) Mumbai -400 078, India. E-Mail : mumbai@linkintime.co.in Phone : 022-25963838 Fax : 022-25946969

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Non-specialized wholesale trade	46909	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Sat Middle East Ltd. FZC Ajman free Zone, Ajman, UAE.	N.A.	Subsidiary	100	Section 2(87)(ii)

DIRECTORS' REPORT

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	14510000	0	14510000	37.13	19335000	0	19335000	42.03	4.90
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	14510000	0	14510000	37.13	19335000	0	19335000	42.03	4.90
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	15688894	0	15688894	40.15	17388372	0	17388372	37.80	2.35
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3643555	30	3643585	9.32	3995255	30	3995285	8.69	0.63

DIRECTORS' REPORT

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4806215	0	4806215	12.30	4880227	0	4880227	10.61	1.69
c) Others (specify)									
Non Resident Indians	25375	0	25375	0.07	14925	0	14925	0.03	0.04
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	400931	0	400931	1.03	386191	0	386191	0.84	0.19
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	24564970	30	24565000	62.87	26664970	30	26665000	57.97	4.90
Total Public Shareholding (B)=(B)(1)+ (B)(2)	24564970	30	24565000	62.87	26664970	30	26665000	57.97	4.90
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	39074970	30	39075000	100.00	45999970	30	46000000	100.00	

(b) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sat Invest Pvt. Ltd.	14510000	37.13	0.00	19335000	42.03	0.00	4.90

(c) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	14510000	37.13		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	On 21-07-2014 4825000 Equity shares allotted on preferential basis.		19335000	42.03
	At the end of the year			19335000	42.03

DIRECTORS' REPORT

(d) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mentor Capital Ltd.				
	At the beginning of the year	456000	0.99	456000	0.99
	Bought during the year	0	0	456000	0.99
	Sold during the year	456000	0.99	0	0
	At the end of the year	0	0	0	0
2	Park Continental Pvt. Ltd.				
	At the beginning of the year	954116	2.07	954116	2.07
	Bought during the year	650646	1.41	1604762	3.49
	Sold during the year	24954	0.05	1579808	3.43
	At the end of the year	1579808	3.43	1579808	3.43
3	Bonanza Portfolio Ltd.				
	At the beginning of the year	487122	1.06	487122	1.06
	Bought during the year	14750	0.03	501872	1.09
	Sold during the year	82120	0.18	419752	0.91
	At the end of the year	419752	0.91	419752	0.91
4	Dawood Investment Pvt. Ltd.				
	At the beginning of the year	7209350	15.67	7209350	15.67
	Bought during the year	No Change	No Change	No Change	No Change
	Sold during the year	No Change	No Change	No Change	No Change
	At the end of the year	7209350	15.67	7209350	15.67
5	Manju Gupta				
	At the beginning of the year	1200000	2.61	1200000	2.61
	Bought during the year	No Change	No Change	No Change	No Change
	Sold during the year	No Change	No Change	No Change	No Change
	At the end of the year	1200000	2.61	1200000	2.61
6	Motilal Oswal Financial Services Ltd.				
	At the beginning of the year	485154	1.05	485154	1.05
	Bought during the year	0	0	485154	1.05
	Sold during the year	114734	0.25	370420	0.80
	At the end of the year	370420	0.80	370420	0.80
7	Narendra Pal Gupta				
	At the beginning of the year	625000	1.36	625000	1.36
	Bought during the year	No Change	No Change	No Change	No Change
	Sold during the year	No Change	No Change	No Change	No Change
	At the end of the year	625000	1.36	625000	1.36
8	Shreni Shares Pvt. Ltd.				
	At the beginning of the year	746302	1.62	746302	1.62
	Bought during the year	69265	0.15	815567	1.77
	Sold during the year	631465	1.37	184102	0.40
	At the end of the year	184102	0.40	184102	0.40

DIRECTORS' REPORT

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Space Age Polymers Pvt. Ltd.				
	At the beginning of the year	4069455	8.85	4069455	8.85
	Bought during the year (Preferential Allotment)	2100000	4.56	6169455	13.41
	Sold during the year	0	0	0	0
	At the end of the year	6169455	13.41	6169455	13.41
10	Suraj Dileepkumar Karkera				
	At the beginning of the year	333526	0.73	333526	0.73
	Bought during the year	7796	0.01	341322	0.74
	Sold during the year	341322	0.74	0	0
	At the end of the year	0	0	0	0

Note : The above information is based on the weekly beneficiary position received from Depositories.

(e) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	1161038	0	1161038
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	1161038	0	1161038
Change in Indebtedness during the financial year				
* Addition	0	30636957	0	30636957
* Reduction	0	52116	0	52116
Net Change	0	30584841	0	30584841
Indebtedness at the end of the financial year				
i) Principal Amount	0	30584841	0	30584841
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	30584841	0	30584841

DIRECTORS' REPORT

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		Shehnaz D. Ali	Harikant Turgalia	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1260000	720000	1980000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	79000	79000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	1260000	799000	2059000
	Ceiling as per the Act*	*	*	

*Rs. 42 lakhs per annum pursuant to Section II of the Part II of the Schedule V to the Companies Act, 2013

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	-	NIL		-
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors	-	NIL		-
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

DIRECTORS' REPORT

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		149972		149972
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		7032		7032
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0		0
2	Stock Option		0		0
3	Sweat Equity		0		0
4	Commission				
	- as % of profit		0		0
	others, specify...		0		0
5	Others, please specify		0		0
	Total		157004		157004

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

DIRECTORS' REPORT

Annexure "C"

Policy for Selection of Directors and determining Directors' Independence

1. Introduction

SAT INDUSTRIES LIMITED (SIL) believes that an appropriate composition of Board with persons having diversified expertise and experience helps in providing long term vision and ensuring good corporate governance. It also helps the Board in discharging its responsibilities and duties effectively.

- 1.2 SIL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. SIL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. Scope and Exclusion:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a director appointed to the Board of a company.
- 3.2 "Nomination and Remuneration Committee" means the committee constituted by SIL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.
- 3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

4. Policy:

4.1 Qualifications and criteria

- 4.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.
- 4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

General understanding of the Company's business

dynamics, global business and social perspective;

Educational and professional background Standing in the profession;

Personal and professional ethics, integrity and values;

Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

Shall possess a Director Identification Number;

Shall not be disqualified under the Companies Act, 2013;

Shall give his written consent to act as a Director;

Shall endeavour to attend all Board

Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director

4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

DIRECTORS' REPORT

- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
 - e. who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
 - f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
 - g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
 - h. who is not less than 21 years of age.
- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.
- 4.3 Other directorships / committee memberships
- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.
- For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

DIRECTORS' REPORT

Annexure "D"

Remuneration Policy for Directors, Key Managerial Personnel and other employees

1. Introduction

1.1 SAT INDUSTRIES LIMITED (SIL) recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- 1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Exclusion:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a director appointed to the Board of the company.
- 3.2 "Key Managerial Personnel" means
 - (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer; and
 - (v) such other officer as may be prescribed under the Companies Act, 2013.
- 3.3 "Nomination and Remuneration Committee" means the committee constituted by SIL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel.

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (HRNR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual Performance Bonus

4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non-Executive Directors

4.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

4.3 Remuneration to other employees

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

DIRECTORS' REPORT

Annexure – "E" FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

SAT INDUSTRIES LIMITED

41, B - Wing, Mittal Tower

Nariman Point,

Mumbai - 400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by M/S SAT INDUSTRIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of the M/S SAT INDUSTRIES LIMITED's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period 01st April, 2014 to 31st March, 2015 ("the reporting period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/S SAT INDUSTRIES LIMITED ("the Company") as given in Annexure I, for the period 01st April, 2014 to 31st March, 2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the Rules made thereunder for specified Sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and Regulations & the

Bye-laws, 1996 thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment were not attracted to the Company in the financial year under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable as the Company has not introduced any such scheme during the Financial Year under review)
The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company has not issued/listed/propose to list its Debt Securities to any Stock Exchange during the Financial Year under review)
The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)
The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable as the Company has not brought back/propose to Buy-back any of its securities during the Financial Year under review)
3. There are no specific laws applicable to the Company.
4. I have relied on the Representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other

DIRECTORS' REPORT

applicable Acts, Laws and Regulations to the Company. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. My examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as generally applicable to the Company is given in Annexure II.

5. In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts I have relied on the Reports given by the Statutory Auditors of the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 1956; (Not notified and hence not applicable to the Company during Audit period) and
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange -Complied During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company has obtained approval of the Shareholders through Postal Ballot on 1st October, 2014 for passing various Resolutions as Ordinary/ Special Resolutions including to make Investments in other Body Corporates. During the period under Report the Company has advanced a sum of Rs. 35,06,280/- (net) (which including opening balance of Rs. 1,48,93,720/- aggregated to Rs. 1,84,00,000/- as on 31.03.2015) to M/s Lion Houseware Private Limited. It has been explained to us that the said sum of Rs. 1,84,00,000/- has been paid to M/s Lion Houseware Private Limited for purchase of Shares of M/s Sah Polymers Limited. The said amount of Rs. 1,84,00,000/- has been shown under the heading "Short Term Loans & Advances" (Note No. 14 read with Note No. 14.1 of the Annual Accounts of the Company for the Financial Year 2014-15).

The Company has appointed Mr. Harikant Turgalia, Whole Time Director (WTD) as Chief Financial Officer (CFO) under Section 203 of the Company Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014 at the Meeting of Board of Directors held on 9th February, 2015.

The Company has appointed Mr. Nirav Patel (Membership No. A-32979) under Section 203 of the Company Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014 as Company Secretary at the Meeting of Board of Directors held on 2nd July, 2014.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year/audit period under Report, the Company has undertaken the following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

The Company has passed following Ordinary and Special Resolutions through Postal Ballot on under Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014

Special Resolution under Section 180(1)(c) and 180(2) and other applicable provisions of Companies Act, 2013 read with rules made thereunder authorising the Board of Directors of the Company to exercise borrowing powers upto a sum of Rs. 200 Crores. (Rupees Two Hundred Crores only).

Special Resolution passed under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder authorising the Board of Directions of the Company to create charge/ mortgage etc. on the movable/immovable properties of the company upto a sum not exceeding Rs. 200 Crores. (Rupees Two Hundred Crores only).

DIRECTORS' REPORT

Ordinary Resolution under Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder to appoint Mr. Ramesh Chandra Soni (DIN- 00049497) as an Independent Director of the Company for a period of 5 years w,e,f 01.10.2014.

Ordinary Resolution under Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder to appoint Mr. Sunil Mithalal Jain (DIN- 03398788) as an Independent Director of the Company for a period of 5 years w,e,f 01.10.2014.

Ordinary Resolution under Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder to appoint Mr. Nikhil Khanderao Raut (DIN- 06653335) as an Independent Director of the Company for a period of 5 years w,e,f 01.10.2014.

Special Resolution under Section 4, 13 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder for alteration of Memorandum of Association by inserting new sub-clauses 3 to 7 immediately after the existing sub clauses 2B of clause III(A) of the Memorandum of Association of the Company.

Special Resolution under Section 186 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder authorising the Board of Directors of the Company to invest by purchase/acquire/subscribe equity shares, preference shares and any other financial instruments of the body corporate and upto an amount not exceeding Rs. 155 Crores. (Rupees One Hundred Fifty Five Crores only).

The Shareholder of the Company at Annual General Meeting held on 19th July, 2014 approved Preferential Issue of 6925000 (Sixty Nine Lack Twenty Five Thousand) Equity Shares (4825000 Equity Shares to M/s Sat Invest Private

Limited and 2100000 Equity Shares to M/s Space Age Polymers Private Limited) of Rs. 2.00/- each and 4000000 (Forty Lacs) warrants to M/s Sat Invest Private Limited convertible into one Equity Shares of Rs. 2/- each against each warrants in one or more tranches not exceeding 18 months from the date of allotment of warrants at issue price shall not be less than the price arrived under Regulation 76 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

The Board of Directors of the Company at its Meeting held on 21st July, 2014 made allotment of 4825000 and 2100000 Equity Shares of Rs. 2/- each at a Issue Price of Rs. 2.10/- per Shares to M/s Sat Invest Private Limited and M/s Space Age Polymers Private Limited and made allotment of 4000000 warrants to M/s Sat Invest Private Limited.

The Company has written off its Investment made in M/S SAT MIDDLEAST Ltd. (UAE) a Subsidiary Company, to the extent of Rs. 11,67,11,723/- as the business operation of the said Company was discontinued during the Financial Year 2014-15.

The Company has closed down its Branch in UAE w.e.f. closing of business hours on 31/03/2015 vide Resolution passed at the meeting of Board of directors held on 27th March, 2015.

Place: Mumbai
Date: 29-05-2015

For S. K. Jain & Co.

(Dr. S.K.Jain)
Proprietor
Company Secretary
FCS: 1473
COP: 3076

DIRECTORS' REPORT

ANNEXURE - I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules, made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors and Committee Meetings held during the Financial Year under review.
2. Minutes of General Body Meetings held during the Financial Year under review.
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein.
4. Notice and Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under review.
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under review.
7. Disclosure of Interest and Concerns in contracts and arrangement, shareholdings and directorships in other Companies and interest in other entities by Directors.
8. Disclosure equipments in respect of the eligibilities for appointment, declaration of their independence, compliance with the Code of Conduct for Directors and Senior Management, Personnel as per Clause 49 of the Listing Agreement.
9. Appointment and remuneration of Internal and Statutory Auditor.
10. Closure of Register of Members.

ANNEXURE - II

1. Income Tax Act, 1961;
2. Shop and Establishment Act, 1948;
3. Professional Tax Act, 1975;
4. Bombay Stamp Act, 1958;
5. Negotiable Instrument Act, 1881;

To,

The Members,

SAT INDUSTRIES LIMITED

41, B - Wing, Mittal Tower

Nariman Point,

Mumbai - 400021

Our Secretarial Audit Report of Even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

Our responsibility is to express an opinion on these secretarial records, system, standards and procedures based on our audit.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Place: Mumbai

For S. K. Jain & Co.

