



SATIA
INDUSTRIES
LIMITED

An ISO 9001, 14001 & 45001 company
CIN : L21012PB1980PLC004329

Manufacturer of Quality
Writing, Printing & Speciality
Paper with ECO MARK
GST IN : 03AACCS7233A1ZZ
www.satiagroup.com

IS 1848



SIL/CS

Date: 10.02.2024

| | |
|---|---|
| The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001 Scrip Code: 539201 | The Manager Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051. Symbol: SATIA |
|---|---|

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Para A of Schedule. III of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, Please find enclosed **Investor Presentation February 2024**.

This is for your information and records.

Thanking you,

Yours sincerely,
For Satia Industries Ltd

(Rakesh Kumar Dhuria)
Company Secretary



SATIA INDUSTRIES LIMITED
AN ISO 9001, 14001 & 45001 COMPANY

Satia Industries Limited

Investor Presentation
February 2024





Safe Harbor



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Satia Industries Ltd. will not be responsible for any action based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Company Overview

Satia Industries Limited (SIL), located in the District of Muktsar, Punjab, was **incorporated by Dr. Ajay Satia** and commenced its operations in **1984**.

SIL supplies 40%-50% of its production to State textbook boards, with the balance sold in the open market through a pan-India network of **100+ dealers and three branch offices** located in Delhi, Chandigarh & Jaipur with total Employee strength of 2,300+ head counts

SIL has **540 acres of eucalyptus plantations**. Besides, under Project Green, we distributed 1 lac Eucalyptus saplings to farmers for plantation over 1,000 acres under our Social Forestry Initiative.

Vision

‘To become a leader in its segment with excellence in all-round performance creating value for all stakeholders of the company, society and the economy.’



Mission

‘To sustain growth with technological upgradation and innovation continuously for achieving cost competitiveness with sustained profitability, excellence in quality and win customer satisfaction and loyalty.’

SIL is one of India’s **leading Wood and Agro-based paper manufacturers**, with a completely integrated manufacturing setup with 4 paper machines, 100% in-house power generation, soda recovery plant and one of the best effluent treatment facilities in the nation.

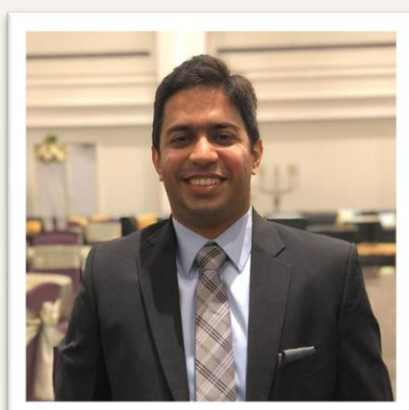
Last year the company added a **4th state of the art paper machinery** to its production facilities with a capacity of 100,000 MTPA. With a **diverse Capex program** to modernize and scale up its capacities, SIL now has a total installed capacity of 2,19,000 MT in FY23.

Core Leadership Team



Dr. Ajay Satia
Chairman & MD

Dr. Satia is an MBBS. He was the pioneer in setting up this integrated paper mill. Dr. Satia has a passion for work, flair for technology and possesses unparalleled enterprising spirit for expansion and modernization.



Mr. Chirag Satia
Executive Director

He has been the driving force behind new initiatives since he joined in 2015 and looks after Finance, Accounts and Commercial Operations. His enterprising spirit and visionary outlook have added new energy to the workforce.



