



SATIA
INDUSTRIES
LIMITED

CIN: - L21012PB1980PLC004329

Manufacturer of Quality IS: 1848
Writing, Printing & Speciality
Paper with ECO MARK 

SIL/CS

Date: 03.05.2021

The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001	The Manager, Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Scrip Code: 539201	Symbol: SATIA

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(Business Updates -Formal Association with Zume for supply of patented paper cutlery products)

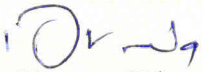
Dear Sir/ Madam

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, We are enclosing herewith update on business of the Company.

You are requested to take the same on record.

Thanking You,

Yours faithfully,
For Satia Industries Ltd


(Rakesh Kumar Dhuria)
Company Secretary



SATIA INDUSTRIES LIMITED
AN ISO 9001, 1400 & OHSAS 18001 COMPANY

CIN: L21012PB1980PLC004329

Registered Office & Mill: Village Rupana, Sri Muktsar Sahib – 152032, Punjab, India

Business Updates – Formal Association with Zume for supply of patented paper cutlery products

Muktsar, Punjab 29th April, 2021: Satia Industries Limited (SIL), one of the largest Wood and Agro-based paper manufacturers in India with a fully integrated manufacturing facility, has entered into a formal association with Zume for supply of Paper Cutlery products from this quarter i.e. Q1FY22

SIL has entered in a **formal association** with **Zume, a US-based global brand** in sourcing of packaging products used for meal boxes, beverages and Face Masks, etc. Zume has a global presence for sourcing patented paper cutlery products with an agenda of creating sustainable packaging products and solutions using advanced, molded fiber, using 100% compostable raw materials such as bagasse, wheat straw, hardwood, softwood and bamboo pulp.

Zume's proprietary design, prototyping & manufacturing technologies enable replacement of single-use plastic with 100 percent compostable plant fiber-based products while enhancing consumer experience and providing a viable alternative to plastic and Styrofoam packaging across the globe.

Zume has agreed to share its patented rights with SIL for manufacturing packaging product as desired and demanded by the global market. The expected average realization will be between ₹250 - ₹ 300 per kg, which is **higher by 40-50%** compared to local market realizations. SIL expects approximately **2000 MT** of orders annually in the first year from Zume.

SIL has installed **two Table cutlery machines, each with an annual capacity of 2000 tonnes**. The erection and installation work is in progress and expected to be commence commercial production in the current quarter i.e. Q1 FY21

Commenting on the association with Zume, Mr. R. K. Bhandari, Joint Managing Director said, *"Amidst 2nd wave of Covid19 in the country we have earmarked a significant milestone by inking a partnership with a global brand Zume starting with a production capacity of **2,000 tons per annum initially** for making anti-leak with snap-fit lock, ideal for take-outs & food delivery products for food packaging which we plan to be FDA, OK COMPOST, and ASTM guidelines compliant and necessary approvals as being pursued in the domestic and International market. Besides, we propose to enhance our expertise through this association with Zume in providing customized moulded fibre packaging solutions across multiple industries such as Food, CPG, Electronics, Cosmetics, Healthcare & Pharma and thus expanding our product offering basket. This segment is expected to grow multi-fold and our infrastructure is equipped to match the growing demand over the years.*

*According to FICCI, Indians consume 11 kg of plastic per year in comparison to 109 kg by an average American and this figure is estimated to rise in the coming years. Our **Prime Minister has also announced national policy** announced its commitment to eliminate single-use plastic by 2022- one of the most ambitious targets in the world. Presently India generates 9.46 million tonnes of plastic waste annually, of which 40 per cent remains uncollected and 43 per cent is used for packaging, most of which is single-use as FICCI study has revealed.*

The market potential for this is estimated close to INR 80,000 crores and paper packaging products are likely to capture a substantial share out of this. Our product shall be fetching better realisation because of the patented custom designed product resulting in high EBIDTA margin of 35- 40% approximately.”

About Satia Industries Limited

Satia Industries Limited (SIL), is one of the largest Wood and Agro-based paper manufacturers in India. SIL was incorporated by Dr. Ajay Satia in 1980 and commenced its operations in 1984 with a small capacity of 4850 ton per year. It surprisingly overtook many of its peers in production, to achieve 133,000 MT in FY20 implying a capacity utilisation of ~126%. In last three decades, SIL has witnessed a complete transformation in its operations and it has become fully backward integrated having integrated pulping, chemical recovery, and power self-sufficiency. **SIL has 540 acres of eucalyptus plantations, developed as per Karnal Technology, consumes total treated water discharge**, and also compliments the future wood raw material requirements. SIL has a strong Pan-India distribution network with 70+ dealers and 3 branch offices located in Delhi, Chandigarh & Jaipur with total Employee strength of 1,264+

For further information on the Company, please visit www.satiagroup.com

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