Date: 29-05-2015

(Dr. S.K.Jain)

Proprietor

Company Secretary

FCS: 1473

COP: 3076

Annexure – “F”
Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No. :	1
2. Name of the subsidiary :	SAT MIDDLEEAST LIMITED FZC, UAE
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2014 TO 31.03.2015
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED Exch. Rate 1 AED = Rs. 17.0218
5. Share capital :	AED 9452000 Equivalent to Rs. 160890053/-
6. Reserves & surplus :	0
7. Total assets :	AED 9466395 Equivalent to Rs. 161135082/-
8. Total Liabilities :	AED 9466395 Equivalent to Rs. 161135082/-
9. Investments :	0
10. Turnover :	0
11. Profit before taxation :	(Rs. 157649035)
12. Provision for taxation :	0
13. Profit after taxation :	(Rs. 157649035)
14. Proposed Dividend :	0
15. % of shareholding :	100
Part “B”: Associates and Joint Ventures	
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures	
	NIL

For and on behalf of the Board

Place: Mumbai
Date: 29.05.2015

Shehnaz D. Ali
Wholetime Director

H.K. Turgalia
Wholetime Director

AUDITOR'S REPORT

Independent Auditor's Report To the Members of SAT Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of SAT INDUSTRIES LIMITED, which comprise the Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss and Cash Flow Statements for the year then ended 31st March, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's

preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **subject to note no. 14 regarding the company has given advance money for purchase of shares**, the aforesaid Standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- As required by section 143(3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of

- Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
- The Company does not have any pending litigations which would impact its financial position.
 - The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - There were no amounts which were

required to be transferred to the Investor and Education and Protection Fund by the Company

**For and on behalf of
For R.KABRA & CO.
Chartered Accountants
FRN: 104502W**

**DEEPA RATHI
Partner**

**Place : Mumbai
Dated: May 29, 2015**

Membership No.104808

ANNEXURE TO THE AUDITOR'S REPORTS (Referred to in our report of even date)

Annexure referred to in Point 1 of the Auditors' Report of even date to the members of SAT Industries Limited for the year ended as on March 31, 2015.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- (b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased program of verification adopted by the company and no material discrepancies were noticed on such verification.
- (ii) (a) There is no inventory held locally in India during the current year and also in the foreign branch which has closed its operation as on 31st March, 2015.
- (iii) (a) As per the information and explanation given to us, the company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. The number of such parties involved are five and the maximum balance during the year is Rs. 28,812,199/- and the closing balance as on year end is 28,279,965/-.
- b. The receipt of principal amount and interest are on demand basis.
- c. The overdue amount is not more than Rs. 1 lakh, Since the payment is on demand basis & Clause (iii)c is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory and fixed assets and for the sales of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the Shareholders/directors and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) As explained to us, maintenance of cost records prescribed by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable to the Company.
- (vii) (a) As explained to us by the management, since the number of employees are falling below the limit, therefore provident fund, Investor Education and Protection Fund, Employees State Insurance are not applicable to the Company. The company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, sales-tax, wealth-tax, service tax, custom-duty and excise duty, cess and other statutory dues with appropriate authorities

- wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31st March 2015 for a period of more than 6 months from the date they became due.
- (b) According to the record of the company, the dues of sales-tax, income-tax, customs, wealth-tax, excise-duty, service tax which have not been deposited on account of disputes and the forum where the dispute is pending are NIL.
- (c) According to the information and explanations given to us, no amounts are required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956)
- (viii) The Company has accumulated losses at the end of the financial year and it has incurred cash losses in current financial year and in the immediately preceding financial year.
- (ix) The Company has not taken any loans from financial institution or bank or debenture holder, so the question of default in repayment does not arise.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the Company has not received any term loan during the year so the clause (xi) of the order is not applicable.
- (xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed or such case by the management.

**For and on behalf of
R.KABRA & CO.
Chartered Accountants
Registration No.104502W**

**(DEEPA RATHI)
Partner
Place : Mumbai
Dated: May 29, 2015**

**(DEEPA RATHI)
Partner
Membership No. 104808**

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No	As at 31st March 2015	As at 31st March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
a. Share Capital	1	92,000,000	78,150,000
b. Reserves and Surplus	2	(42,395,155)	109,210,039
c. Amount Received Against Share Warrant		2,100,000	-
(2) Non-Current Liabilities			
a. Long-term borrowings	4	-	7,981,301
(3) Current Liabilities			
a. Short-term borrowings	5	30,636,957	-
b. Other current liabilities	6	1,016,807	1,029,309
c. Short-term provisions	7	92,115	131,729
Total		83,450,724	196,502,378
II. Assets			
(1) Non-current assets			
a. Fixed assets			
(i) Tangible assets	8	60,230	142,016
b. Non-current investments	9	5,001,000	116,712,723
c. Deferred tax assets (net)	10	1,307,306	15,104,409
d. Long term loans and advances	11	7,890,300	15,115,042
(2) Current assets			
a. Trade receivables	12	3,611,918	22,229,993
b. Cash and cash equivalents	13	35,156,184	2,313,838
c. Short-term loans and advances	14	30,423,786	24,884,357
Significant Accounting Policies & Notes to Accounts	1 to 30		
Total		83,450,724	196,502,378

As per our report of even date

For R. Kabra & Co.

Chartered Accountants

FRN: 104502W

For and on behalf of the Board

Deepa Rathi

Partner

M No.: 104808

Place : Mumbai

Date : 29 May, 2015

Shehnaz D. Ali

Wholetime Director

H.K. Turgalia

Wholetime Director

Profit and Loss statement for the year ended 31st March, 2015

Particulars	Note No	As at 31st March 2015	As at 31st March 2014
Revenue from operations	15	89,328,089	143,038,043
Other Income	16	4,002,943	3,619,648
I. Total Revenue		93,331,032	146,657,691
Expenses:			
Purchase of Stock-in-Trade		84,549,057	141,258,463
Employee benefit expense	17	4,207,237	3,833,872
Financial costs	18	6,601	18,368
Depreciation and amortization expense	8	55,688	61,100
Other expenses	19	26,645,198	24,102,026
II. Total Expenses		115,463,781	169,273,829
III. Profit before exceptional and extraordinary items and tax	(I - II)	(22,132,749)	(22,616,138)
IV. Exceptional Items			
Diminution in Value of Investments		(116,711,723)	-
Foreign Currency Exchange Fluctuation		1,193,418	-
V. Profit before extraordinary items and tax	(III - IV)	(137,651,054)	(22,616,138)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax Liability / (Asset)		(5,848)	(7,796,138)
VII. Profit/(Loss) for the period	(V-VI)	(137,645,206)	(14,820,000)
VIII. Earning per equity share:			
(1) Basic		(2.992)	(0.379)
(2) Diluted		-	-
Significant Accounting Policies & Notes to Accounts	1 to 30		

As per our report of even date

For R. Kabra & Co.

Chartered Accountants

FRN: 104502W

For and on behalf of the Board

Deepa Rathi

Partner

M No.: 104808

Place : Mumbai

Date : 29 May, 2015

Shehnaz D. Ali

Wholetime Director

H.K. Turgalia

Wholetime Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015

Particulars	(Amount in ₹)	
	Year ended 31-03-2015	Year ended 31-03-2014
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(137,651,054)	(22,616,138)
Adjustments for :		
Depreciation	55,688	61,100
Profit on sale of Fixed Assets	(7,477)	-
Provision for dimution on investment	116,711,723	-
Foreign Currency Exchange Fluctuation	(1,193,418)	-
interest exp	6,601	18,368
interest income	(1,461,203)	-
Income from dividend	(56,906)	-
Income from mutual fund investments	(19,728)	-
Creditors dues not payable	(1,641,301)	-
Profit on sale of Investments	-	(2,803,320)
Operating Profit before working capital changes	(25,257,075)	(25,339,990)
Adjustments for :		
Trade Receivables	18,618,075	15,932,630
Trade Payables	(12,502)	125,506
Short Term Provisions	92,115	131,729
Cash Generated from Operations	(6,559,387)	(9,150,125)
Direct Taxes Paid	-	-
Net Cash Flow from Operating Activities	(6,559,387)	(9,150,125)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(34,579)	(20,134)
Sale of Fixed Assets	7,477	1,586
Purchase of Investments	(4,980,272)	-
Dividend received	56,906	-
interest income	1,461,203	-
Sale of Investments	-	6,229,600
Net inflow/(outflow) in Investing Activities	(3,489,265)	6,211,052
c) CASH FLOW FROM FINANCING ACTIVITIES		
Amount received against share warrant	2,100,000	-
Issue of Shares	14,542,500	-
Proceeds from Short-term Advances	(5,539,429)	(5,212,551)
Proceeds from Long Term Advances	7,224,742	(4,117)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015 (Contd.)

Particulars	(Amount in ₹)	
	Year ended 31-03-2015	Year ended 31-03-2014
Proceeds from Short-term borrowings	30,636,957	(760,000)
interest expense	(6,601)	(18,368)
Repayment of Long-term borrowings	(7,981,301)	7,481,301
Net inflow/(outflow) in Financing Activities	40,976,868	1,486,265
D) Foreign Exchange Translation Reserve Adjustment		
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C+D)	32,842,346	2,154,474
Cash and Cash equivalents at the beginning	2,313,838	159,364
Cash and Cash equivalents at the close	35,156,184	2,313,838

Note: 1) Previous years figures have been regrouped, rearranged to make them comparable.
2) Cash Flow Statement has been prepared on 'Indirect Method'

As per our report of even date
For R. Kabra & Co.
Chartered Accountants
FRN: 104502W

For and on behalf of the Board

Deepa Rathi
Partner
M No.: 104808
Place : Mumbai
Date : 29 May, 2015

Shehnaz D. Ali
Wholetime Director

H.K. Turgalia
Wholetime Director

Notes To Accounts (Contd.)

NOTE 1: SHARE CAPITAL

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of 2/- each	50,000,000	100,000,000	50,000,000	100,000,000
	50,000,000	100,000,000	50,000,000	100,000,000
Issued				
Equity Shares of 2/- each fully paid up	46,000,000	92,000,000	39,075,000	78,150,000
Total	46,000,000	92,000,000	39,075,000	78,150,000

Note 1.1

Reconciliation for No. of shares outstanding during the year

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amt	No. of Shares	Amt
Shares outstanding at the beginning of the year	39,075,000	78,150,000	39,075,000	78,150,000
Shares Issued during the year	6,925,000	13,850,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	46,000,000	92,000,000	39,075,000	78,150,000

Note 1.2

Details of shareholders holding more than 5%

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. Sat Invest Private Limited	19,335,000	42.03%	14,150,000	36.21%
2. Dawood Investment Private Limited	7,209,350	15.67%	7,209,350	18.45%
3. Space Age Polymers Private Limited	6,169,455	13.41%	4,069,455	10.41%

Note 2 : RESERVES AND SURPLUS

Particulars	As at 31 March 2015	As at 31 March 2014
a. General Reserves		
Opening Balance	4,800,254	4,800,254
(+) Current Year Transfer	Nil	Nil
(-) Depreciation Impact due to change in the method to useful life	60,677	
Closing Balance	4,739,577	4,800,254
b. Securities Premium Account		
Opening Balance	59,400,000	59,400,000
Add : Securities premium credited on Share issue	692,500	Nil
Closing Balance	60,092,500	59,400,000

Notes To Accounts (Contd.)

Note 2 : RESERVES AND SURPLUS

Particulars	As at 31 March 2014	As at 31 March 2013
c. Foreign Currency Translation Reserve		
Opening Balance	14,590,508	10,983,226
(-) Written Back in Current Year	(14,590,508)	(10,983,226)
(+) Current Year Transfer (Refer Note 2.1)	-	14,590,508
Closing Balance	-	14,590,508
d. Capital Reserve (Reserve created on forfeiture of share warrants)		
Opening balance	33,825,000	33,825,000
(+) Current Year Transfer	-	-
Closing Balance	33,825,000	33,825,000
e. Surplus		
Opening balance	(3,405,723)	11,414,277
(+) Net Profit/(Net Loss) For the current year	(137,645,206)	(14,820,000)
(+) Short/Excess Provision for Income Tax	(1,303)	-
Closing Balance	(141,052,232)	(3,405,723)
Total	(42,395,155)	109,210,039

Note 2.1

The Foreign Currency Translation Reserve was pertaining to foreign branch which was considered as Non-integral operations and as on 31st March, 2015, the company has closed the operations of foreign branch and therefore Foreign Currency Translation Reserve pertaining to the same has been appropriated to Profit & Loss A/c.

NOTE : 3

The Company has allotted 40,00,0000 warrants on 21-07-2014 to M/s Sat Invest Pvt. Ltd. convertible into equity share of Rs.2/- each at a premium of Rs.0.10/- each within 18 months from the date of allotment. The Company has received Rs.21,00,000/- being 25% of the amount of share warrants within the stipulated time and same is shown in shareholders fund after the capital of the Company. The Company has received full & final payment on 25-04-2015 and the warrants are converted into equity shares during the F.Y 2015-16 and the shares are allotted on 02.05.2015.

NOTE 4 :LONG TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
Unsecured Loans		
Aeroflex Industries Limited	-	5,840,000
Mentor Capital Ltd. (formerly known as Pacific Corporate Services Ltd.)	-	1,641,301
Genext Students Ltd.	-	500,000
Total	-	7,981,301

Notes To Accounts (Contd.)
NOTE 4.1:

The above loans taken are interest free and repayable on demand basis and subject to confirmation.

NOTE 5 : SHORT TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
InterCorporate Deposits		
a. Loans from related parties	-	-
1. Sat Invest Private Limited	5,386,957	-
2. Park Continental Private Limited	25,250,000	-
Total	30,636,957	-

NOTE 5.1:

The above loans taken are interest free and repayable on demand basis and subject to confirmation.

NOTE 6 :OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
a. Salary Payable	302,365	246,017
b. Other Liabilities		
i) Provision for outstanding Expenses	46,743	667,436
ii) Provision for audit fees	112,360	112,360
iii) TDS Payable	10,469	3,496
v) Kahan Advertising	25,342	-
vii) R. Kabra & Co.	427,341	-
viii) Adv. Rishabh Shah	27,000	-
xii) Link Intime India Pvt. Ltd.	65,187	-
Total	1,016,807	1,029,309

NOTE 7 : SHORT TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
a. Provision for Gratuity	92,115	131,729
Total	92,115	131,729

Notes To Accounts (Contd.)

NOTE : 8 FIXED ASSETS									
Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1st April 2014	Additions/ Disposals	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation charge for the year	Deduction	Balance as at 1st April 2014	Balance as at 31st March 2015	Balance as at 31st March 2015
Tangible Assets									
Computers	349,648	24,080	357,835	260,881	49,902	-	88,767	310,783	47,052
Furniture and Fixtures	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-
Office equipment	190,734	10,499	156,449	137,485	5,786	-	53,249	143,271	13,178
Current Year Total	540,382	34,579	514,284	398,366	55,688	-	142,016	454,054	60,230
Previous Year Total	597,570	20,134	541,704	413,002	61,100	74,414	184,568	399,688	142,016

1. In the opinion of management, there is no impairment of fixed assets as prescribed in the accounting standard (AS-28) on impairment of assets.
2. The Company's depreciation method has changed to Useful Life Method as per the Companies Act 2013 for all the assets.
3. Pursuant to the enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II as disclosed in Accounting Policy on depreciation. Accordingly the unamortised carrying value is being depreciated over the revised/ remaining useful lives. Depreciation related to Fixed assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of General reserve amounting to Rs 60,677.

Notes To Accounts (Contd.)

Note 9: NON CURRENT INVESTMENTS

(A) Quoted (at cost)

1 Investments in units of Mutual Funds

Particulars	As on 31.03.2015		As on 31.03.2014	
	No of units	At cost	No of units	At cost
HDFC GILT Long Term	219,304	2,500,000	Nil	Nil
Kotak GILT Investment Regular	198,416	2,500,000	Nil	Nil
Total (A)	417,720	5,000,000	Nil	Nil

(B) Unquoted (at cost)

1 Investments in Equity Instruments

Particulars	As on 31.03.2015		As on 31.03.2014	
	No of units	At cost	No of units	At cost
Middle East Limited (Shares of AED 94520 each)	100	116,712,723	100	116,712,723
Less: Provision for diminution in value of Investment	-	(116,711,723)	-	-
Total (B)	100	1,000	100	116,712,723
TOTAL INVESTMENTS (A+B)		5,001,000		116,712,723

Aggregate amount of Quoted Investments		5,000,000		Nil
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Market value of the Quoted Investments		4,975,600		Nil
--	--	-----------	--	-----

Aggregate amount of Unquoted Investments		1,000		116,712,723
--	--	-------	--	-------------

Aggregate provision for diminution in value of investments		116,711,723		Nil
--	--	-------------	--	-----

Note: The business operations of subsidiary company i.e. SAT Middle East Limited, UAE have been discontinued due to huge losses as per the management and therefore, the Company has provided for diminution in value of Investments to the extent of Rs. 11,67,11,723/-

Notes To Accounts (Contd.)

NOTE 10 : DEFERRED TAX ASSETS

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred tax Asset Related to Fixed assets	5,848	(18,584)
Deferred Tax Related to Losses	1,301,458	15,122,993
Total	1,307,306	15,104,409

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred Tax Asset at the beginning of the year	15,104,409	7,308,271
Add: Current year Deferred Tax Asset	5,848	7,814,722
Less: Current year Deferred Tax Liability	-	18,584
Less: Deferred Tax Asset created on losses now reversed (Refer Note 10.2)	13,802,951	-
Total	1,307,306	15,104,409

NOTE 10.1

Deferred tax asset is recognised only when there is a virtual certainty of earning profits in the future periods.