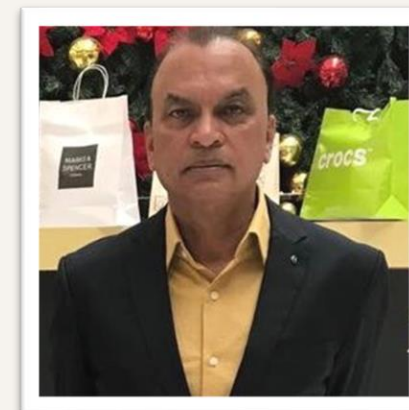
Mr. RK Bhandari
Joint MD

Mr. Bhandari is an MBA. He has been instrumental in marketing, in the formulation & execution of SIL's core business strategies for the last 37 years. He has been instrumental



Mr. Rachit Nagpal
CFO

Mr. Nagpal is a Chartered Accountant by profession and has more than 10 years of experience. He handles treasury management, financial reporting, tax compliances, project financing and budgeting in the Company



Mr. Hardev Singh
Director (Technical)

Mr. Hardev Singh has a rich experience of 35 years. He is key pillar in the company for technical aspects. He has been instrumental in installation of all projects in the company.

Leadership Reflections



Mr. Chirag Satia
Executive Director

“The current market landscape remains challenging for the industry, with a significant rise in imports disrupting the supply-demand equilibrium while exacerbating competitive pricing pressures on finished goods. For Q3FY24, we recorded revenues of INR 4,357 million.

Despite these conditions, Satia Industries holds a leverage through our orders from the State Textbook Board, which serves as a buffer against these impacts. A robust order book underpins our revenue projections for Q4FY24.

Satia Industries remains steadfast in its commitment to enhancing operational efficiencies and optimising resource utilisation. Our focus lies in pursuing continuous improvement across all projects within our facilities, to adeptly address challenges. The successful completion of our capex on wood pulping marks a significant achievement for us. Although the facility has commenced operations, we anticipate realising its full advantages in FY25.

Looking ahead, we are ready to leverage our synergies from our strategic initiatives and remain confident in our ability to navigate any external industry challenges. We will strive to deliver value to our shareholders through stable revenues, smart cost management, and strategic investments. We remain optimistic about the future and are excited to witness our trajectory on the back of focused efforts.”

Journey and Milestones

1980-2000



- **1980**
Incorporation of Satia Industries
- **1984**
Started production With Paper Machine-1; capacity 4,950 MTPA
- **1989**
Second Paper Machine-2 installed
- **1993**
Production Crossed 10,000 MTPA
- **1998**
Installed Paper Machine-3 and 80 TPD waste pulp

2000-2015



- **2002-03**
Power co-generation plant (5 MW) installed/150 TPD continue digester
- **2006**
 - CRP and power plant 5 MW TG Installed
 - 220 MT agro Pulp mill (unbleached and bleached plant)
- **2011-12**
 - Increased power plant to 23.30 MW.
- **2014-15**
 - 200 TPD continue digester
 - Capacity of Chemical Recovery Plant was enhanced

2015-2019



- **2015-16**
Listing of SIL's Equity Shares on BSE in September 2015
- **2016-17**
 - Additional Power generation of 10.45 MW and New Solar plant of 2.29 MW.
- **2017-2018**
 - 120 TPD Wood pulp Mill
 - Added Solar Capacity of 3.25 MW.
 - Increased PM2 Speed from 400-650 MPM
- **2018-19**
PM-1 speed increased upgrading from 500 to 700 MPM

2019-2021







- **2019-20**
 - Recorded Highest Production of 1,33,191 MT and the capacity of CRP plant increased from 400-650 TPD.
 - Listing of SIL's Equity Shares on NSE in July 2019
- **2020-21**
 - Installation of Multifuel Boiler (cost saving of approx. INR 250 Mn per year)
 - 14 MW turbine
 - Machinery procured for Table Cutlery Segment

2021-2025



- **2021-22**
 - Commencement of Commercial Production from Paper Machine 4 with capacity of 1,00,000 tons.
 - Enhancement of Pulping Capacity to 150 TPD

