



SIL/SEBI/2016-17  
Date : 09-09-2016

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

Company Code No.: 511076

Sub. : Outcome of Board Meeting held on September 9, 2016.

Dear Sir,

The Board of Directors of the Company at their meeting held on today approve the Letter of Offer for issue of 4,00,00,000 Warrants on preferential basis to promoters and others.

Pursuant to section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, we enclose herewith a copy of the private placement offer letter issued for circulation, for your kind information and record.

Thanking you,

Yours faithfully,  
For SAT INDUSTRIES LIMITED

Alka Gupta  
Company Secretary  
Membership No.: A35442



Encl ; as above

## FORM NO PAS - 4 OFFER LETTER

[Pursuant to section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

The Offer Letter shall contain the following:

### 1. GENERAL INFORMATION

A)	<ul style="list-style-type: none"> <li>• Name : SAT INDUSTRIES LIMITED</li> <li>• CIN : L25199MH1984PLC034632</li> <li>• Address : 41, B - Wing, Mittal Tower, Nariman Point, Mumbai -400021, Maharashtra.</li> <li>• E- Mail : <a href="mailto:sil@mtnl.net.in">sil@mtnl.net.in</a></li> <li>• Website : <a href="http://www.satgroup.in">www.satgroup.in</a></li> <li>• Contact details : 91-22 66107025</li> </ul>				
B)	Date of incorporation	23-11-1984			
C)	Business carried on by the company and its subsidiaries with the details of branches or units, if any	The company is engaging in the business of general trading mainly fabric and leasing of machinery & moulds.			
D)	Brief particulars of the management supervisions control of the Board of Directors of the Company	The Company functions under the directions supervisions and control of the Board of Directors of the Company. The day to day affairs are looked after by Mr. Harikant Turgalia and Mrs. Shehnaz D Ali, Wholetime Directors assisted by a team of qualified and non-qualified staff.			
E)	Details of Board of Directors:				
	<b>Sr. No</b>	<b>Name</b>	<b>Addresses</b>	<b>DIN</b>	<b>Occupations</b>
	1.	SHEHNAZ D. ALI	303, AASHIANA, 3 <sup>RD</sup> GUNPOWDER LANE, MAZGON, MUMBAI-400010 MAHARASHTRA	00185452	Business
	2.	HARIKANT TURGALIA	FLAT NO.-705, I - WING, RNA COURTYARD,OPP. SECTOR 8, SHANTI PARK, MIRA ROAD (E) THANE- 401107, MAHARASHTRA	00049544	Service
	3.	RAMESH CHANDRA SONI	29,CHHOTI MAHESHWARI STREET, DHANMANDI, UDAIPUR-313001, RAJASTHAN	00049497	Profession
	4.	SUNIL MITHALAL JAIN	K-51, FLAT NO.-404, YOGI JYOT, YOGI NAGAR, EKSAR ROAD, BORIVALI (W) MUMBAI -400091 MAHARASHTRA	03398788	Service
	5.	ASAD DAUD	303, AASHIANA, 3 <sup>RD</sup> GUNPOWDER LANE, MAZGON, MUMBAI-400010 MAHARASHTRA	02491539	Business
	6.	NIKHIL KHANDERAO	KAMAL NIWAS, NEAR MUNICIPAL SCHOOL, PENKAR	06653335	Service





		RAUT	PADA, MIRA ROAD (EAST), THANE, 401107, MAHARASHTRA,			
F)	Management's perception of risk factor			<p>With regard to wholesale trading and leasing of machines &amp; moulds, there is no risk or concern except when the goods are sold on credit.</p> <p>The Company continues to follow suitable strategies to positively modify its risk profile by eliminating and significantly reducing key business and developing and implementing strategies to achieve the maximum possible degree of insulation from broad macroeconomic risks.</p>		
G)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of- <ul style="list-style-type: none"> <li>i. Statutory dues : No Default.</li> <li>ii. Debentures and interest thereon : Not applicable since the Company has not issued debenture</li> <li>iii. Deposits and interest thereon : Not applicable since the Company has not accepted any deposit.</li> <li>iv. Loan from any bank or financial institution and interest : Not applicable since the Company has not taken any loan from any bank or financial institution.</li> </ul>					
H)	Names, designation, address and phone number, email ID of the nodal / compliance officer of the company, if any, for the private placement offer process;			Ms. Alka Gupta. Company Secretary, 41, B-Wing, Mittal Tower, Nariman Point, Mumbai-21, Tel. No. 66107025, 08097527003 E-mail : corporate@satgroup.in		