NOTE 10.2

Deferred Tax Asset created on losses is reversed because as per the management the company is expected to have profits in the near future and the losses on which deferred tax asset has been created was mainly on account of foreign branch whose operations are closed as on 31st March, 2015.

NOTE 11 :LONG TERM LOANS & ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
a. Security Deposits	40,300	165,042
b. Loans and Advances		
1. Noble Project India Pvt. Ltd.	2,000,000	8,700,000
2. Salma F. Attari	3,000,000	3,000,000
3. Ali Asgar Kagzi	850,000	1,250,000
4. Huzaifa Suterwala	1,000,000	1,000,000
5. Samina H. Suterwala	1,000,000	1,000,000
Total	7,890,300	15,115,042

Notes To Accounts (Contd.)

NOTE 11.1

The company has given long term loans and advances which are interest free.

NOTE 12 :TRADE RECEIVABLES

Particulars	As at 31 March 2015	As at 31 March 2014
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	-	-
(Refer Note 12.1)	-	-
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	3,611,918	22,229,993
Foreign Branch Debtors 19,878,302		
Less: written off (19,878,302)	NIL	-
	3,611,918	22,229,993
Total	3,611,918	22,229,993

NOTE 12.1

The total outstanding of sundry debtors as on year end is Rs. 3,611,918/- (P.Y. Rs. 22,229,993). During the current year there is NIL debtors from foreign branch (P.Y. Rs.18,618,075) (P.Y. AED 1,144,664). The debtor of foreign branch have been written off completely due to non-recoverability as per the management and have been relied upon by us as per the verification of the local foreign auditor.

NOTE 12.2

Bad debts relating to foreign branch amounting to Rs. 19,878,302/- (AED 11,96,263) have been written off in the Current Year.

NOTE 13 :CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2015	As at 31 March 2014
a. Balances with banks		
With Schedule banks	18,543,277	2,259,012
HSBC Bank Middleeast	-	21,990
FDR with Ratnakar Bank	6,600,000	-
FDR with Kotak Mahindra Bank	10,000,000	
b. Cash on hand (As been Certified by Managment)	12,907	32,836
Total	35,156,184	2,313,838

Notes To Accounts (Contd.)

NOTE 13.1

Out of the above balances, there is NIL balance in the Foreign branch as on current year end (P.Y Rs.35,344/-)(P.Y.AED 2,173) is pertaining to the foreign branch and has been relied upon by us as per the verification of the local foreign auditor.

NOTE 14: SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
a. Gurudarshan Builders & Developers	-	4,000,000
b. Advance for visa	-	107,310
c. Advances to Employees	199,000	274,000
d. FBT receivable		
A.Y. 2005-06	3,000	3,000
A.Y. 2007-08	15,989	15,989
e. TDS Advance payment - A.Y. 2010-11	152,250	152,250
TDS Advance payment - A.Y. 2013-14	12,245	12,245
TDS Advance payment - A.Y. 2014-15	16,328	16,328
TDS Advance payment - A.Y. 2015-16	162,742	-
f. PUG Securities Pvt. Ltd.	11,158	11,158
g. Citibank Card - 9044	-	-
h. Interest Accrued But Not Due	284,123	-
i. Bona Mould Co. Ltd. (Advance against equipment)	1,301,306	-
k. Related Party		
Lion Houseware Pvt. Ltd. (Note 14.1)	18,400,000	14,893,720
Dawood Investments Private Limited	-	2,400,000
Aeroflex International Limited	-	258,500
Italica Furniture Pvt. Ltd.(Note 14.2)	9,865,645	-
Park Continental Private Limited	-	2,739,857
Total	30,423,786	24,884,357

NOTE 14.1:

The Company has advanced / adjusted a sum of Rs. 1.84 crore to Lion Houseware Private Limited towards advance money for purchase of shares of Sah Polymers Limited which was as per the Special Resolution dated 01/10/2014 pursuant to section 110 of the Companies Act 2013 for Postal Ballot and the necessary formalities including transfer of shares are pending subject to final payment.

NOTE 14.2

The advance to another related party i.e.Italica Furniture Private Limited of Rs.98.65 lacs carrying interest rate of 15% during the year is given for supply of material/ services & in the opinion of management, the same is good of recovery and given out of business prudence on arms length principles.

Notes To Accounts (Contd.)

NOTE 15 :REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Overseas Branch Sales [(C.Y. AED 53,75,705) (P.Y. AED 8,718,217)]	89,328,089	143,038,043
Total	89,328,089	143,038,043

NOTE 16 : OTHER INCOME

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Income from Content Development	816,328	816,328
Income from Interest	1,461,203	-
Income from Dividend	56,906	-
Income from Mutual Fund Investments	19,728	-
Creditors Dues not payable	1,641,301	-
Profit on sale of Investments	-	2,803,320
Profit on sale of Assets (UAE Branch)	7,477	-
Total	4,002,943	3,619,648

NOTE 17 : EMPLOYEE BENEFITS

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Salary & Bonus	4,115,122	3,702,143
Gratuity fund contributions	92,115	131,729
Total	4,207,237	3,833,872

NOTE 18 : FINANCE COST

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest expense	-	17,711
Bank Charges and Commission	6,601	657
Total	6,601	18,368

Notes To Accounts (Contd.)

NOTE 19 : OTHER EXPENSES

Particulars	As at 31 March 2015	As at 31 March 2014
Payment to Auditor as:		
a. Statutory auditor	84,270	84,270
b. Branch auditors	83,085	82,034
c. for taxation matter	28,090	28,090
d. for Filing Fees	-	3,371
e. issue of certificates	22,472	-
Advertisement and Publicity	54,118	61,057
Bad Debts	19,878,302	17,221,808
Business Promotion Exp.	303,541	479,425
Content Development Charges	134,000	213,500
Conveyance Expenses	145,214	116,185
Depository Charges	146,068	61,798
Electricity Expenses	210,500	162,768
Filing Fees	20,500	3,500
Foreign Travel	316,152	-
Hospitality Expenses	257,203	410,359
Keyman Insurance	167,673	167,673
Membership and subscriptions	11,105	5,056
Office Expenses	824,717	2,264,604
Printing/Stationery Expenses	243,042	123,232
Professional Charges	351,821	230,953
Rent	32,000	378,000
Selling & Distribution expenses	2,336,932	1,128,214
Staff Welfare	19,375	19,396
Telephone & Communication Expenses	636,267	586,859
Travelling Expenses	324,431	269,874
Miscellaneous Expense	14,320	-
Total	26,645,198	24,102,026

NOTE 20

The outstanding balances of Debtors, Creditors, Loans and advances either debit or credit are subject to confirmation by the parties.

NOTE 21

As per the opinion of the Management, the creditors outstanding in the balance sheet to whom the Company owes dues on account of principal amount together with interest do not fall in the category of Micro, Small & Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, and accordingly no additional disclosures have been made by the management. In the absence of confirmation from the creditors and based on the management explanation as above the facts are relied upon by us.

NOTE 22

In the opinion of the management and to the best of their knowledge and belief the value on realisation of loans, advances and other current assets in the ordinary course of the business shall not be less than the amount at which they are stated in Balance Sheet. Further provisions have been made for all known and accrued liabilities.

Notes To Accounts (Contd.)

NOTE 23 : Related Party Transactions

Disclosure of the relationship and transactions in accordance with Accounting Standard 18- Related Party Disclosures issued by the Institute of Chartered Accountants of India :

Name of the Related Parties	Relationship	Transaction Types
Mr. H.K. Turgalia	Wholetime Director	Salary
Mrs. Shehnaz D. Ali	Wholetime Director	i) Salary ii) Keyman Insurance Premium paid iii) Travel advance given
Sat Invest Pvt. Ltd.	Promoter Company & Major Shareholder	i) TDS paid on behalf ii) Unsecured Loan Taken iii) Purchases done on behalf iv) Fees paid on behalf
Park Continental Ltd.	Shareholder of the Company	i) Unsecured Loan Taken ii) Fees paid on behalf
Aeroflex International Limited	Group Company	Advance given
Sat Middleeast Ltd.	Wholly Owned Subsidiary Company	No transactions during the year
Space Age Polymers Pvt. Ltd.	Shareholder of the Company	i) Unsecured Loan Taken ii) Unsecured Loan Repaid
Genext Students Ltd.	Group Company	Unsecured Loan Taken
Lion Houseware Pvt. Ltd.	Group Company	Advance given
Dawood Investments Pvt. Ltd.	Shareholder of the Company	Advance given
Sat E-Com Ltd.	Group Company (Ceased to be Subsidiary as on 12th June, 2013)	Unsecured Loan Repaid
Safe Polymers Pvt Ltd	Group Company	Expenses paid on behalf

Volume of Transcation

NATURE	31st March, 2015	31st March, 2014
Remuneration	2,059,000	1,652,986
Keyman Insurance Premium	167,673	167,673
Unsecured Loan Taken	8,750,000	5,920,000
Unsecured Loan Repaid	3,300,000	80,000
Sale of Share	-	6,229,600
Loan Repayment received	38,052,500	8,497,587
Advance given	20,675,000	9,248,500
Fees/TDS/ S.A Tax/ Service tax paid on behalf	99,243	147,869

Notes To Accounts (Contd.)
Outstanding Balances at year end

PARTY	31st March, 2015		31st March, 2014	
	Max. Balance	Closing Balance	Max. Balance	Closing Balance
Park Continental Pvt. Ltd.	25250000 Cr.	25250000 Cr.	5051829 Dr.	2739857 Dr.
Sat E-Com Ltd.	Nil	Nil	760000 Cr.	Nil
Dawood Investments Pvt. Ltd.	2400000 Dr.	Nil	2400000 Dr.	2400000 Dr.
Shehnaz D. Ali	80000 Cr.	Nil	105100 Cr.	Nil
Aeroflex International Ltd.	302000 Dr.	Nil	258500 Dr.	258500 Dr.
Lion Houseware Pvt. Ltd.	18400000 Dr.	18400000 Dr.	18043720 Dr.	14893720 Dr.
Genext Students Ltd.	500000 Cr.	Nil	526799 Cr.	500000 Cr.
Sah Polymers Ltd.	Nil	Nil	12207 Dr.	Nil
Space Age Polymers Pvt. Ltd.	Nil	Nil	80000 Cr.	Nil
Sat Invest Pvt. Ltd.	8750000 Cr.	5386957 Cr.	21000 Dr.	Nil
Safe Polymers Pvt Ltd	600 Dr.	Nil	Nil	Nil
Italica Furniture Pvt. Ltd.	10095879 Dr.	9865645 Dr.	1607847 Dr.	Nil

NOTE 24 : SEGMENT INFORMATION

The Company is principally engaged in the business of international trading in UAE and there are negligible operations in India and therefore disclosure as per AS 17 segment reporting is not applicable to the company.

NOTE 25

The Company's foreign branch situated at U.A.E. is audited by the local auditor for the financial year ended on 31st March, 2015.

NOTE 26

As on 31.03.2015, the Company has closed its operation of foreign branch and there will be no further activities carried out in the future as per the management.

NOTE 27

The balance sheet of the Company has been prepared as per Schedule III of the Companies Act, 2013. The figures of previous period have been regrouped/ rearranged and / or recast wherever found necessary.

NOTE 28 : Earning Per Share

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
a. Earning Attributable to Equity Shareholders for basic EPS	(137,645,206)	(14,820,000)
b. Adjusted for the purpose of diluted EPS	NA	NA
c. Earning Attributable to Equity Shareholders for Diluted EPS		
d. Weighted Average Equity Shareholders for Basic EPS	46,000,000	39,075,000
e. Add: Weighted Average Potential Equity Shares on Conversion of Share Warrant	Nil	Nil
f. Weighted Average Equity Shareholders for Diluted EPS	46,000,000	39,075,000
Basic Earning Per Share (a) / (d)	(2.992)	(0.379)
Diluted Earning Per Share (c) / (f)	-	-

Notes To Accounts (Contd.)
NOTE 29:

Information pursuant to Para 5(viii) of the General Information to the Statement of Profit & Loss :

a) Value of imports of C.I.F. basis :- NIL

b) Expenditure on foreign currency (UAE Branch) :-

C.Y. (in Rs.)	P.Y. (in Rs.)
108,439,085	162,541,676
108,439,085	162,541,676

c) Earnings in foreign currency (UAE Branch)

C.Y. (in Rs.)	P.Y. (in Rs.)
89,328,089	143,038,043
89,328,089	143,038,043

d) FOB Value of exports NIL

NOTE 30:

Disclosure relating to amount outstanding at year end and Maximum outstanding during the year of Loans and Advances, in nature of loan, required as per Clause 32 of the Listing Agreement, are given below:

Particulars	31st March, 2015		31st March, 2014	
	Max. Balance	Closing Balance	Max. Balance	Closing Balance
Subsidiary:				
SAT Middle East Limited	Nil	Nil	Nil	Nil
Shareholder of the Company:	Nil	Nil	Nil	Nil
Park Continental Pvt. Ltd.	25,250,000	25,250,000	5,051,829	2,739,857
Dawood Investments Pvt. Ltd.	2,400,000	Nil	2,400,000	2,400,000
Group Company:				
Lion Houseware Pvt. Ltd.	18,400,000	18,400,000	18,043,720	14,893,720
Aeroflex International Ltd.	302,000	Nil	258,500	258,500

As per our report of even date

For R. Kabra & Co.
Chartered Accountants
FRN: 104502W

For and on behalf of the Board

Deepa Rathi
Partner
M No.: 104808
Place : Mumbai
Date : 29 May, 2015

Shehnaz D. Ali
Wholetime Director

H.K. Turgalia
Wholetime Director

SIGNIFICANT ACCOUNTING POLICIES

1) Method of Accounting

- The financial statements are prepared on the historical cost convention and in accordance with the generally accepted accounting principles in India.
- The Company follows accrual system of accounting in the preparation of accounts.
- The UAE Branch financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the same is merged in the Company.
- Accounting policies not specifically referred to otherwise, have been followed consistently, and are in consonance with generally accepted accounting principle in India.

2) Fixed Assets

- Fixed assets are stated at cost, net of Cenvat/ VAT, if any, less accumulated depreciation. Cost includes freight, duties and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for capital expenditure and other administrative expenses.
- Capital Work in Progress includes incidental expenses pending allocation/ apportionment in respect of the uninstalled/ incomplete fixed assets.

3) Depreciation

Depreciation on Fixed Assets has been provided based on useful lives prescribed in Schedule II of the Companies Act, 2013 on all assets, except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used as per technical estimate.

Particulars	Useful Life
Computers	3 years
Office Equipment	5 years

4) Impairment of Assets

Factors giving rise any indication of any impairment of the carrying amount of the Company's assets are appraised at each Balance Sheet date to determine and provide/revert an impairment loss following Accounting standard 28 for impairment of assets.

5) Investments

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

6) Revenue Recognition

- All revenues, costs, assets and liabilities are accounted for on accrual basis except where there is no reasonable certainty. Turnover is excluding Inter Division Sales & Sales-tax but inclusive of excise duty, export incentives and exchange fluctuations.
- Claim lodged with insurance companies are recognized as income on acceptance by the Insurance Company. The Excess/ Shortfall of claims passed are adjusted in the year of receipt.