Production Capacity: Overview

| Facility type | Description | Competitive Advantage |
|--|---|---|
|  <p>Pulping Capacity</p> | <p>Total Capacity-550 TPD - Mix of Agro, Wood Pulp and Waste Paper</p> | <ul style="list-style-type: none"> • Strategic Location in the Wheat belt area of Punjab makes procurement of RM easy and cost-effective with no other paper mill in 100 Km radius. • Wood Pulp Digester automation will led to reduction in steam consumption resulting in substantial savings |
|  <p>Paper Machines</p> | <p>4 machines having capacity of 700 TPD</p> | <ul style="list-style-type: none"> • PM 4 gave SIL an opportunity to manufacture superior quality paper & allows it to add new products to its current product mix. |
|  <p>Chemical Recovery</p> | <p>Capacity- 650 TPD</p> <p>Recovery & re-use Caustic Soda which is used for cooking of agro and Wood chips from Black Liquor, a polluting effluent generated in the process of pulp making</p> | <ul style="list-style-type: none"> • Re-use of Caustic soda to the extent of 90%-95% • Steam Generated is used to generate power in-house. |
|  <p>Power generation</p> | <p>4 Turbines with total capacity of 41.95 MW</p> | <ul style="list-style-type: none"> • 100% Self-sufficiency of power requirements. • REC/carbon credits for clean power generation • Low cost of power vis-à-vis drawn from grid |

Strategic and Sustainable Revenue Model



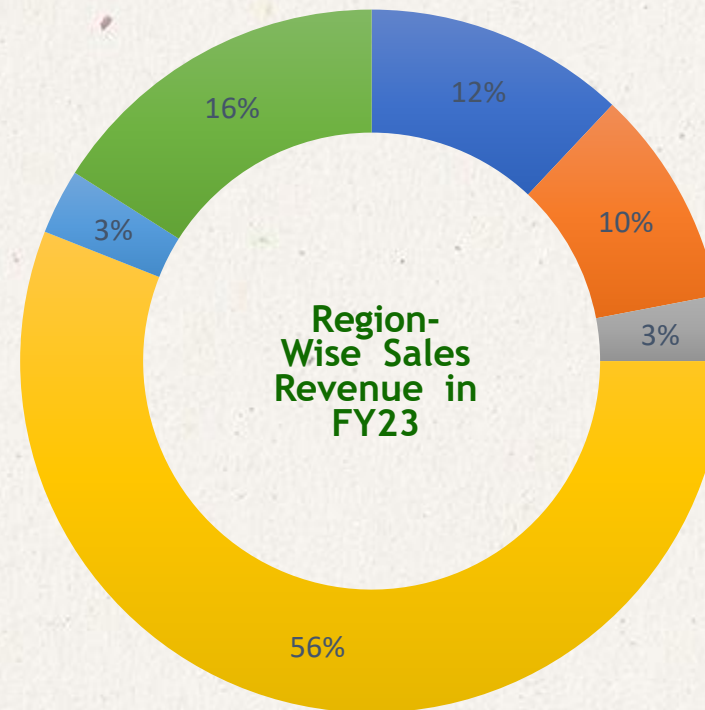
Supplies to State boards: ~40-50% of Revenues

- SIL supplies High-quality watermark paper to various state boards.
- Consolidated demand from all Text-books boards is approximately 5,00,000 TPA of paper
- By supplying ~50-75k TPA to various state boards, SIL boasts of a major market share in this vertical.
- The State Text-book orders are tender driven businesses, these projects are State government funded under Sarva Shiksha Abhiyaan
- Sales to Textbook boards command higher operating margins compared to open market, attributed to higher GSM and lower finishing loss and higher production.



Open market supplies: ~50-60% of Revenues

- SIL supplies retail traders through its strong Pan- India distribution network with 100+ dealers and three branch offices in Delhi, Chandigarh & Jaipur.
- Out of total sales from Open Market Supplies, ~5-10% of sale comes from Rajasthan and Delhi in a Direct sale, to end users, and facilitated by the SIL's employees.
- A variety of paper grades are manufactured for this vertical ,i.e. Exercise book paper, Snow white paper, SS Maplitho paper, Ledger paper, Copier paper, Colour printing paper etc.