## 2. PARTICULARS OF THE OFFER

A)	Date of passing of board resolutions	03-08-2016 and 09-09-2016
	Date of passing of resolution in the General meeting, authorizing the offer of securities.	06-09-2016
B)	Kinds of securities offered and class of security.	4,00,00,000 Warrants convertible into equity shares
C)	Price at which the security is being offered including the Premium of any along with justification of price.	Rs. 13.50 per warrant. The price has been arrived at as per the Chapter VII of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009.



D)	Name and address of the valuer who performed Valuation of the security offered	M/S R Kabra & CO., Chartered Accountants , 505, Tulsiani Chambers Nariman Point, Mumbai – 400 021
E)	Amount which the Company intends to raise by way of securities	Rs. 54,00,00,000 /-
F)	Terms of raising of securities	Warrant will be convertible into equity shares. The holder of the warrants will be entitled to convert each warrant into one equity share having face value of Rs. 2/- each in one or more tranches within a period of 18 months from the date of issue.
G)	Proposed time schedule for which the offer letter is valid	15 days from the passing of the special resolution for issue of securities i.e. 06-09-2016.
H)	Purposes and objects of the offer	To expand its existing activities and activities of subsidiaries and associates 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 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
I)	Contribution being made by the promoters or directors either part of the offer or separately in as furtherance of such objects	Promoters will subscribe 2,00,00,000 Warrants convertible into equity shares as a part of the offer. Contribution will be Rs. 27,00,00,000/-
J)	Principle terms of assets charged as Security, if applicable	Not Applicable

### 3. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

- 1) Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons :

Mrs. Shehnaz Daud Ali, Mr. Asad Daud, Directors of the Company and Sat Invest Private Limited have financial interest in the offer to the extent of proposed warrants are subscribed by Sat Invest Private Limited, promoters of the Company.





Besides no other Directors or key managerial personnel have interest financial or other material interest in the offer. Further the interest of promoters and others as mentioned hereinabove will have no effect in so far as the interest of other persons since the securities proposed to be offered is at the same price as being offered to the promoters.

- 2) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed. :

**No litigation is pending**

- 3) Remuneration of Directors (during the current year and last three financial years):

S. N	Particulars	Amount in (Rs.) 2016-17 (up to August, 2016)	Amount in (Rs.) 2015-16	Amount in (Rs.) 2014-15	Amount in (Rs.) 2013-14
1.	Mrs. Shehnaz D. Ali	5,93,250	14,40,000	12,60,000	11,70,000
2.	Mr.Harikant Turgalia	3,69,750	8,79,000	7,99,000	7,18,000

- 4) Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided :

**Related party transaction - 2015-2016**

S.NO.	Nature of Transaction	Amount in Rs.
1.	Remuneration	2,232,000
2.	Keyman Insurance Premium	167,673
3.	Unsecured loan Taken	106,165,000
4.	Unsecured loan Repaid	132,230,329
5.	Purchase of Shares	205,062,850
6.	Loan repayment received	31,806,947
7.	Advance given	67,229,444
8.	Share Application Money Paid	2,800,000
9.	Interest Receivable	1,475,268
10.	Fees/TDS/S.A Tax/ Service tax paid on behalf	139,925

**Related party transaction - 2014-2015**

S.NO.	Nature of Transaction	Amount in Rs.
1.	Remuneration	2,059,000
2.	Keyman Insurance Premium	167,673
3.	Unsecured loan Taken	8,750,000
4.	Unsecured loan Repaid	3,300,000
5.	Loan repayment received	38,052,500





6.	Advance given	20,675,000
7.	Fees/TDS/S.A Tax/ Service tax paid on behalf	99,243

Related party transaction - 2013-2014

S.NO.	Nature of Transaction	Amount in Rs.
1.	Remuneration	1652986
2.	Keyman Insurance Premium	167673
3.	Unsecured loan Taken	5920000
4.	Unsecured loan Repaid	80000
5.	Sale of share	6229600
6.	Loan repayment received	8497587
7.	Advance given	9248500
8.	Fees/TDS/S.A Tax/ Service tax paid on behalf	147869

- 5) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark :

**Financial year 2015-2016:** During the financial year 2015-16, no reservations or qualifications or adverse remarks raised by auditors.