7) Foreign Currency Transactions

- The reporting currency of the Company is Indian Rupee.
- The financial statement of foreign branch, which is considered as non-integral foreign operation, are converted in Indian Rupees at the following exchange rates:

Sr. No.	Particulars	Rate
i)	Revenue and Expenses	Average Exchange Rate prevailing during the year
ii)	Current Assets & Current Liabilities	Exchange rate prevailing at the end of the year.
iii)	Fixed Assets	Exchange rate prevailing at the end of the year
iv)	Remittance to branch at the time of its inception	At the original rate when the remittance was done

- c) The resultant exchange differences on translation of foreign branch are debited to Profit and loss account as the company has closed its foreign branch operations as on 31st March, 2015.

8) Retirement Benefits

- a) As per the management of the Company, the provision of The Payment of Gratuity Act, 1972 is not applicable to the Company since the number of Indian employees is within the limit as prescribed by the Act however the Company has voluntarily taken policy of Gratuity with Life Insurance Corporation of India for future payment of gratuity to employees.
- b) The company does not have the policy of leave encashment and the annual leave entitled to the employees is required to be availed in the year itself, otherwise the same lapses.
- c) As per the management of the Company, the provision of The Employee's Provident Fund and Miscellaneous Provisions Act, 1952 is not applicable to the Company since the numbers of employees are within the limit as prescribed by the respective act.

9) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

10) Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

11) Taxation

- a) Current tax has been provided as per the provision of Income Tax Act 1961.
- b) Tax expenses comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax reflects the impact of current year timing differences between book profit and taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book profit and taxable income for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss account and as shown as MAT Credit entitlement. The company reviews the same at each Balance Sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income-tax during specified period.

12) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

AUDITOR'S REPORT

Independent Auditor's Report on Consolidated Financial Statements

To the Members of
M/s SAT Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of SAT INDUSTRIES LIMITED (the "Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2015 and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statements for the year then ended 31st March, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **subject to note no. 14 regarding the company has given advance money for purchase of shares**, the aforesaid Consolidated financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

- We did not audit the financial statements of Foreign Subsidiary i.e. Sat Middle East Ltd whose financial statements reflect total assets of Rs. 161,135,082 /- as at 31st March 2015 and total revenues of Rs. 1,242,952/- respectively for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect

of the subsidiaries, is based solely on the report of the other auditors.

- (ii) We did not audit the financial statements of UAE branch whose financial statements reflect NIL total net assets as at 31st March 2015 and total revenues of Rs 89,335,566/- respectively for the year then ended (Foreign branch as on 31st March, 2015 is closed). These financial statements are audited by other auditors.
- (iii) We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS-21), Consolidated Financial Statements, issued by The

Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of SAT Industries Limited and its subsidiaries included in the consolidated financial statements and on the basis of assumption as narrated in the notes to consolidated accounts.

- (iv) On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of SAT Industries Limited and its aforesaid subsidiaries and Subject to assumptions and the basis of consolidation as disclosed in notes to accounts and subject to qualification as mentioned below:

Note No. as per Notes to Accounts and Significant Accounting Policies relating to the Holding Company	Matter
Accounting Policy No. C(ii)	Accounting policy regarding "Foreign Currency Translation Reserve" shown under head "Reserve & Surplus Schedule" which is being reconciled and is not as per the Accounting Standard 11 "Effect of Changes in Foreign Exchange Rates" issued by the Institute of Chartered Accountants of India.
Note No.12	We are unable to comment on the period since when the receivables are outstanding for the foreign subsidiary of the Company and the disclosure in the balance sheet for more than six months have been relied upon the management certificate.
Note No.12.2	Bad debts amounting to Rs. 177,296,261/- have been written off in the current year of which Rs. 157,417,959/- (AED 9,473,308) is related to its foreign subsidiary SAT Middle East Limited and Rs. 19,878,302/- (AED 1,196,263) is related to its foreign branch and they are subject to independent verification.

For R. KABRA & Co.
Chartered Accountants
(Registration No.104502W)

Place: Mumbai
Dated: May 29, 2015

(Deepa Rathi)
Partner
Membership No. 104808

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

PARTICULARS	NOTE NO	(Figure in ₹)	
		CURRENT YEAR AS AT 31ST MARCH 2015	PREVIOUS YEAR AS AT 31ST MARCH 2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds :-			
(a) Share Capital	1	9,20,00,000	7,81,50,000
(b) Reserves and Surplus	2	(4,24,79,392)	14,67,28,264
(c) Amount Received Against Share Warrant		21,00,000	-
(2) Non Controlling Interest			
(a) Long-term borrowings	4	-	79,81,301
(4) Current Liabilities			
(a) Short-term borrowings	5	3,06,36,957	10,70,81,058
(b) Other current liabilities	6	12,61,836	10,29,309
(c) Short-term provisions	7	92,115	1,31,729
Total		8,36,11,516	34,11,01,661
II. Assets			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	60,230	1,42,016
(b) Non-current investments	9	50,00,000	-
(c) Deferred tax assets (net)	10	13,07,306	1,51,04,409
(d) Long term loans and advances	11	80,12,857	12,17,01,755
2 Current assets			
(a) Trade receivables	12	36,44,174	17,68,76,937
(b) Cash and cash equivalents	13	3,51,63,163	23,92,187
(c) Short-term loans and advances	14	3,04,23,786	2,48,84,357
Significant Accounting Policies & Notes to Accounts	1 to 30		
Total		8,36,11,516	34,11,01,661

As per our report of even date

For R. Kabra & Co.

Chartered Accountants

FRN: 104502W

For and on behalf of the Board

Deepa Rathi

Partner

M No.: 104808

Place : Mumbai

Date : 29 May 2015

Shehnaz D. Ali

Wholetime Director

H.K. Turgalia

Wholetime Director

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	NOTE NO	(Figure in ₹)	
		CURRENT YEAR AS AT 31ST MARCH 2015	PREVIOUS YEAR AS AT 31ST MARCH 2014
Revenue from operations	15	8,93,28,089	19,39,95,857
Other Income	16	52,45,895	36,19,648
I. Total Revenue		9,45,73,984	19,76,15,505
Expenses:			
Purchase of Stock-in-Trade		8,45,49,057	18,99,08,399
Employee benefit expense	17	51,81,326	46,14,672
Financial costs	18	6,601	18,368
Depreciation and amortization expense		55,688	61,100
Other expenses	19	18,45,63,096	2,80,05,613
II. Total Expenses		27,43,55,768	22,26,08,152
III. Profit before exceptional and extraordinary items and tax	(I-II)	(17,97,81,784)	(2,49,92,647)
IV. Exceptional Items			
Foreign Currency Exchange Fluctuation		11,93,418	-
V. Profit before extraordinary items and tax	(III-IV)	(17,85,88,366)	(2,49,92,647)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax Liability / (Asset)		5,848	77,96,138
VII. Profit/(Loss) for the period	(V-VI)	(17,85,82,518)	(1,71,96,509)
VIII. Earning per equity share:			
(1) Basic		(3.882)	(0.440)
(2) Diluted		-	-
Significant Accounting Policies & Notes to Accounts	1 to 30		

As per our report of even date

For R. Kabra & Co.

Chartered Accountants

FRN: 104502W

For and on behalf of the Board

Deepa Rathi

Partner

M No.: 104808

Place : Mumbai

Date : 29 May 2015

Shehnaz D. Ali

Wholetime Director

H.K. Turgalia

Wholetime Director

CASH FLOW STATEMENT For the Year 31ST MARCH 2015

	Year ended 31-03-2015	(Amunt in ₹) Year ended 31-03-2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	(17,85,88,366)	(2,49,92,647)
Adjustments for :		
Depreciation	55,688	61,100
Profit on sale of Fixed Assets	(12,50,429)	(28,03,320)
interest exp	6,601	18,368
interest income	(14,61,203)	-
Foreign Exchange Fluctuation	(11,93,418)	-
Dividend income	(56,906)	-
Income from mutual fund investments	(19,728)	-
Diminution of value of Investment	-	3,55,08,720
Creditors due not payable	(16,41,301)	-
Operating Profit before working capital changes	(18,41,49,062)	(2,77,16,499)
Adjustments for :		
Trade Receivables	17,32,32,763	6,39,22,032
Trade Payables	2,32,527	(3,84,421)
Short Term Provisions	92,115	1,31,729
Short Term Loans and Advances	-	(6,90,68,779)
Long Term Loans and Advances		
Cash Generated from Operations	(1,05,91,657)	(3,31,15,938)
Direct Taxes Paid	-	-
Net Cash Flow from Operating Activities	(1,05,91,657)	(3,31,15,938)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(34,579)	(20,134)
Sale of Fixed Assets	12,50,429	1,586
Purchase of Investments	(49,80,272)	-
Sale of Investments	-	62,29,600
Interest income	14,61,203	-
Dividend received	56,906	-

CASH FLOW STATEMENT For the Year 31ST MARCH 2015 Contd.

	Year ended 31-03-2015	(Amunt in ₹) Year ended 31-03-2014
Net inflow/(outflow) in Investing Activities	(22,46,313)	62,11,052
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	1,45,42,500	-
Issue of Warrants	21,00,000	-
Short Term Loans and Advances	(55,39,429)	-
Long Term Loans and Advances	11,36,88,898	-
Repayment of Short-term borrowings	(7,64,44,101)	90,89,880
interest expense	(6,601)	(18,368)
Proceeds from Long-term borrowings	(79,81,301)	76,81,301
Net inflow/(outflow) in Financing Activities	4,03,59,966	1,67,52,813
D FOREIGN EXCHANGE TRANSLATION RESERVE ADJUSTMENT	(52,48,980)	1,28,38,805
Net Increase/Decrease in cash & Cash equivalents (A+B+C+D)	3,27,70,976	26,86,732
Cash and Cash equivalents at the beginning	23,92,187	2,05,455
Cash and Cash equivalents at the close	3,51,63,163	23,92,187

Note: 1) Previous years figures have been regrouped, rearranged to make them comparable.
2) Cash Flow Statement has been prepared on 'Indirect Method'

As per our report of even date
For R. Kabra & Co.
Chartered Accountants
FRN: 104502W

Deepa Rathi
Partner
M No.: 104808
Place : Mumbai
Date : 29 May 2015

For and on behalf of the Board

Shehnaz D. Ali
Wholetime Director

H.K. Turgalia
Wholetime Director

NOTES TO ACCOUNTS Contd.

NOTE 1: SHARE CAPITAL

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of 2/- each	5,00,00,000	10,00,00,000	5,00,00,000	10,00,00,000
	5,00,00,000	10,00,00,000	5,00,00,000	10,00,00,000
Issued				
Equity Shares of 2/- each fully paid up	4,60,00,000	9,20,00,000	3,90,75,000	7,81,50,000
Total	4,60,00,000	9,20,00,000	3,90,75,000	7,81,50,000

Note 1.1

Reconciliation for No. of shares outstanding during the year

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amt	No. of Shares	Amt
Shares outstanding at the beginning of the year	3,90,75,000	7,81,50,000	3,90,75,000	7,81,50,000
Shares Issued during the year	69,25,000	1,38,50,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,60,00,000	9,20,00,000	3,90,75,000	7,81,50,000

Note 1.2

Details of shareholders holding more than 5%

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. Sat Invest Private Limited	1,93,35,000	42.03%	1,41,50,000	36.21%
2. Dawood Investment Private Limited	72,09,350	15.67%	72,09,350	18.45%
3. Space Age Polymers Private Limited	61,69,455	13.41%	40,69,455	10.41%

NOTES TO ACCOUNTS Contd.
Note 2 : RESERVES AND SURPLUS

Particulars	As at 31 March 2015	As at 31 March 2014
a. General Reserves		
Opening Balance	48,00,254	48,00,254
(+) Current Year Transfer	Nil	Nil
(-) Depreciation Impact due to change in the method to useful life	60,677	-
Closing Balance	47,39,577	48,00,254
b. Securities Premium Account		
Opening Balance	5,94,00,000	5,94,00,000
Add : Securities premium credited on Share issue	6,92,500	Nil
Closing Balance	6,00,92,500	5,94,00,000
c. Foreign Currency Translation Reserve		
Opening Balance	10,99,79,405	9,21,60,906
(-) Written Back in Current Year	(10,99,79,405)	(9,21,60,906)
(+) Current Year Transfer (Note 2.1)	9,87,23,747	10,99,79,405
Closing Balance	9,87,23,747	10,99,79,405
d. Capital Reserve (Reserve created on forfeiture of share warrants)		
Opening balance	3,38,25,000	3,38,25,000
(+) Current Year Transfer	-	-
Closing Balance	3,38,25,000	3,38,25,000
e. Surplus		
Opening balance	(6,12,76,395)	(4,40,79,887)
(+) Net Profit/(Net Loss) For the current year	(17,85,82,518)	(1,71,96,509)
(+) Short/Excess Provision for Income Tax	(1,303)	-
Closing Balance	(23,98,60,216)	(6,12,76,395)
Total	(4,24,79,392)	14,67,28,264

Note 2.1

The Foreign Currency Translation Reserve was pertaining to foreign branch which was considered as Non-integral operations and as on 31st March, 2015, the company has closed the operations of foreign branch and therefore Foreign Currency Translation Reserve pertaining to the same has been appropriated to Profit & Loss A/c.

Note 3:

The Company has allotted 40,00,0000 warrants on 21-07-2014 to M/s Sat Invest Pvt. Ltd. convertible into equity share of Rs.2/- each at a premium of Rs.0.10/- each within 18 months from the date of allotment. The Company has received Rs.21,00,000/- being 25% of the amount of share warrants within the stipulated time and same is shown in shareholders fund after the capital of the Company. The Company has received full & final payment on 25-04-2015 and the warrants are converted into equity shares during the F.Y 2015-16 and the shares are allotted on 02.05.2015.

NOTES TO ACCOUNTS Contd.

NOTE 4 : LONG TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
Unsecured Loans		
Aeroflex Industries Limited	-	58,40,000
Mentor Capital Ltd. (formerly known as Pacific Corporate Services Ltd.)	-	16,41,301
Genext Students Ltd.	-	5,00,000
Total	-	79,81,301

NOTE 4.1:

The above loans taken are interest free and repayable on demand basis and subject to confirmation.

NOTE 5 : SHORT TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
Inter Corporate Deposits		
a. Loans from related parties		10,70,81,058
1. Sat Invest Private Ltd.	53,86,957	-
2. Park Continenetal Pvt. Ltd.	2,52,50,000	-
Total	3,06,36,957	10,70,81,058

NOTE 5.1:

The above loans taken are interest free and repayable on demand basis and subject to confirmation.

NOTE 6 : OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Salary payable	3,02,365	2,46,017
(b) Other Liabilities		
i) Provision for outstanding Expenses	46,743	6,67,436
ii) Provision for audit fees	1,12,360	1,12,360
iii) TDS Payable	10,469	3,496
v) Kahan Advertising	25,342	-
vii) R. Kabra & Co.	4,27,341	-
viii) Adv. Rishabh Shah	27,000	-
xii) Link Intime India Pvt. Ltd.	65,187	-
xiii) Creditors of Sat Middleeast Ltd.	2,45,029	-
Total	12,61,836	10,29,309

NOTE 7 : SHORT TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
a. Provision for Gratuity	92,115	1,31,729
Total	92,115	1,31,729

NOTE : 8 FIXED ASSETS

1. In the opinion of management, there is no impairment of fixed assets as prescribed in the accounting standard (AS-28) on impairment of assets.
2. The Company's depreciation method has changed to Useful Life Method as per the Companies Act 2013 for all the assets.
3. Pursuant to the enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II as disclosed in Accounting Policy on depreciation. Accordingly the unamortised carrying value is being depreciated over the revised/ remaining useful lives. Depreciation related to Fixed assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of General reserve amounting to Rs 60,677.