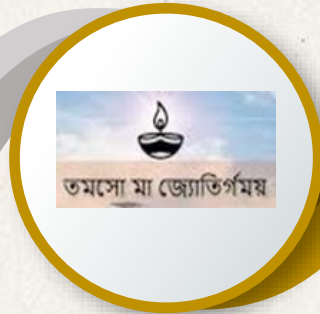


■ CENTRAL
 ■ EAST
 ■ EXPORT
■ NORTH
 ■ SOUTH
 ■ WEST

Marquee Clients



Bal Bharti



Assam State Text Book
Production & Publication
Corporation Ltd



Odisha State Bureau of
Textbook



Chhattisgarh Pathya
Pustak Nigam



Rajasthan Raja
Pathyapustak Mandal



NCERT



Burda Druck India
Private Limited



West Bengal Text
Book Corporation
Ltd



Himachal Pradesh
Board of School
Education



Indian Railways



State Election
Commission (UP)



DAV

Key Highlights Q3FY24



Recent Developments



Satia Industries successfully completed the wood pulping modernization capex.



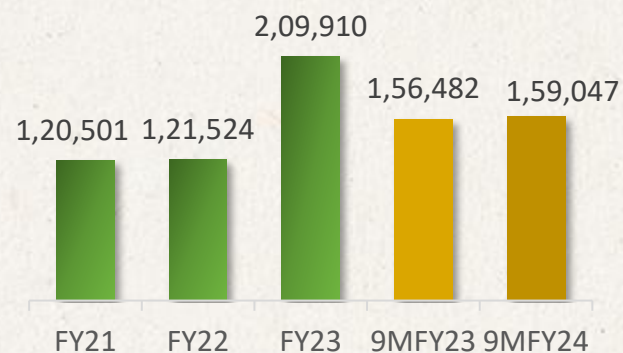
The company has strong orders in hand for Q4FY24.



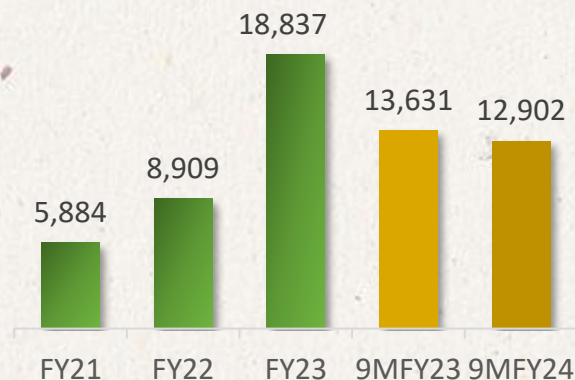
During 9MFY24, the company has prepaid term loans of INR 651 Mn over and above the repayment of INR 664 Mn.

Key Performance Indicators

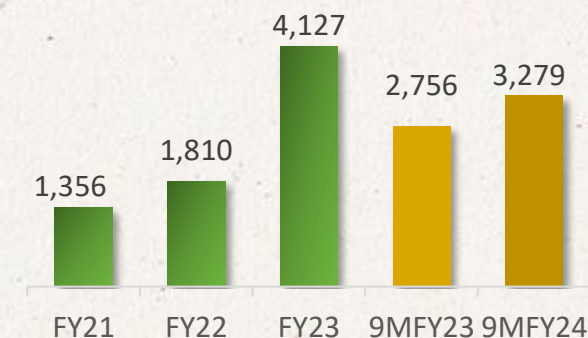
Volume (MT)



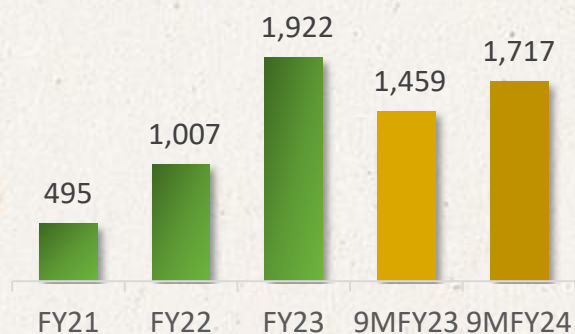
Income (INR Mn)