**Financial year 2014-2015**

S.NO.	Reservations or qualification or adverse remarks of the auditors	Corrective steps
1	Note no. 14 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 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.	During current year Company has purchased the requisite shares of Sah Polymers Limited by paying the consideration in full.

**Financial year 2013-2014**

S.NO.	Reservations or qualification or adverse remarks of the auditors	Corrective steps
1	Non appointment of Company Secretary by the Company.	The Company has appointed Company secretary with effect from 03.07.2014.
2	The Company's position on total sundry debtors of INR 22,229,993/- out of which substantial amount of INR 18,618,075/- (foreign currency AED 1,144,664/- is outstanding of its foreign branch and the	The accounts of the foreign branch has been audited by an independent Auditors of the host country and the report of him has been given



period of outstanding of debtors has been relied upon by us without any independent verification and also the foreign debtors have been written off to the extent of INR 17,221,808 (AED 1,049,675) which are subject to independent verification.	for consideration to the Statutory Auditors of the Company. The auditors of the foreign branch has not qualified on this issue in his audit report.
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**Financial year 2012-2013**

<b>S. NO.</b>	<b>Reservations or qualification or adverse remarks of the auditors</b>	<b>Corrective steps</b>
1	The Sundry debtors of Rs.38162623/- out of which substantial amount of Rs. 34550705/- is outstanding of its foreign branch and the period of outstanding of debtors has been relied upon without any independent verification & also the foreign debtors have been written off to the extent of Rs 10814544/- subject to independent verification.	The accounts of the foreign branch has been audited by an independent Auditors of the host country and the report of him has been given for consideration to the Statutory Auditors of the Company. The auditors of the foreign branch has not qualified on this issue in his audit report.
2.	Non appointment of Company Secretary by the Company.	To appoint Company Secretary, Company is continuously making efforts and looking for the right person.
3.	Particulars of Traded goods including quantity details which are relating to foreign branch are subject to independent verification.	The accounts of the foreign branch has been audited by an independent Auditors of the host country and the report of him has been given for consideration to the Statutory Auditors of the Company. The auditors of the foreign branch has not qualified on this issue in his audit report.

**Financial year 2011-2012**

<b>S. NO.</b>	<b>Reservations or qualification or adverse remarks of the auditors</b>	<b>Corrective steps</b>
1	Non appointment of Company Secretary by the Company.	To appoint Company Secretary, company is continuously making efforts and looking for the right person.
2	Regarding non provision for diminution in value of	There was no need to make





	investments in subsidiary companies.	provisions since the investments were hold for long term.
3	The Sundry debtors of Rs.47957683/- out of which substantial amount of Rs. 44345765/- is outstanding of its foreign branch and the period of outstanding of debtors has been relied upon without any independent verification.	The accounts of the foreign branch has been audited by an independent Auditors of the host country and the report of him has been given for consideration to the Statutory Auditors of the Company. The auditors of the foreign branch has not qualified on this issue in his audit report.
4.	Particulars of Traded goods including quantity details which are relating to foreign branch are subject to independent verification.	The accounts of the foreign branch has been audited by an independent Auditors of the host country and the report of him has been given for consideration to the Statutory Auditors of the Company. The auditors of the foreign branch has not qualified on this issue in his audit report.

The qualifications does not have any impact on the financial statements and financial position of the company.

- 6) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous Company law in the last three years immediately preceding the year of circulation of offer letter in the case of Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries:

There is no inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous Company law in the last three years immediately preceding the year of circulation of offer letter.

- 7) Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the Company:

**There are no acts of material frauds committed against the Company in the last three years.**





#### 4. FINANCIAL POSITION OF THE COMPANY

A) The capital structure of the company in the following manner in a tabular form-

1) (A) (i) (a)

Share capital	Description	No. of Shares	Nominal value per share (Rs.)	Aggregate nominal value (Rs.)
Authorised	Equity Shares	11,00,00,000	2	22,00,00,000
Issued	Equity Shares	6,16,00,000	2	12,32,00,000
Subscribed	Equity Shares	6,16,00,000	2	12,32,00,000
Paid up	Equity Shares	6,16,00,000	2	12,32,00,000

(b) Size of the present offer

Description	Price at which the securities are proposed to be offered (Rs)	Total Value (Rs.)
Warrant	13.50	54,00,00,000