NOTES TO ACCOUNTS

Note 9: NON CURRENT INVESTMENTS

Particulars	As at 31 March 2015	As at 31 March 2014
Quoted (at cost)		
HDFC GILT Long Term	25,00,000	-
Kotak GILT Investment Regular	25,00,000	-
Total	50,00,000	-

Particulars	As at 31 March 2015	As at 31 March 2014
Aggregate amount of Quoted Investments	50,00,000	Nil
Market value of the Quoted Investments	49,75,600	Nil

NOTE 10 : DEFERRED TAX ASSETS

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred tax Asset Related to Fixed assets	5,848	(18,584)
Deferred Tax Related to Losses	13,01,458	1,51,22,993
Total	13,07,306	1,51,04,409

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred Tax Asset at the beginning of the year	1,51,04,409	73,08,271
Add: Current year Deferred Tax Asset	5,848	78,14,722
Less: Current year Deferred Tax Liability	-	18,584
Less: Deferred Tax Asset created on losses now reversed (refer note 10.2)	1,38,02,951	-
Total	13,07,306	1,51,04,409

Note 10.1

Deferred tax asset is recognised only when there is a virtual certainty of earning profits in the future periods.

Note 10.2

Deferred Tax Asset created on losses is reversed because as per the management the company is expected to have profits in the near future and the losses on which deferred tax asset has been created was mainly on account of foreign branch whose operations are closed as on 31st March, 2015.

NOTES TO ACCOUNTS Contd.
NOTE 11 :LONG TERM LOANS & ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
a. Security Deposits	1,62,857	4,44,802
b. Overseas Branch Office	-	10,63,06,953
c. Loans and Advances		
1. Noble Project India Pvt. Ltd.	20,00,000	87,00,000
2. Salma F. Attari	30,00,000	30,00,000
3. Ali Asgar Kagzi	8,50,000	12,50,000
4. Huzaifa Suterwala	10,00,000	10,00,000
5. Samina H. Suterwala	10,00,000	10,00,000
Total	8,012,857	121,701,755

Note 11.1 :

The Company has given long term loans and advances which are interest free.

NOTE 12 :TRADE RECEIVABLES

Particulars	As at 31 March 2015	As at 31 March 2014
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	-	-
(Refer Note 12.1)	-	-
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	36,44,174	17,68,76,937
Foreign Branch Debtors	19,878,302	
Less: written off	(19,878,302)	
Total	36,44,174	17,68,76,937

Note 12.1

The total outstanding of sundry debtors as on year end is Rs. 3,644,174/- (P.Y. Rs. 176,876,937) out of which substantial amount of debtors of Rs. 32256/- (P.Y. Rs. 154,646,944) (foreign currency AED 1895) (P.Y. AED 9,507,900) is outstanding from its foreign subsidiary for which confirmations are awaited . During the current year there is NIL debtors from foreign branch (P.Y. Rs.18,618,075) (P.Y. AED 1,144,664).The debtor of foreign branch have been written off completely due to non-recoverability as per the management.

Note 12.2

Bad debts amounting to Rs. 177,296,261/- have been written off in the current year of which Rs.157,417,959/- (AED 9,473,308) is related to its foreign subsidiary SAT Middle East Limited and Rs. 19,878,302/- (AED 1,196,263) is related to its foreign branch.

NOTES TO ACCOUNTS Contd.

NOTE 13 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2015	As at 31 March 2014
a. Balances with banks		
With Schedule banks	1,85,43,277	23,54,227
FDR with Ratnakar Bank	66,00,000	-
FDR with Kotak Mahindra Bank	1,00,00,000	-
b. Cash on hand (As been Certified by Managment)	19,886	37,960
Total	3,51,63,163	23,92,187

NOTE 14 :SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
a. Gurudarshan Builders and Developers	-	40,00,000
b. Advance for visa	-	1,07,310
c. Advances to Employees	1,99,000	2,74,000
d. FBT receivable		
(i) A.Y. 2005-06	3,000	3,000
(ii) A.Y. 2007-08	15,989	15,989
e. TDS Advance payment - A.Y. 2010-11	1,52,250	1,52,250
TDS Advance payment - A.Y. 2013-14	12,245	12,245
TDS Advance payment - A.Y. 2014-15	16,328	16,328
TDS Advance payment - A.Y. 2015-16	1,62,742	-
f. PUG Securities Pvt. Ltd.	11,158	11,158
g. Citibank Card - 9044	-	-
h. Interest Accrued But Not Due	2,84,123	-
i. Prepaid Expenses	-	-
j. Bona Mould Co. Ltd. (Advance against equipment)	13,01,306	
k. Related Party		
i. Lion Houseware Pvt. Ltd.(Note 14.1)	1,84,00,000	1,48,93,720
ii. Aeroflex International Limited	-	2,58,500
iii. Dawood Investments Private Limited	-	24,00,000
iv. Italica Furniture Pvt. Ltd.(Note 14.2)	98,65,645	
v. Park Continental Private Limited	-	27,39,857
Total	3,04,23,786	2,48,84,357

Note 14.1

The Company has advanced / adjusted a sum of Rs. 1.84 crore to Lion Houseware Private Limited towards advance money for purchase of shares of Sah Polymers Limited which was as per the Special Resolution dated 01/10/2014 pursuant to section 110 of the Companies Act 2013 for Postal Ballot and the necessary formalities including transfer of shares are pending subject to final payment.

NOTES TO ACCOUNTS Contd.
Note 14.2

The advance to another related party i.e Italica Furniture Private Limited of Rs.98.65 lacs carrying interest rate of 15% during the year is given for supply of material/ services & in the opinion of management, the same is good of recovery and given out of business prudence on arms length principles.

NOTE 15: REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Overseas Branch Sales [(C.Y. AED 53,75,705) (P.Y. AED 8,718,217)]	8,93,28,089	19,39,95,857
Total	8,93,28,089	19,39,95,857

NOTE 16: OTHER INCOME

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Income from Content Development	8,16,328	8,16,328
Income from Interest	14,61,203	-
Income from Dividend	56,906	-
Income from Mutual Fund Investments	19,728	-
Profit on sale of Investments	-	28,03,320
Creditors Dues not payable	16,41,301	-
Profit on sale of Assets	12,50,429	-
Total	52,45,895	36,19,648

NOTE 17: EMPLOYEE BENEFITS

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Salary & Wages	50,89,211	44,82,943
Gratuity fund contributions	92,115	1,31,729
Total	51,81,326	46,14,672

NOTE 18: FINANCE COST

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest expense	-	17,711
Bank Charges and Commission	6,601	657
Total	6,601	18,368

NOTES TO ACCOUNTS Contd.

NOTE 19: OTHER EXPENSES

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2013
Payment to Auditor as:		
a. Statutory auditor	1,67,355	1,66,304
b. Branch auditors	83,085	82,034
c. for taxation matter	28,090	28,090
d. for Filing Fees	-	3,371
e. issue of certificates	22,472	-
Advertisement and Publicity	54,118	61,057
Bad Debts	17,72,96,261	1,94,36,726
Business Promotion Exp.	3,03,541	4,79,425
Content Development Charges	1,34,000	2,13,500
Conveyance Expenses	1,45,214	1,16,185
Depository Charges	1,46,068	61,798
Electricity Expenses	2,10,500	1,62,768
Filing Fees	20,500	3,500
Foreign Travel	3,16,152	-
Hospitality Expenses	2,57,203	4,10,359
Keyman Insurance	1,67,673	1,67,673
Membership and subscriptions	11,105	5,056
Office Expenses	12,41,571	25,68,556
Printing/Stationery Expenses	2,43,042	1,61,788
Professional Charges	3,51,821	2,30,953
Rent	32,000	3,78,000
Selling & Distribution expenses	23,36,932	21,70,423
Staff Welfare	19,375	19,396
Telephone & Communication Expenses	6,36,267	8,08,777
Travelling Expenses	3,24,431	2,69,874
Vehicle Running & Maintenance	-	-
Miscellaneous Expense	14,320	-
Total	18,45,63,096	2,80,05,613

Note 20:

The outstanding balances of Debtors, Creditors, Loans and advances either debit or credit are subject to confirmation by the parties.

Note 21 :

As per the opinion of the Management, the creditors outstanding in the balance sheet except creditors of foreign subsidiary to whom the Company owes dues on account of principal amount together with interest do not fall in the category of Micro, Small & Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, and accordingly no additional disclosures have been made by the management. In the absence of confirmation from the creditors and based on the management explanation as above the facts are relied upon by us.

No Comments are offered on the creditors outstanding in the Balance Sheet of Foreign Subsidiary of the Company as the audit of Foreign Subsidiary is done by local auditors.

NOTES TO ACCOUNTS Contd.
Note 22 :

In the opinion of the management and to the best of their knowledge and belief the value on realisation of loans, advances and other current assets in the ordinary course of the business shall not be less than the amount at which they are stated in Balance Sheet. Further provisions have been made for all known and accrued liabilities.

Note 23: Related Party Transactions

Disclosure of the relationship and transactions in accordance with Accounting Standard 18- Related Party Disclosures issued by the Institute of Chartered Accountants of India :

Name of the Related Parties	Relationship	Transaction Types
Mr. H.K. Turgalia	Wholetime Director	Salary
Mrs. Shehnaz D. Ali	Wholetime Director	i) Salary ii) Keyman Insurance Premium paid iii) Travel advance given
Sat Invest Pvt. Ltd.	Promoter Company & Major Shareholder	i) TDS paid on behalf ii) Unsecured Loan Taken iii) Purchases done on behalf iv) Fees paid on behalf
Park Continental Pvt. Ltd.	Shareholder of the Company	i) Unsecured Loan Taken ii) Fees paid on behalf
Aeroflex International Limited	Group Company	Advance given
Sat Middleeast Ltd.	Wholly Owned Subsidiary Company	No transactions during the year
Space Age Polymers Pvt. Ltd.	Shareholder of the Company	i) Unsecured Loan Taken ii) Unsecured Loan Repaid
Genext Students Ltd.	Group Company	Unsecured Loan Taken
Lion Houseware Pvt. Ltd.	Group Company	Advance given
Dawood Investments Pvt. Ltd.	Shareholder of the Company	Advance given
Sat E-Com Ltd.	Group Company (Ceased to be Subsidiary as on 12th June,2013)	Unsecured Loan Repaid
Safe Polymers Pvt Ltd	Group Company	Expenses paid on behalf

Volume of Transcation

NATURE	31st March, 2015	31st March, 2014
Remuneration	20,59,000	16,52,986
Keyman Insurance Premium	1,67,673	1,67,673
Unsecured Loan Taken	8750000	59,20,000
Unsecured Loan Repaid	3300000	80,000
Sale of Share	-	6229600
Loan Repayment received	38052500	84,97,587
Advance given	20675000	92,48,500
Fees/TDS/ S.A Tax/ Service tax paid on behalf	99,243	1,47,869

NOTES TO ACCOUNTS Contd.

Outstanding Balances at year end

PARTY	31st March, 2015		31st March, 2014	
	Max. Balance	Closing Balance	Max. Balance	Closing Balance
Park Continental Pvt. Ltd.	25250000 Cr.	25250000 Cr.	5051829 Dr.	2739857 Dr.
Sat E-Com Ltd.	Nil	Nil	760000 Cr.	Nil
Dawood Investments Pvt. Ltd.	2400000 Dr.	Nil	2400000 Dr.	2400000 Dr.
Shehnaz D. Ali	80000 Cr.	Nil	105100 Cr.	Nil
Aeroflex International Ltd.	302000 Dr.	Nil	258500 Dr.	258500 Dr.
Lion Houseware Pvt. Ltd.	18400000 Dr.	18400000 Dr.	18043720 Dr.	14893720 Dr.
Genext Students Ltd.	500000 Cr.	Nil	526799 Cr.	500000 Cr.
Sah Polymers Ltd.	Nil	Nil	12207 Dr.	Nil
Space Age Polymers Pvt. Ltd.	Nil	Nil	80000 Cr.	Nil
Sat Invest Pvt. Ltd.	8750000Cr.	5386957 Cr.	21000 Dr.	Nil
Safe Polymers Pvt Ltd	600 Dr.	Nil	Nil	Nil
Italica Furniture Pvt. Ltd.	10095879 Dr.	9865645 Dr.	1607847 Dr.	Nil

NOTE 24 : SEGMENT INFORMATION

The Company is principally engaged in the business of international trading in UAE and there are negligible operations in India and therefore disclosure as per AS 17 segment reporting is not applicable to the company.

NOTE 25:

The Company's foreign branch and foreign subsidiary situated at U.A.E. is audited by the local auditor for the financial year ended on 31st March, 2015.

NOTE 26 :

As on 31.03.2015, the Company has closed its operation of foreign branch and there will be no further activities carried out in the future as per the management.

NOTE 27:

The balance sheet of the Company has been prepared as per Schedule III of the Companies Act, 2013. The figures of the previous period have been regrouped/ rearranged and / or recast wherever found necessary.

Note 28: Earnings Per Share

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
a. Earning Attributable to Equity Shareholders for basic EPS	(17,85,82,518)	(1,71,96,509)
b. Adjusted for the purpose of diluted EPS	NA	NA
c. Earning Attributable to Equity Shareholders for Diluted EPS	4,60,00,000	3,90,75,000
d. Weighted Average Equity Shareholders for Basic EPS	Nil	Nil
e. Add: Weighted Average Potential Equity Shares on Conversion of Share Warrant	4,60,00,000	3,90,75,000
f. Weighted Average Equity Shareholders for Diluted EPS	(3.882)	(0.440)
Basic Earning Per Share (a) /(d)	-	-
Diluted Earning Per Share (c) /(f)	-	-

NOTES TO ACCOUNTS Contd.
NOTE 29:

Information pursuant to Para 5(viii) of the General Information to the Statement of Profit & Loss :

a) Value of imports of C.I.F. basis :-	NIL	
b) Expenditure on foreign currency (UAE Branch) :-	C.Y.	P.Y.
	108,439,085	162,541,676
	108,439,085	162,541,676
Expenditure on foreign currency (UAE Subsidiary) :-	C.Y.	P.Y.
	158,891,987	53,334,323
	158,891,987	53,334,323
c) Earnings in foreign currency (UAE Branch)	C.Y.	P.Y.
	89,328,089	143,038,043
	89,328,089	143,038,043
Earnings in foreign currency (UAE Subsidiary)	C.Y.	P.Y.
	1,242,952	50,957,814
	1,242,952	50,957,814
d) FOB Value of exports	NIL	NIL

NOTE 30:

Disclosure relating to amount outstanding at year end and Maximum outstanding during the year of Loans and Advances, in nature of loan, required as per Clause 32 of the Listing Agreement, are given below:

Particulars	31st March, 2015		31st March, 2014	
	Max. Balance	Closing Balance	Max. Balance	Closing Balance
Shareholder of the Company:	Nil	Nil	Nil	Nil
Park Continental Pvt. Ltd.	25,250,000	25,250,000	5,051,829	2,739,857
Dawood Investments Pvt. Ltd.	2,400,000	Nil	2,400,000	2,400,000
Group Company:				
Lion Houseware Pvt. Ltd.	18,400,000	18,400,000	18,043,720	14,893,720
Aeroflex International Ltd.	302,000	Nil	258,500	258,500

As per our report of even date
For R. Kabra & Co.
Chartered Accountants
FRN: 104502W

For and on behalf of the Board

Deepa Rathi
Partner
M No.: 104808
Place : Mumbai
Date : 29 May 2015

Shehnaz D. Ali
Wholetime Director

H.K. Turgalia
Wholetime Director

NOTE 31:

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates

Name of Enterprises	Net Assets i.e. Total Assets minus		Share in Profit/(Loss)	
	Total Liabilities			
	As a % of	Amount	As a % of	Amount
	Consolidated Net Assets	(₹)	Consolidated Profit / (Loss)	(₹)
Parent				
Sat Industries Ltd.	100.17	51,703,845	-77.08	(137,645,206)
Subsidiaries				
Indian	-	-	-	-
Foreign				
Sat Middleeast Ltd. F.Z.C.	-0.17	(83,237)	-88.28	(157,649,035)
Subtotal	100.00	51,620,608	-165.36	(295,294,241)
Inter-Company Elimination & Consolidation Adjust.	-	-	65.36	116,711,723
Grand Total	100.00	51,620,608	100.00	(178,582,518)
Minority Interest in Subsidiaries	-	-	-	-
Share of Profit in Associate	-	-	-	-
TOTAL	100.00	51,620,608	100.00	(178,582,518)

As per our report of even date
For R. Kabra & Co.
Chartered Accountants
FRN: 104502W

For and on behalf of the Board

Deepa Rathi
Partner
M No.: 104808
Place : Mumbai
Date : 29 May 2015

Shehnaz D. Ali
Wholetime Director

H.K. Turgalia
Wholetime Director

SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED FINANCIAL STATEMENT
SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India.