(c) Paid up capital

Description	Nos.	Nominal value per share (Rs.)	Aggregate nominal value (Rs.)
After conversion of convertible warrants	10,80,00,000	2	21,60,00,000

d) Share premium account

Description	Amount in (Rs.)
Before offer	89,992,500/-
After conversion of convertible warrants	49,20,00,000/-



ii) Details of Existing capital

Date of Allotment	Number of shares allotted	Face value per share of the share allotted	Price	Form of consideration
13-11-1984	70*	10/-	10/-	Cash
19-04-1985	244930*	10/-	10/-	Cash
11-01-2001	6250000*	10/-	10/-	Other than cash – Swapping of Shares
22-12-2006	2200000	2/-	11/-	Cash
13-12-2007	2200000	2/-	11/-	Cash
14-06-2008	2200000	2/-	11/-	Cash
21-07-2014	6925000	2/-	2.10/-	Cash
02-05-2015	40,00,000**	2/-	2.10/-	Cash
25-02-2016	59,00,000**	2/-	7/-	Cash
30-05-2016	57,00,000**	2/-	7/-	Cash

\* The equity share having face value of Rs. 10/- per share was splitted into five equity shares of Rs. 2/- each on 03.02.2003. Accordingly the holders of 6495000 number of equity shares of Rs. 10/- per share outstanding as on 03.02.2003 were allotted 32475000 number of equity shares having face value of Rs. 2/- per share.

\*\* allotted consequent upon conversion of warrants into equity shares.

(B) Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter:

Particulars	Amount in (Rs.)	Amount in (Rs.)	Amount in (Rs.)
	2015-16	2014-15	2013-14
Profit / ( Loss ) Before Tax	4,056,958	(137,651,054)	(14820000)
Profit(Loss) After Tax	(2,978,257)	(137,645,206)	(22616138)

(C) Dividends declared by the company in respect of the said three financial years. Interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid):

No dividend has been declared by the Company in respect of the said three financial years.

Particulars	Amount in (Rs.)	Amount in (Rs.)	Amount in (Rs.)
	2015-16	2014-15	2013-14
Interest coverage ratio*	NA	NA	NA

\* Not calculated since there is loss during last three financial years.

(D) A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter :

S N.	PARTICULARS	Amount in (Rs.)	Amount in (Rs.)	Amount in (Rs.)
		2015-16	2014-15	2013-14





<b>PROFIT AND LOSS ACCOUNT</b>				
<b>I</b>	<b>Income from operations</b>			
	(a) Revenue from operations	479,262,451	90,144,417	143038043
	(b) Other operating income	4,568,305	3,186,615	3619648
	<b>Total income from operations (net)</b>	<b>483,830,756</b>	<b>93331032</b>	<b>146657691</b>
<b>II</b>	<b>Expenses:</b>			
	a) Cost of materials consumed			
	b) Purchases of stock-in-trade	471,657,622	84549057	141258463
	c) Employee benefits expense	3,885,890	4,226,612	3833872
	d) Finance Costs	372	6601	18368
	e) Depreciation and amortization expense	393,682	55688	61100
	f) Other Expenses	3,836,232	26,625,823	24102026
	<b>Total expenses</b>	<b>479,773,798</b>	<b>115463781</b>	<b>169273829</b>
<b>III</b>	<b>Profit before exceptional and extraordinary items and tax</b>	<b>4,056,958</b>	<b>(22132749)</b>	<b>(22616138)</b>
<b>IV</b>	Exceptional Items			-
	Less: Diminution in value of investments	-	(116711723)	-
	Foreign Currency Exchange Fluctuation	-	1193418	-
<b>V</b>	<b>Profit before extraordinary items and tax</b>	<b>4,056,958</b>	<b>(137651054)</b>	<b>(22616138)</b>
<b>VI</b>	<b>Tax Expense :</b>			
	(1) Current Tax	800,000	-	-
	(2) Deferred Tax Liability/(Asset)	6,235,215	(5848)	(7796138)
<b>VII</b>	<b>Net Profit/(Loss) for the period</b>	<b>(2,978,257)</b>	<b>(137645206)</b>	<b>(14820000)</b>
<b>VIII</b>	<b>Earnings Per Equity Share</b>			
	(1) Basic	-0.053	-2.992	-0.379
	(2) Diluted	-0.053	-2.992	-0.379
<b>BALANCE SHEET</b>				
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholders' funds</b>			
	a) Share Capital	111,800,000	92000000	78150000
		(15,473,413)	(42395155)	109210039
	b) Reserves and Surplus			
	c) Money received against share warrants	21,175,000	2100000	-



<b>(2)</b>	<b>Non-current liabilities</b>			
	Long-term borrowings	-	-	7981301
<b>(3)</b>	<b>Current liabilities</b>			
		151,492,725	30636957	
	(a) Short-term borrowings			-
	(b) Trade payables	356,951,687	-	-
	(c) Other current liabilities	11,621,283	1016807	1029309
	(d) Short-term provisions	806,641	92115	131729
	<b>TOTAL</b>	<b>643,301,833</b>	<b>83450724</b>	<b>196502378</b>
<b>B</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	15,928,759	60230	142016
	(b) Non-current investments	223,973,910	5001000	116712723
	(c) Deferred tax assets (net)	-	1307306	15104409
	(d) Long-term loans and advances	6,679,253	7890300	165042
<b>(2)</b>	<b>Current assets</b>			
	(a) Trade receivables	351,665,571	3611918	22229993
	(b) Cash and cash equivalents	34,461,528	35156184	2313838
	(c) Short-term loans and advances	10,592,812	30423786	39834357
	<b>TOTAL</b>	<b>643,301,833</b>	<b>83450724</b>	<b>196502378</b>

(E) Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter :

S. N	Particulars	Amount in (Rs.) 2015-16	Amount in (Rs.) 2014-15	Amount in (Rs.) 2013-14
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Net Profit before tax	4,056,958	(137,651,054)	(22616138)
	Adjustments for :			
	Depreciation	393,682	55688	61100
	Profit on sale of Fixed Assets	-	(7477)	
	Provision for diminution on Investment	-	116,711,723	





	Foreign Currency Exchange Fluctuation	-	(1,193,418)	
	Interest expenses	372	6,601	18368
	Interest Income	(4,568,305)	(1,461,203)	
	Income from Dividend	-	(59,906)	
	Income from mutual fund Investments	-	(19,728)	
	Creditors dues not payable	-	(1,641,301)	
	Profit on sale of shares	-	-	(2803320)
	Loss on sale of Investments	95,229	-	-
	<b>Operating Profit before working Capital Changes</b> Adjustments for :	(22,064)	<b>(25,257,076)</b>	<b>(25339990)</b>
	Trade & other Receivables	(348,053,653)	18,618,075	15932630
	Trade & other Payables	356,951,687	(12,502)	125506
	Short Term Provisions	714,526	92,115	131729
	Cash Generated from Operations	150,277,238	(6,559,387)	(9150125)
	Direct Tax Paid	-	-	-
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	150,277,238	<b>(6,559,387)</b>	<b>(9150125)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase of fixed assets	(16,262,211)	(34,579)	(20134)
	Sale of fixed assets	-	7,477	1586
	Purchase of Investments	(223,973,910)	(4,980,272)	
	Dividend received	-	56,906	
	Interest Income	4,568,305	1,461,203	
	Sale of Investments	4,904,771	-	6229600
	<b>NET INFLOW/(OUTFLOW) IN INVESTING ACTIVITIES</b>	(230,763,045)	<b>(3,489,265)</b>	<b>6211052</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Amount received against share warrant	19,075,000	2,100,000	-
	Issue of shares	49,700,000	14,542,500	-
	Repayment of Secured Loan	-	-	-
	Repayment of Unsecured Loan	-	-	-
	Repayment of Short Term Borrowings	-	30,636,957	(760000)
	Proceeds against Share Warrants	-	-	-
	Interest expenses	(372)	(6,601)	(18368)
	Proceeds from Long-term borrowings	-	(7,981,301)	7481301



	Short Term Loans and Advances	-	(5,539,429)	(5212551)
	Long Term Loans and Advances	1,211,047	7,224,742	(4117)
	<b>NET INFLOW/(OUTFLOW) IN I FINANCING ACTIVITIES</b>	<b>69,985,675</b>	<b>40,976,868</b>	<b>1486265</b>
<b>D</b>	<b>FOREIGN EXCHANGE TRANSLATION RESERVE ADJUSTMENT</b>		-	-
	<b>NET INCREASE /(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C+D)</b>	<b>(694,656)</b>	<b>32,842,346</b>	<b>2154474</b>
	<b>Cash and cash equivalents at beginning of period</b>	<b>35,156,184</b>	<b>2,313,838</b>	<b>159364</b>
	<b>cash and cash equivalents at end of period</b>	<b>34,461,528</b>	<b>35,156,184</b>	<b>2313838</b>

(F) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company:

**There is no change in accounting policies during the last three years.**

#### 5. A DECLARATION BY THE DIRECTORS THAT

- The company has complied with the provisions of the Companies Act and the rules made there under;
- The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.