PRINCIPLES OF CONSOLIDATION

- a. The Consolidated financial statements comprise the financial statement of Sat Industries Limited (The Holding Company) and its subsidiaries. The financial statements of all the Companies are in line with generally accepted accounting principles in India.

Companies Included In Consolidation	Country of Incorporation	Proportion of Ownership	Reporting Period	Consolidated Period with Parent	Relationship
1. Sat Middle East Limited	UAE	100%	12 months	12 months	Subsidiary

- b. The financial statements of the holding company and its subsidiaries have been consolidated as per AS 21 Consolidated Financial Statement by eliminating in full the intra-group balances and intra-group transactions including sales and expenses. The unrealised profits resulting from intra-group transactions that are included in the carrying amount of fixed assets, inventory are also eliminated in full and assets are shown net of unrealised profits.

c. Consolidation of Foreign Subsidiary

Foreign Subsidiary accounts viz. Sat Middle East Ltd. have been audited by local auditor by adopting international GAAP for the year ended as on 31-03-2015. The consolidation of the accounts of foreign subsidiary in the books of accounts are considered as non- integral operations

d. Consolidation of foreign Branch

The holding company's foreign branch situated at U.A.E. is audited by the local auditor for the financial year ended on 31-03-2015. The consolidation of the accounts of foreign branch in the books of accounts are considered as non- integral operations.

- (C) i) The difference between the cost of investment in the subsidiaries over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statement as goodwill or capital reserve, as the case may be.
- ii) In case of foreign subsidiary, "Sat Middle East Limited" and the foreign branch of the holding company the operations are non-integral and their financial statements are converted in Indian Rupees at the following exchange rates:

Sr. No.	Particulars	Rate
i)	Revenue and Expenses	Average Exchange Rate prevailing during the year
ii)	Current Assets & Current Liabilities	Exchange rate prevailing at the end of the year.
iii)	Fixed Assets	Exchange rate prevailing at the end of the year
iv)	Remittance to branch at the time of its inception	At the original rate when the remittance was done

- (D) **Amortisation:** Intangible assets are written off over a period of five year.

(E) OTHER SIGNIFICANT ACCOUNTING POLICIES

Most of the accounting policies of the holding Company and that of the subsidiaries are similar except depreciation in the subsidiary companies

If undelivered please return to :

SAT INDUSTRIES LIMITED

Registered Office :

41, B- Wing, Mittal Tower,
Nariman Point,

Mumbai- 400 021. (INDIA)

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**SAT
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CIN : L45400MH1984PLC034632

Global Business



SIL/BSE/2015-2016
15-09-2015

The General Manager,
Department of Corporate Services,
BSE Limited,
P. J. Towers, Dalal Street,
Mumbai – 400 001.

Company Code No.: 511076

Dear Sir,

In compliance with the Listing Agreement with your Exchange, we hereby inform you that the Annual General Meeting of the members of the Company will be held on Saturday the 26th day of September, 2015 at 09.15 a.m. A copy of AGM Notice is attached herewith for your kind perusal and record.

Thanking you,

Yours faithfully,
For Sat Industries Limited

Alka Gupta
Company Secretary

SAT INDUSTRIES LIMITED

(CIN: L25199MH1984PLC034632)

Regd. Office: 41, B- Wing, Mittal Tower, Nariman point, Mumbai- 400 021.

Tel. +91 22 66107025 Fax : 91 22 66107027 • website: www.satgroup.in • e-mail: sil@mtnl.net.in

NOTICE

NOTICE is hereby given that the **Thirtieth (30th) Annual General Meeting** of the Members of **SAT INDUSTRIES LIMITED** will be held at Umang Hall, Samrat Restaurant, Prem Court, J. Tata Road, Mumbai-400 020 on Saturday, the 26th day of September, 2015, at 9.15 A.M. to transact the following business:

ORDINARY :

1. To receive, consider and adopt :
 - (a) the Audited Financial Statements of the Company for the year ended on March 31, 2015 alongwith the Report of the Directors' and Auditors' thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2015 together with the Report of the Auditors thereon.
2. To appoint a director in place of Mr. Asad Daud (DIN : 02491534) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution relating to the appointment of the Auditors of the Company:

"RESOLVED THAT M/S R. Kabra & Co., Chartered Accountants, Mumbai (ICAI FRN : 104502W) be and are hereby re-appointed as the Statutory Auditors of the Company u/s 139 and other applicable provisions, if any, of the Companies Act, 2013, to hold office as such from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration including applicable service tax as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS :

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

"RESOLVED THAT in pursuance of the provisions of section 196, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mrs. Shehnaz D Ali (DIN: 00185452), as a Wholtime Director of the Company for a period of 3 (three) years with effect from 01.01.2016, on the terms and conditions of remuneration as set out in the Explanatory Statement annexed to the notice convening the meeting, with liberty to the Board of Directors (hereinafter referred to as " the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said re-appointment and/or the remuneration , subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto.

RESOLVED FURTHER THAT in pursuance of the provisions of section 197(3) and other applicable provisions, if any of the Companies Act, 2013, and the rules made there under Mrs. Shehnaz D Ali, Wholtime Director, will be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during her term of office as Wholtime Director, in accordance with the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions."

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

"RESOLVED THAT in pursuance of the provisions of section 196, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Harikant Turgalia (DIN: 00049544), as a Wholtime Director of the Company for a period of 3 (three) years with effect from 01.01.2016, on the terms and conditions of remuneration as set out in the Explanatory Statement annexed to the notice convening the meeting, with liberty to the Board of Directors (hereinafter referred to as " the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said re-appointment and/or the remuneration , subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 , including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto.

RESOLVED FURTHER THAT in pursuance of the provisions of section 197(3) and other applicable provisions, if any of the Companies Act, 2013, and the rules made there under Mr. Harikant Turgalia, Wholtime Director, will be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Wholtime Director, in accordance with the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions."

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

"RESOLVED THAT in partial modification of the special resolution passed by the members of the Company pursuant to section 186 of the Companies Act, 2013 and rules made thereunder through postal ballot on 01-10-2014, the amount to be invested etc. in Italica Furniture Private Limited be raised to Rs. 25 crores (Rupees twenty five crores only) from Rs. 10 crores (Rupees ten crores) subject to the necessary approvals, permissions, sanctions of the financial institutions /banks and the Central Government and/or Reserve Bank of India or any other authority (ies), where necessary and the Board of Directors of the Company be and is hereby authorised to invest by

purchase/acquire/subscribe equity shares, preference shares and any other financial instruments of Italica Furniture Private Limited upto the amount not exceeding Rs. 25 crores (Rupees twenty five crores only), in one or more tranches on such terms and conditions as they may, in their absolute discretion, deem beneficial and in the interest of the Company in one or more tranches.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

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

"RESOLVED THAT pursuant section 61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Company be increased from Rs.10,00,00,000/- (Rupees Ten Crores) divided into 5,00,00,000 (Five Crores) equity shares of Rs.2/- each to Rs.15,00,00,000/- (Rupees Fifteen Crores only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs only) equity shares of Rs.2/- each by creation of 2,50,00,000 (Two Crore fifty lakhs) new equity shares of Rs.2/- each and that such new equity shares will rank pari passu in all respect with the existing equity shares of the Company."

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

"RESOLVED THAT pursuant to section 13 and all other applicable provisions, if any, of the Companies Act, 2013, the existing clause V of the Memorandum of Association of the Company relating to share capital be and is hereby altered by deleting the same and substituting in its place and stead the following as new clause V

V. The Authorised Share Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.2/- (Rupees Two only) each with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being in several classes and attach thereto respectively such preferential or qualified rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and or vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may be permitted by the legislative provisions or by the Articles of Association of the Company for the time being in force."

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

"RESOLVED THAT pursuant to section 14 and all other applicable provisions, if any, of the Companies Act, 2013, the existing article 3 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting in its place and stead the following as new article 3.

3. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.2/- (Rupees Two only) each. The Company shall have power to increase, consolidate, sub-divide, reduce or otherwise alter its share capital, subject to provisions of the Act."

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

"RESOLVED THAT pursuant to and in accordance with the provisions of section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and all other applicable laws and regulations including the Foreign Exchange Management Act, 1999, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Reserve Bank of India Guidelines, the relevant provisions of the Memorandum and Articles of Association of the Company and the provisions of the Listing Agreements with the Stock Exchange, on which the equity shares of the Company are listed or may be hereafter be listed (including any amendments thereto or re-enactment of all or any of the aforesaid) and subject to all such approvals, permissions, sanctions and consents, if any, as may be required under the applicable laws and regulations and of concerned Authorities, bodies and Agencies and subject to such conditions and modifications as may be prescribed by any of the above said authorities, bodies, agencies and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof which the Board may have or may hereafter constitute, to which all or any of the powers hereby conferred on the Board by this Resolution, have been or may hereafter at any time be delegated), the consent, authority and approval of the Company be and is hereby accorded to the Board to create, offer, and allot, from time to time, in one or more tranches, 1,80,00,000 (One Crore Eighty Lakhs only) Warrants convertible into equity shares (hereinafter referred to as the "Warrants") on preferential basis to the following :

Name of the proposed allottee	PAN	No. of warrants	Category
Sat Invest Private Limited	AACCS2098D	1,50,00,000	Promoter
Mr. Lalit Jankilal Kabra	AJAPK0716E	15,00,000	Non Promoter
Mrs. Preeti Krishna Kabra	AHYPB0002A	15,00,000	Non Promoter

entitling the holder of each warrant, from time to time to apply for and obtain allotment of one equity share of Rs.2/- (Rupees two only) each fully paid up against such warrant, in one or more tranches not exceeding 18 months from the date of allotment of warrants, in such manner, at such price and on such terms and conditions as may determined by the Board in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or other provisions of the law as may be prevailing at the time; provided that the minimum price of the Warrants so issued shall not be less than the price arrived at in accordance with provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the relevant date as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009., for determination of price of the equity shares to be issued and allotted upon exercise of the rights attached to the Warrants referred to above, is 27.08.2015 i.e. 30 days prior to this Annual General Meeting Dt. 26.09.2014.

RESOLVED FURTHER THAT without prejudiced to the generality of the foregoing, the Board be and is hereby authorized to prescribe with respect to the aforesaid issue of the Warrants all or any of the terms or any combination of terms thereof in accordance with all applicable laws, bye-laws, rules, guidelines etc.

RESOLVED FURTHER THAT the Equity Shares issued pursuant to exercise of Warrants shall be subject to the Memorandum and Articles of Association of the Company and shall upon being so issued and allotted rank pari passu in all respects including dividend with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the new shares to be issued consequent upon the exercise of option attached with the Warrants to be listed on the Stock Exchange at which the shares are already listed/proposed to be listed by the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any offer, issue and allotment of above stated Warrants, the Board be and is hereby authorised to take all such actions, give all such directions and do all such acts, deeds and things as may be necessary, desirable or incidental thereto and matters connected therewith including without limitation to issue and sign all such documents, instruments and writings and to pay any fees, costs, charges and other outgoings in relation thereto and to settle all questions, to give such directions that may be necessary or arise in regard to or in connection with any such offer, issue or allotment of Warrants /Equity Shares and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all members."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the Company be and is hereby replaced with the new set of Articles of Association which is placed before the members at this meeting and initialed by the Chairman for the purpose of identification, and the new Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in place and in substitution of the existing Articles of Association

RESOLVED FURTHER THAT Mr. Harikant Turgalia , Wholetime Director and Ms. Alka Premkumar Gupta, Company Secretary be and are hereby jointly and/or severally authorized by the Company to undertake such acts, deeds and matters as may be necessary, proper or expedient to give effect to this resolution."

Registered Office :

41, B- Wing , Mittal Tower
Nariman Point , Mumbai - 400 021
Dated : 20.08.2015

By Order of the Board of Directors

Harikant Turgalia
Wholetime Director
DIN: 00049544

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of the members not exceeding 50 (fifty) and holding in the aggregate not more than 10(ten) percent of the total share capital of the Company. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. Proxies submitted on behalf of the Companies, sociteis etc. must be supported by an appropriate resolution / authority, as applicable.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 21.09.2015 to 26.09.2015 (both days inclusive).
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 of, in respect of items no. 3 to 11 of the Notice as set out above, is annexed hereto.
4. Members/proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
6. Any query related to accounts should be notified to the Company at least 7 days before the date of the Annual General Meeting.
7. In case of joint holders attending the AGM , only such joint holder who is higher in the order of names will be entitled to vote.
8. The Securities and Exchange Board of India has mandated compulsory trading of the Company's equity shares in demat form for all the investors. The International Securities Identification number (ISIN) code is INE 065D01027.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. With reference to passing of Special Resolution in last AGM Dt. 19-07-2015 relating to issue of 40,00,000 Warrants to Promoters, Company has given an Undertaking to BSE Limited to place before the members of the Company at this Annual General Meeting the compliance certificate received from the Auditors' with regard to the issue of aforesaid Warrants. This certificate shall be placed before the members of the Company at this Annual General Meeting and is available for inspection by the members of the Company during the office hours from 10 AM to 1.30 PM on all working days (except Saturdays, Sundays and Public Holidays) at the registered office of the Company till the date of this Annual General Meeting.
11. In compliance with provisions of Section 108 and 110 of the Act read with The Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate, to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their votes electronically instead of despatching Postal Ballot Form. **E-voting is optional.**

INSTRUCTIONS FOR E-VOTING

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	9.00 A.M. on Wednesday, 23 rd September, 2015
End of remote e-voting	5.00 P.M. on Friday, 25 th September, 2015

The cut-off date/record date for the purpose of remote e-voting is Saturday, 19th September, 2015.

This communication is an integral part of Notice dated 20th August, 2015 for the Annual General Meeting scheduled to be held on Saturday, 26th September, 2015.

The Notice of the Annual General Meeting and this communication are also available on the website of the Company at www.satgroup.in.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on "shareholders" tab.
- iii. Now Enter your applicable User ID, as under:
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio No. registered with the Company.
- iv. Next enter the Image Verification code as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and cast your vote earlier for EVSN of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:
Please fill up the following details in the appropriate boxes:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the number of shares as on cut-off date i.e. 19th September, 2015 are less than 8 digits enter the applicable number of 0's before the number and after the first two characters of the name in CAPITAL letters. e.g. if your name is Ramesh Kumar holding 45 shares as on cut-off date then enter RA00000045 in the PAN field.
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p>#Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter user id/folio number in the Dividend Bank details field.</p>

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended that members should not share their password with any other person and take utmost care to keep their password confidential.
- ix. For Members holding shares in physical form, the details can be used only for remote e-voting on the Resolutions contained in this Notice.
- x. Click on the EVSN of "SAT INDUSTRIES LIMITED".
- xi. On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the respective Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xiii. After selecting the Resolution if a member has decided to vote there on, click on "SUBMIT". A confirmation box will be displayed. If a member wishes to confirm his vote, click on "OK", else to change the vote, click on "CANCEL" and accordingly modify his vote.
- xiv. Once a member "CONFIRM" his vote on the Resolution, he will not be allowed to change his vote.
- xv. A member can also take out print of the voting done by him/her by clicking on "Click here to print" option on the Voting page.
- xvi. If the demat account holder has forgotten the changed password then Enter the User ID and image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. For Non-Individual Members and Custodians:
 - a. Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to be mailed to helpdesk.evoting@cdslindia.com.
 - c. After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. A scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

The remote e-voting commences on Wednesday, 23rd September, 2015 (IST 9.00 A.M.). and ends on Friday, 25th September, 2015 (IST 5.00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/record date i.e. Friday, 19th September, 2015 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the member, the member shall not be allowed to change it subsequently.