I am authorized by the Board of Directors of the Company vide resolution number 3 dated 09-09-2016 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**Date :** 09-09-2016

**Place:** Mumbai

For **SAT INDUSTRIES LIMITED**



*Harikant Turgalia*

Harikant Turgalia  
Whole-time Director  
DIN: 00049544

#### Attachments:

- Copy of the Board resolutions
- Copy of the shareholders resolution





CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF THE COMPANY AT THEIR MEETING HELD ON FRIDAY, SEPTEMBER 9, 2016 AT 41, B WING, MITTAL TOWER, NARIMAN POINT, MUMBAI-400021 AT 11.30 a.m. (Board Meeting No. 6/2016-17).

**(Resolution no. 3)**

**To approve and circulate/issue Private Placement Offer Letter.**

The Chairperson informed to the Board members that pursuant to the section 42, 62 and all other applicable provisions of the Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 Company have to approve and circulate Private Placement Offer Letter to the Registrar of Companies (ROC), Stock Exchange, Securities and Exchange Board of India (SEBI) for the proposed Preferential Issue of Warrants convertible into equity shares.

The Board consider the matter and after discussion following resolution was passed unanimously:

“RESOLVED THAT pursuant to the Special resolution dated 06-09-2016, passed by the members of the Company through Postal Ballot notice dated 03-08-2016, authorizing the Board of Directors of the Company to offer and, if the offer accepted, issue and allot in one or more tranches 4,00,00,000 warrants convertible into equity shares at a consideration of Rs. 13.50/- per warrant entitling the holder of the warrant to convert the each warrant into one equity share of Rs. 2/- each within a period of 18 months from the date of allotment, the Board hereby records that the offer be made to the following bodies corporates and persons as detailed herein below:

S.No.	Name of proposed allottee	Identity	Permanent Account Number	No. of warrants to be subscribed
1	SAT INVEST PRIVATE LIMITED	PROMOTER	AACCS2098D	1,25,00,000
2	A FLEX INVEST PRIVATE LIMITED	PROMOTER	AAKCA2950L	75,00,000
3	SATENDRA PAL SINGH CHHABRA	NON-PROMOTER	AARPC0629C	33,75,000
4	AMARJEET KAUR CHHABRA	NON-PROMOTER	ACCPC3670Q	18,00,000
5	MAHENDRA PAL SINGH CHHABRA	NON-PROMOTER	AAQPC4824N	11,25,000





6	PANKAJ KUMAR JAIN	NON-PROMOTER	AEHPJ6330D	15,00,000
7	MADAN MOHAN MANGAL	NON-PROMOTER	ADCPM0921D	15,00,000
8	SHAILJA MANGAL	NON-PROMOTER	ABZPM4087D	15,00,000
9	MADAN MOHAN MANGAL AMBA	NON-PROMOTER	AABHM6027L	7,50,000
10	SANJEEV GORWARA HUF	NON-PROMOTER	AAQHS2486A	8,25,000
11	RAHUL GORWARA	NON-PROMOTER	BTEPG7746M	3,75,000
12	ROHAN GORWARA	NON-PROMOTER	BTEPG7747L	3,75,000
13	RAKSHA GORWARA	NON-PROMOTER	AGCPG7020Q	1,50,000
14	RAJMANI GORWARA	NON-PROMOTER	AKFPG4064M	1,50,000
15	SHUBHANGI BHARGAVA	NON-PROMOTER	CCIPB8413L	1,00,000
16	VINOD GOYAL	NON-PROMOTER	AEPPG8136G	6,50,000
17	AMITA GOYAL	NON-PROMOTER	AJNPG1532H	7,50,000
18	RENU GOYAL	NON-PROMOTER	ABLPG5676N	15,00,000
19	MANIT GOYAL	NON-PROMOTER	BEZPG3936H	7,50,000
20	CHHAVI GOYAL	NON-PROMOTER	ASFPG2294R	9,25,000
21	MOHAN LAL GOYAL HUF	NON-PROMOTER	AAAHM9638L	13,00,000
22	PRAHLAD GARG	NON-PROMOTER	ACDPG7964Q	2,00,000
23	RAMNARAYAN KOTHARI	NON-PROMOTER	AJRPK3623R	2,00,000
24	SURENDRA KUMAR BANSAL	NON-PROMOTER	ABQPB2322K	2,00,000
	<b>TOTAL</b>			<b>4,00,00,000</b>