- i. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 19th September, 2015 may follow the same instructions as mentioned above for remote e-voting.
- ii. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- iii. Mr. Dinesh M. Jain, Practicing Chartered Accountant has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting through Ballot paper in the meeting, in a fair and transparent manner.
- iv. The Scrutinizer, after scrutinising the votes cast at the meeting through ballot paper and through remote e-voting, will not later than three

- days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
- v. In the event of poll, please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon shall be prepared in accordance with Section 109 of the Act read with relevant rules. In such an event, votes cast under Poll taken together with the votes cast through remote e-voting shall be counted for the purpose of passing of resolution(s). No voting by show of hands will be allowed at the Meeting.
- vi. Subject to receipt of sufficient votes, the resolution(s) shall be deemed to be passed at the 30th Annual General Meeting of the Company scheduled to be held on Saturday, 26th September, 2015. The Results shall be declared within three days from the conclusion of the meeting. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website, www.satgroup.in and on CDSL's website, www.cdslindia.com within three days of passing of the Resolutions at the meeting and communicated to the Stock Exchanges.

Annexure to Notice

Statement pursuant to section 102(1) of the Companies Act, 2013

Item no.3

- (a) The Board of Directors of the Company have on the recommendation of the Audit Committee proposed that M/S R. Kabra & Co., Chartered Accountants, Mumbai be re-appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company. M/S R. Kabra & Co., Chartered Accountants, Mumbai have forwarded their certificates to the Company stating that their re-appointment, if made, will be within the criteria provided under section 141 in that behalf in the Companies Act, 2013.

The resolution as in this item of Notice is accordingly commended for the passing of the members.

Item no. 4

The present term of appointment of Mrs. Shehnaz D Ali as a Wholetime Director will expire on 31.12.2015. The Board of Directors of the Company at their Board meeting held on 29.05.2015 as recommended by remuneration and nomination committee re-appointed Mrs. Shehnaz D Ali as Wholetime Director for a period of three (3) years with effect from 01.01.2016 subject to the approval of the shareholders. Mrs. Shehnaz D Ali is looking after the day to day business activities of the Company. The continuity of the present management will help the Company in attaining its object in better and harmonious way. The proposed remuneration is within the limits and other terms of clause (A) Section II of Schedule V to the Companies Act, 2013 as amended.

The terms and conditions of the re-appointment of Wholetime Director are embodied in the agreement to be made between the Company and the Wholetime director. The broad particulars of remuneration proposed to be paid to the said Wholetime Director during her term of office are as under :

Name and designation	Period	Salary per month (Rs.)	Perquisites and allowances per month (Rs.)
Mrs. Shehnaz D Ali – Wholetime Director	01.01.2016 to 31.12.2018	Rs. 80000/- per month in the scale of Rs. 80000/- to Rs. 200000/-	66.66 % of the monthly salary

The annual increment which will be effective from 1st April every year will be decided by the Board and will be merit based taken into account the Company's performance.

The perquisites and allowances payable to the aforesaid wholetime Director shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, medical allowance/ reimbursement, leave travel concession for self and family including dependents, club fees, accident /medical insurance, encashment of leave and such other perquisites and/or allowances, upto the amount specified above and in addition he shall be eligible for reimbursement of actual expenses incurred towards utilization of gas, electricity, water, furnishing and repairs subject however to the condition that the overall remuneration paid is within the overall ceiling of remuneration stipulated in Section 197 read with Schedule V of the Companies Act, 2013.

Provisions of car with chauffeur for the purpose of Company's business and telephone as per the rules of the Company and the same would not be considered as perquisites.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder (including any statutory modification or re-enactment thereof for the time being in force). However, the Company's contribution to provident fund, superannuation or Annuity fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, and gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company, shall not be included in the computation of limits for the remuneration which includes salary, perquisites and allowances.

In the event of loss or absence or inadequacy of profits in any financial year of the Company, Mrs. Shehnaz D Ali, Whole-time Director shall be paid the salary and perquisites as specified herein above.

The agreement may be terminated at any time by either party giving a three month notice in writing.

The draft agreement between the Company and Mrs. Shehnaz D Ali is available for inspection by the members of the Company upto the date of the meeting at its registered office between 10:30 A.M to 1:30 P.M. on any working days except Saturdays and holidays.

This may be treated as an abstract of the draft agreement between the Company and Mrs. Shehnaz D Ali pursuant to section 190 of the Companies Act, 2013.

The proposed remuneration is within the limits of the schedule V as amended to the Companies Act, 2013.

The proposed resolution is recommended for passing.

The terms and conditions set out for the re-appointment and payment of remuneration specified herein may be altered and varied from time to time by the Board of Directors ("the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board of the Company), as it may, at its discretion deem fit. The Board is also entitled to revise the salary, perquisites and allowances, payable to the said Wholetime Director of the Company at any time, such that the overall yearly remuneration payable to the said Wholetime Director shall not exceed the limits specified under section 197 read with Schedule V to the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) or any amendment made thereto.

Statement as required under Section II of the Schedule V of the Companies Act, 2013 :

I. <u>GENERAL INFORMATION</u>	
1. Nature of Industry	General Trading
2. Date or expected date of commencement of commercial production	Not applicable being existing Company
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable in view of the point 2 hereinabove.
4. Financial performance based on given indicators	Year : 2014-15 Gross Revenue : Rs. 93,331,032 Profit/(Loss) before tax : Rs. (137,651,054)* *includes diminution in value of investments Rs. 116,711,723.
5. Export performance and net foreign exchange collaborations	NIL
6. Foreign investments or collaborators, if any	NIL
II. <u>INFORMATION ABOUT THE APPOINTEE</u>	
1. Back ground details	Mrs. Shehnaz D. Ali aged 48 years is a young and dynamic lady with 23 years of vast and rich experience of marketing and general administration, etc. in particular. She has been on the Board of the Company and holds the position of Whole-time Director since 2001. She holds the bachelor's degree in science. She has been managing day to day affairs of the Company subject to the superintendence, control and directions of the Board of Directors of the Company.
2. Past remuneration	a) Rs. 80000/- per month in the scale of Rs. 50000/- per month to Rs. 80000/- per month. b) Perquisites : 66.66% of the monthly salary.
3. Recognition or awards	NIL
4. Job profile and his suitability	Looking to her job profile as mentioned in 1 above and needs of the Company to look after its production, marketing, general administration work, Mrs. Shehnaz D Ali appears to be suitable.
5. Remuneration proposed	(a) Salary: Rs. 80000/- per month in the scale of Rs. 80000/- per month to Rs. 200000/- per month. (b) Perquisites : 66.66% of the monthly salary.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	The proposed remuneration of Mrs. Shehnaz D Ali has been benchmarked with the remuneration being drawn by similar positions in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mrs. Shehnaz D Ali holds no equity shares in the capital of the Company as on the date of this notice but she is director of the promoter Company viz; Sat Invest Private Limited. She has no relationship with other managerial personnel.

III. <u>OTHER INFORMATION</u>	
1. Reasons of loss or inadequate profits	Due to non-expansion of the existing activities for want of funds and adverse business and economic predicaments
2. Steps taken or proposed to be taken for improvement	The Company is making foray into manufacturing and other activities by acquiring major stake in body corporate engaged in the development of software for education, flexible packaging and leasing of machineries. In addition the Company itself intends to enter into plastic business as well as renting of machines etc. in the time to come
3. Expected increase in productivity and profits in measurable terms	It is expected that the steps as mentioned in point No. 2 some of which such as acquisition of major stakes in body corporate engaged in development of education software, flexible packaging and renting of machines it has already undertaken and some it proposes to undertake in future, will collectively generate sufficient revenue and net profit in the time to come. Barring unforeseen circumstances the Company is expected to have profit for the year ending on 31 st March, 2016, 17 and 18 Rs. 50 lakhs, 70 lakhs and 90 lakhs respectively.

IV. Disclosures: In heading "Corporate governance - In the Board of Directors' report	The same will be provided in the Annual Report as per the requirements.
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None of the Directors, key managerial personnel of the Company and their relatives except Mrs. Shehnaz D Ali and Mr. Asad Daud and their relatives to the extent of their holding in the share capital of the Company is concerned or interested, financially or otherwise, in the proposed resolution.

Item no. 5

The present term of appointment of Mr. Harikant Turgalia as Wholetime Director will expire on 31.12.2015. The Board of Directors of the Company at their Board meeting held on 29.05.2015 as recommended by remuneration and nomination committee re-appointed Mr. Harikant Turgalia as Wholetime Director for a period of three (3) years with effect from 01.01.2016 subject to the approval of the shareholders. Mr. Harikant Turgalia is looking after the day to day business activities of the Company. The continuity of the present management will help the Company in attaining its object in better and harmonious way. The proposed remuneration is within the limits and other terms of clause (A) Section II of Schedule V to the Companies Act, 2013 as amended.

The terms and conditions of the re-appointment of Wholetime Director are embodied in the agreement to be made between the company and the Wholetime Director. The broad particulars of remuneration proposed to be paid to the said Wholetime Director during his term of office are as under:

Name and designation	Period	Salary per month (Rs.)	Perquisites and allowances per month (Rs.)
Mr. Harikant Turgalia– Wholetime Director	01.01.2016 to 31.12.2018	Rs. 44000/- per month in the scale of Rs. 40000/- to Rs. 100000/-	66.66 % of the monthly salary

The annual increment which will be effective from 1st April every year will be decided by the Board and will be merit based taken into account the Company's performance.

The perquisites and allowances payable to the aforesaid wholetime Director shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, medical allowance/ reimbursement, leave travel concession for self and family including dependents, club fees, accident /medical insurance, encashment of leave and such other perquisites and/or allowances, upto the amount specified above and in addition he shall be eligible for reimbursement of actual expenses incurred towards utilization of gas, electricity, water, furnishing and repairs subject however to the condition that the overall remuneration paid is within the overall ceiling of remuneration stipulated in Section 197 read with Schedule V of the Companies Act, 2013.

Provisions of car with chauffeur for the purpose of Company's business and telephone as per the rules of the Company and the same would not be considered as perquisites.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder (including any statutory modification or re-enactment thereof for the time being in force). However, the Company's contribution to provident fund, superannuation or Annuity fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, and gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company, shall not be included in the computation of limits for the remuneration which includes salary, perquisites and allowances.

In the event of loss or absence or inadequacy of profits in any financial year of the Company, Mr. Harikant Turgalia, Wholetime Director shall be paid the salary and perquisites as specified herein above.

The agreement may be terminated at any time by either party giving a three month notice in writing.

The draft agreement between the Company and Mr. Harikant Turgalia is available for inspection by the members of the Company upto the date of the meeting at its registered office between 10:30 A.M to 1:30 P.M. on any working days except Saturdays and holidays.

This may be treated as an abstract of the draft agreement between the Company and Mr. Harikant Turgalia pursuant to section 190 of the Companies Act, 2013.

The proposed remuneration is within the limits of the schedule V as amended to the Companies Act, 2013.

The proposed resolution is recommended for passing.

The terms and conditions set out for the re-appointment and payment of remuneration specified herein may be altered and varied from time to time by the Board of Directors ("the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board of the Company), as it may, at its discretion deem fit. The Board is also entitled to revise the salary, perquisites and allowances, payable to the said Wholetime Director of the Company at any time, such that the overall yearly remuneration payable to the said Managing Director shall not exceed the limits specified under section 197 read with Schedule V to the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) or any amendment made thereto.

Statement as required under Section II of the Schedule V of the Companies Act, 2013 :

I. <u>GENERAL INFORMATION</u>	
1. Nature of Industry	General Trading
2. Date or expected date of commencement of commercial production	Not applicable being an existing Company
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable in view of the point 2 hereinabove
4. Financial performance based on given indicators	Year : 2014-15 Gross Revenue : Rs. 93,331,032 Profit/(Loss) before tax : Rs. (137,651,054)* *includes diminution in value of investments Rs. 116,711,723.
5. Export performance and net foreign exchange collaborations	NIL
6. Foreign investments or collaborators, if any	NIL

II. INFORMATION ABOUT THE APPOINTEE	
1. Back ground details	Mr. Harikant Turgalia aged 53 years is a young and dynamic person with 30 years of vast and rich experience of the accounts and finance in general and general administration, etc. in particular. He has been on the Board of the Company and holds the position of Whole-time Director since 2001. He holds the bachelor's degree in commerce. He has been managing day to day affairs of the Company subject to the superintendence, control and directions of the Board of Directors of the Company.
2.Past remuneration	(a) Salary : Rs. 44000/- per month in the scale of Rs.40000/- per month to Rs. 60000/- per month. (b) Perquisites : 66.66 % of monthly salary.
3.Recognition or awards	NIL
4.Job profile and his suitability	Looking to his job profile as mentioned in 1 above and needs of the Company to look after its general administration work, Mr. Harikant Turgalia appears to be suitable.
5.Remuneration proposed	(a) Salary : Rs. 44000/- per month in the scale of Rs. 40000/- per month to Rs. 100000/- per month. (b) Perquisites : 66.66 % of monthly salary.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	The proposed remuneration of Mr. Harikant Turgalia has been benchmarked with the remuneration being drawn by similar positions in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses
7.Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Harikant Turgalia holds no equity shares in the capital of the Company as on the date of this notice. Nor have any relationship with other managerial personnel.

III. OTHER INFORMATION	
1. Reasons of loss or inadequate profits	Due to non-expansion of the existing activities for want of funds and adverse business and economic predicaments.
2.Steps taken or proposed to be taken for improvement	The Company is making foray into manufacturing and other activities by acquiring major stake in body corporate engaged in the development of software for education, flexible packaging and leasing of machineries. In addition the Company itself intends to enter into plastic business as well as renting of machines etc. in the time to come
3.Expected increase in productivity and profits in measurable terms	It is expected that the steps as mentioned in point No. 2 some of which such as acquisition of major stakes in body corporate engaged in development of education software, flexible packaging and renting of machines it has already undertaken and some it proposes to undertake in future will collectively generate sufficient revenue and net profit in the time to come. Barring unforeseen circumstances the Company is expected to have profit for the year ending on 31 st March, 2016,17 and 18 Rs. 50 lakhs, 70 lakhs and 90 lakhs respectively.
IV. Disclosures: In heading "Corporate governance - In the Board of Directors' report	The same will be provided in the Annual Report as per the requirements.

None of the Directors, key managerial personnel of the Company and their relatives except Mr. Harikant Turgalia and his relatives to the extent of their holding in the share capital of the Company is concerned or interested, financially or otherwise, in the proposed resolution.

Item no. 6

Pursuant to special resolution passed under section 186 of the Companies Act, 2013 by the Members of the Company through the Postal Ballot on 01-10-2014, the Board of Directors was authorized to invest by purchase/acquire/subscribe equity shares, preference shares and any other financial instruments in/of Italica Furniture Private Limited upto an amount not exceeding Rs. 10 crores (Rupees ten crores only). Looking to the present and future plans of Italica Furniture Private Limited, the Board feels that the amount to be invested as authorized by the members will not suffice and this should be increased to Rs. 25 crores (Rupees crores only). In order to enable the Board of Directors to invest at higher amount as proposed hereinbefore i.e. Rs. 25 crores ,requires prior approval of the members of the Company in accordance with the provisions of section 186 of the Companies Act, 2013, since the proposed investment exceeds higher of sixty percent of its paid up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account.

Shareholding interest of Directors and Key Managerial Persons in the above Company :

None of the Directors and Key Managerial Persons except Mr. Asad Daud has any shareholding interest:

Name of body corporate	Mr. Asad Daud (in %)
Italica Furniture Private Limited	0.48

The investment proposed to be made as mentioned hereinabove can be in one or more tranches and as deem fit by the Board of Directors or a committee thereof from time to time.

The investment proposed to be made will be out of the internal accruals and/or proceeds by issue of further capital in your Company.

In view of this the Directors recommend special resolution as set out at item no. 6 of the accompanying Notice for the approval of the members.

None of the Directors except Mrs. Shehnaz D. Ali and Mr. Asad Daud, key managerial personnel and their relatives of the Company is interested or concerned financially or otherwise in any way in passing of this resolution.

Item no. 7

The Company is in process of expanding its activities and also the activities of its subsidiaries. The proposed activities will require additional capital. The existing authorised share capital is not sufficient to fund the proposed activities and requires an increase therein.

Accordingly the Company proposes to increase it to Rs.15,00,00,000 from Rs.10,00,00,000 by the creation of 2,50,00,000 equity shares of Rs.2/- each. The increase in the authorised share capital requires the consent of the shareholders. The directors, therefore, recommend a special resolution in this regard.

None of the Directors and the Manager, key managerial personnel or their relatives are concerned or interested, financial or otherwise in any way in passing of these resolutions

Item no. 8 & 9

With the proposed increase in the authorised share capital from Rs.10,00,00,000 to Rs. 15,00,00,000, the clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company will require suitable amendments in the Memorandum and Articles of Association of the Company to reflect true positions. The directors, therefore, recommend special resolutions in this regard set out at items no. 9 & 10 of the accompanying notice for the consent of the shareholders.

A copy of the Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at its Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 10.30 A.M. to 1.30 P.M. up to the date of this Annual General Meeting.

None of the Directors and the Manager, key managerial personnel or their relatives are concerned or interested, financial or otherwise in any way in passing of these resolutions.

Item no. 10

The Company is engaged in the business of global trading. In order to expand its existing activities more vigorously and increase its competitiveness in the domestic market as well as in international market needs to strengthen its financial position by augmenting long term resources. To pursue the above object, in the past the Company has borrowed funds and the same is still outstanding. To further expand the activities of the Company including investment in other body corporate for acquiring majority stakes, the Company requires fund on long term basis. To raise the funds from the public by way of issue of further share capital is a time consuming and costlier looking to the size of the funds. To meet the situation Sat Invest Private Limited – the promoter of the Company has agreed to invest funds in the Company by way of Warrants convertible into equity shares. In addition to the promoters, some other persons who are investors have also agreed to invest in the Company. In the circumstances the Board of Directors of the Company thought it prudent to offer and allot on preferential basis to:

Promoters :

- (a) 1,50,00,000 Warrants entitling the holder of the warrant to apply and subscribe one equity share of Rs. 2/- each in the capital of the Company against one Warrant.

Non Promoters

- (b) 30,00,000 Warrants entitling the holder of the warrant to apply and subscribe one equity share of Rs. 2/- each in the capital of the Company against one Warrant.

The price at which such warrants are proposed to be allotted shall not be less than price determined as per the Regulation 76 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended. Currently, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended provide that the issue of warrant convertible into equity shares on a preferential basis can be made at a price not less than the higher of the following :

The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognized Stock Exchange during the 26 weeks preceding the relevant date ; OR the average of the weekly high and low of the closing prices of the related equity shares quoted on recognized Stock Exchange during the two weeks preceding the relevant date.

The amount of the proposed issue will be utilized for the purpose of payments of the unsecured loans, expansion, diversification, modernization, acquisition, amalgamation, investments (domestic or overseas), working capital or any other purpose as the Board may deem fit in its absolute discretion.

Certain disclosures as required Preferential Issue Guidelines by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended are as under :

(i) The Object of the Issue:

As mentioned hereinabove that the object of the issue is to re-pay the unsecured loans, expansion, diversification, modernization, acquisition, amalgamation, investments (domestic or overseas), working capital or any other purpose as the Board may deem fit in its absolute discretion.

(ii) Intention of Promoters /Directors/Key Managerial persons to subscribe to the offer :

Promoters/Directors/Key Managerial Persons except those mentioned herein below have no intention to subscribe the offer.

S.No.	Name of person	Promoter	No. of share warrants to be subscribed
01	Sat Invest Private Limited	Promoter	1,50,00,000

(iii) Shareholding pattern before and after the issue :

The total issued and paid up Equity Capital of the Company as of date this notice comprises of 5,00,00,000 Equity Shares of Rs. 2/- each. The shareholding pattern before and after the date of allotment (assuming all the warrants are fully exercised) is as follows:

Category	Existing Shareholding pattern		Subsequent to exercise of proposed warrants	
	No. of share held	% of existing capital	No. of share	% of increased capital
A. Promoter's holding				
1. Promoters				
- Indian Promoters	2,33,35,000*	46.67	3,83,35,000	56.38
- Foreign Promoters	0	0		
2. Person acting in concert	0	0	0	0
SUB-TOTAL	2,33,35,000*	46.67	3,83,35,000	56.38
B. Non-Promoters holding				
3. Institutional Investors	0	0	0	0
a. Mutual Funds and UTI	0	0	0	0
b. Banks, Financial Institutions,	0	0	0	0
Insurance companies, (Central, state	0	0	0	0
Govt. Institutions/non-government Instt.	0	0	0	0
c. FIs	0	0	0	0
SUB-TOTAL	0	0	0	0
4. Others				
a. Private Corporate Bodies	1,76,55,492	35.31	1,76,55,492	25.96
b. Indian Public	87,49,982	17.5	1,17,49,982	17.28
c. NRIs/OCBs	13,950	0.03	13,950	0.02
d. (Clearing Members)	2,45,576	0.49	2,45,576	0.36
SUB-TOTAL	2,66,65,000	53.33	2,96,65,000	43.62
GRAND TOTAL	5,00,00,000	100.00	6,80,00,000	100.00

*Includes 40,00,000 equity shares issued on conversion of warrants on 2nd May, 2015. The equity shares so issued have not been credited into the Demat account of the Allottee as trading approval from the BSE Limited is awaited.

(iv) Proposed time limit within which the allotment shall be complete :

The allotment is to be completed within 15 days of passing of the Resolutions in accordance with the Regulation 74(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(v) The identity of the proposed allottees and the % of post preferential issue capital that may be held by them :

Name	Category	Pre-Issue holding		Subsequent to exercise of proposed warrants		
		No. of Shares	% of holding	No. of shares to be allotted	Holding no. of shares	% holding
Sat Invest Private Limited	Promoter	2,33,35,000*	46.67	1,50,00,000	3,83,35,000	56.38
Lalit Jankilal Kabra	Non Promoter	-	-	15,00,000	15,00,000	2.21
Preeti Krishna Kabra	Non Promoter	-	-	15,00,000	15,00,000	2.21

*Includes 40,00,000 equity shares issued on conversion of warrants on 2nd May, 2015. The equity shares so issued have not been credited into the Demat account of the Allottee as trading approval from the BSE Limited is awaited.

There will be no change in the Board of Directors nor any change in control over the Company consequent upon the proposed allotment.

(vi) The identity of the natural persons who are the ultimate beneficial owners of the shares to be allotted and/or who ultimately control the proposed allottees is as follows:

Name of the proposed allottee	Ultimate Beneficial Owner and/or who ultimately control the proposed allottee
Sat Invest Private Limited	Mrs. Shehnaz D Ali and family

There will be no change in the Board of Directors nor any change in control over the Company consequent upon the proposed allotment.

(vii) The Company undertakes that it shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

(viii) The Company further undertakes that if the amount payable on account of the re-computation of the price is not paid within the time stipulated in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

(ix) During the year the Company has not already made any allotment on preferential basis.

The issue of Equity Shares consequent upon conversion of Warrants shall be subject to lock-in from the date of trading approval as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

The relevant date for the purpose of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is 27.08.2015 i.e. 30 days prior to the date of this Annual General Meeting.

Section 62 (1) (c) of the Companies Act, 2013 and the Listing Agreement with the Stock Exchange, provides, inter alia, that where it is proposed to increase the subscribed capital of the Company by allotment of further shares, such further Shares shall be offered to the persons, who at the date of offer are holders of the Equity Shares of the company in proportion to the capital paid-up on those Shares as of that date, unless the Shareholders in a General Meeting decides otherwise. The Special Resolution seek the consents of the Members authorizing the Board of Directors, to issue, allot the shares by way of preferential issue of Warrants and issue Equity Shares consequent upon conversion of the above warrants as may be required in terms of issue.

The Auditors' Certificate for the issue price etc. and other relevant papers/ certificates shall be placed before the Shareholders of the Company at this Annual General Meeting and are available for inspection by the members of the Company during the office hours from 10 AM to 1.30 PM on all working days (except Saturdays, Sundays and Public Holidays) at the registered office of the Company till the date of this Annual General Meeting.

Your Directors are of the view that the proposed issue and allotment will be in the benefit of the shareholders of the Company. Your directors also consider the basis of allotment of the warrants in the manner stated hereinabove as fair. The Board of directors recommends the resolutions set out at item no.10 of the accompanying notice for the approval of the Members.

None of the Directors and the Manager, key managerial personnel or their relatives except Mrs. Shehnaz D Ali and Mr. Asad Daud are concerned or interested, financial or otherwise in any way in passing of the resolution.

Item no.11

The Company was incorporated under the provisions of the Companies Act, 1956. The Articles of Association (AOA) which it adopted earlier was in accordance with requirements/provisions of the Companies Act, 1956. It has references of the specific sections of the Companies Act, 1956. With the enactment of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration. Under these circumstances and bring the existing AOA in consonance with the requirements of the Companies Act, 2013, it is considered expedient to replace the existing AoA with a new set of AoA.

The Board of Directors accordingly recommends the special resolution as set out at Item No. 11 of the accompanying notice for your approval.

The draft AoA is available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 10.30 A.M. to 1.30 P.M. up to the date of this Annual General Meeting.

None of the Directors and the Manager, key managerial personnel or their relatives are concerned or interested, financial or otherwise in any way in passing of these resolutions

Registered Office :

41, B- Wing , Mittal Tower
Nariman Point ,Mumbai - 400 021
Dated : 20.08.2015

By Order of the Board of Directors

Harikant Turgalia
Wholetime Director
DIN: 00049544

Brief resume and other information in respect of Directors seeking re-appointment at the Annual General Meeting :

Mr. Asad Daud :

Mr. Asad Daud aged about 25 years is a Commerce Graduate and MSc in Accounting and Finance from London School of Economics, London, U.K. He is Wholetime Director of Sah Polymers Limited and looking after finance, accounts and other commercial activities of that Company. He is director in the Company since 2014.

He is not a member of any committee of the Company.

Nature of expertise in specific functional area : Accounts, audit, taxation and finance.

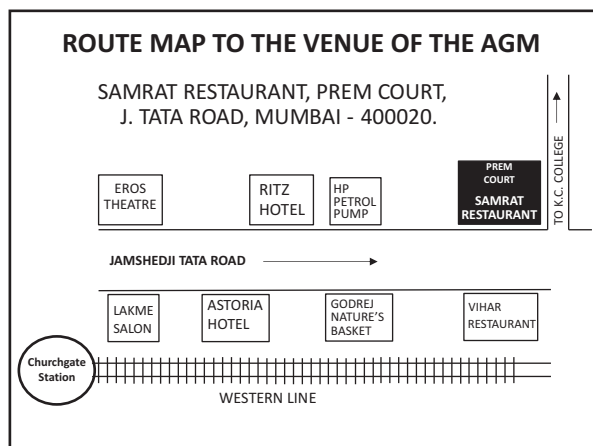
He is a director in the following companies :

- (a) Sah Polymers Limited (b) Genext Students Limited
- (c) Supply Chain Exchange Limited (d) Italica Furniture Private Limited
- (e) Lion Houseware Private Limited (f) A flex Invest Private Limited
- (h) Safe Polymer Private Limited (i) Sat Invest Private Limited.

He is not Chairman /Member of the Committee in more than 10 companies.

He is relative of Mrs. Shehnaz D Ali, Wholetime Director of the Company.

He does not hold any share of the Company as on the date of this Notice.



PROXY FORM
SAT INDUSTRIES LIMITED

(CIN: L25199MH1984PLC034632) Regd. Office: 41, B- Wing, Mittal Tower, Nariman point, Mumbai- 400 021.
Tel. +91 22 66107025 Fax : 91 22 66107027 • website: www.satgroup.in • e-mail: sil@mtnl.net.in

Name of the member(s)	
Registered address :	
E-mail ID	Folio No/DP ID-Client ID

I/We, being the member (s) of Sat Industries Limited holdingequity shares of the above named company, hereby appoint

(1) Name:.....	Address:.....
E-mail Id:.....	Signature:or failing him;
(2) Name:.....	Address:.....
E-mail Id:.....	Signature:.....or failing him;
(3) Name:.....	Address:.....
E-mail Id:	Signature: or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Saturday the 26th day of September, 2015 at 9.15 a.m at Umang Hall, Samrat Restaurant, J.Tata Road, Mumbai – 400020. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl..No.	Resolution	Optional*	
		For	Against

ORDINARY BUSINESS

01	Adoption of Financial Statements for the year ended March 31,2015.		
02	Appointment of Mr. Asad Daud as a Director		
03	Appointment of Messrs. R Kabra & Co. Mumbai, Chartered Accountants, as Auditors and fix their Remuneration		

SPECIAL BUSINESS

04	Re-Appointment of Mrs.Shehnaz D Ali as a Wholetime Director.		
05	Re-Appointment of Mr.Harikant Turgalia as a Wholetime Director		
06	To authorize the Company to make investment in body corporate in excess of the limits stipulated under section 186 of the Companies Act, 2013.		
07	Increase in authorised share capital		
08	Alteration of Clause V Memorandum of Association of the Company		
09	Alteration of Article 3 of the Articles of Association of the Company		
10	Issue of convertible warrants on preferential basis		
11	Substitution of the existing Articles of Association with new Articles of Association		

Signed this..... day of2015

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp of
not less than
Rs. 1.00

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 30th Annual General Meeting.

3*. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. Please complete all details including details of member(s) in above box before submission.

SAT INDUSTRIES LIMITED

(CIN: L25199MH1984PLC034632) Regd. Office: 41, B- Wing, Mittal Tower, Nariman point, Mumbai- 400 021.

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

1. Name of the Attending Member (in Block Letters) : _____
2. Regd. Folio Number : _____
3. DP Id.* : _____
4. Client Id.* : _____
5. Name of the Proxy (in Block Letters) : _____
- (To be filled in if the proxy attends instead of member) * Applicable for Investors holding shares in electronic form
- No. of shares held : _____

I hereby record my presence at the Annual General Meeting at Umang Hall, Samrat Restaurant, Prem Court, J. Tata Road, Mumbai - 400 020. on Saturday, 26th day of September, 2015 at 9.15 a.m.

NOTES :

- Shareholders / Proxyholders are requested to bring the attendance slip with them when they come to the meeting. No attendance slip will be issued at the time of meeting.
- This attendance slip is valid only in case shares are held on the date of AGM
- Members/Proxies are also requested to bring a valid photo identity proof such as PAN card, Passport, Aadhar card, driving licence to attend the meeting.

Signature of the Shareholders/Proxy