**SAT  
INDUSTRIES  
LIMITED**

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Mumbai - 400 021. (INDIA)  
Phone : 91 22 6610 7025  
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Email : sil@mtnl.net.in  
Website : www.satgroup.in  
CIN : L25199MI11984PLC034632

Global Business



RESOLVED FURTHER THAT pursuant to section 42, 62 and all other applicable provision of the Companies Act, 2013 and rules made there under, the draft private placement offer letter, a copy thereof as placed before the meeting and initialed by the Chairman of the meeting for the purpose of identification be and is hereby approved.

RESLOVED FURTHER THAT Mr. Harikant Turgalia, Whole-time Director of the Company be and is hereby authorized to circulate/ issue the approved letter of offer along with the serially numbered application to the bodies corporates and persons mentioned hereinabove.

RESOLVED FURTHER THAT Mr. Harikant Turgalia, Whole-time Director and Ms. Alka Gupta, Company Secretary of the Company be and is hereby severally authorized to file/submit the said Letter of Offer to all the authorities such as ROC/Stock Exchange/ SEBI in accordance with the provisions of the Section 42, 62 and other applicable provisions of the Companies Act, 2013 and rules made there under.

**For SAT INDUSTRIES LIMITED**

*Harikant Turgalia*

Harikant Turgalia  
Whole-time Director  
DIN: 00049544





**CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY WAY OF POSTAL BALOT / E-VOTING BY THE SHAREHOLDERS OF SAT INDUSTRIES LIMITED ON, SEPTEMBER 6, 2016.**

**PREFERENTIAL ISSUE OF WARRANTS:**

“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, and rules framed thereunder 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, 4,00,00,000 Warrants of Rs. 2/- each (the Warrants) with a right attached thereto entitling the holder of the Warrants to apply for and subscribe within such time as may be fixed by the Board in one or more tranches, not exceeding 18 months from the date of allotment of warrants against payment in cash to one fully paid up Equity Share of Rs. 2/- each in the Share Capital of the Company in lieu of one warrant, to the following :

S.No.	Name of proposed allottee	Identity	Permanent Account Number	Number of warrants
1	SAT INVEST PRIVATE LIMITED	PROMOTER	AACCS2098D	1,25,00,000
2	A FLEX INVEST PRIVATE LIMITED	PROMOTER	AAKCA2950L	75,00,000
3	SATENDRA PAL SINGH CHHABRA	NON- PROMOTER	AARPC0629C	33,75,000
4	AMARJEET KAUR CHHABRA	NON- PROMOTER	ACCPC3670Q	18,00,000
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24	SURENDRA KUMAR BANSAL	NON-PROMOTER	ABQPB2322K	2,00,000
	<b>TOTAL</b>			<b>4,00,00,000</b>





on such terms and conditions as may be determined by the Board in its absolute discretion; with power to settle details as to the form and terms of issue of the Warrants to the persons mentioned hereinabove and all other terms, conditions and matters connected therewith including to accept any modification thereto or therein as may be required by persons involved with any such issue of warrants in accordance with all applicable laws and regulations as may be prevailing at the time; provided that the 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 (including any amendment or re-enactment thereof).

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Relevant Date, being the date 30 days prior to the last date specified for receipt of duly completed postal ballot forms or e-voting is August 5, 2016 as prescribed under Regulations for Preferential Issues contained in chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any amendment or re-enactment thereof) and the aggregate par value of the Equity Shares so issued upon exercise of the rights attached to the Warrants referred to above shall not exceed Rs. 8,00,00,000/-.


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/ Equity Shares, 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 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."

For SAT INDUSTRIES LIMITED

  
Harikant Turgalia  
Whole-time Director  
DIN: 00049544