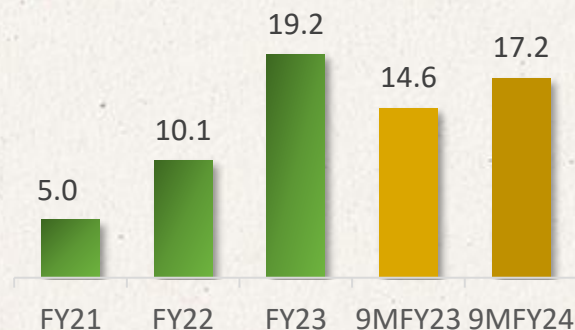
EBITDA (INR Mn)



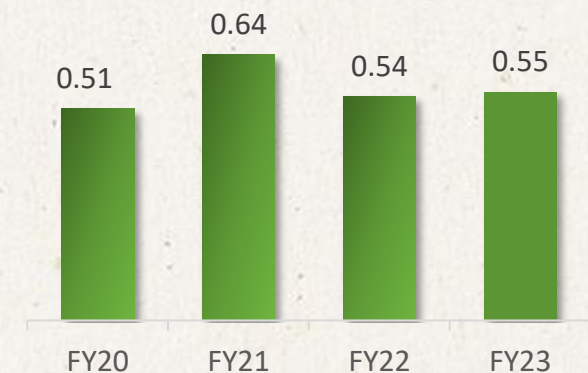
PAT (INR Mn)



EPS (INR)



Net Debt:Equity (x)

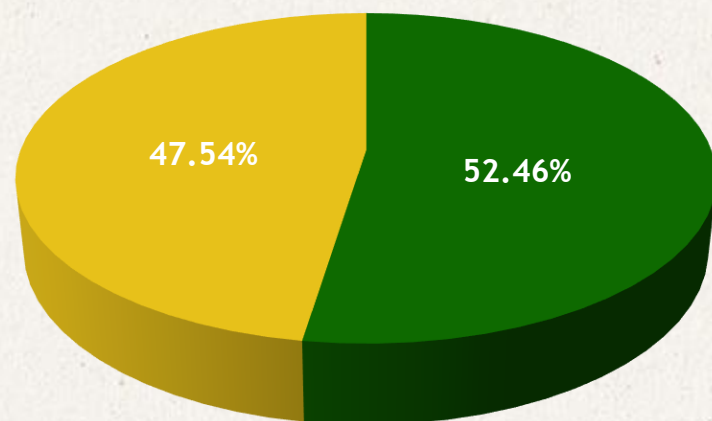


Financial Statement Highlights

| Particulars (INR Mn) | Q3FY24 | Q2FY24 | QoQ | Q3FY23 | YoY | 9MFY24 | 9MFY23 | YoY |
|--|--------------|--------------|-------------|--------------|-------------|---------------|---------------|-------------|
| Revenue from Operations | 4,357 | 3,734 | 17% | 4,868 | -10% | 12,902 | 13,631 | -5% |
| Other Income | -24 | 58 | -141% | 25 | -195% | 69 | 113 | -39% |
| Total Income | 4,333 | 3,792 | 14% | 4,893 | -11% | 12,971 | 13,744 | -6% |
| Expenses | | | | | | | | |
| Cost of material consumed | 1,911 | 1,537 | 24% | 2,304 | -17% | 5,431 | 6,665 | -19% |
| Purchases of traded goods | 26 | 8 | 236% | 29 | -8% | 49 | 206 | -76% |
| Change in inventory of finished goods, stock in trade and work in progress | 14 | 15 | -6% | -41 | -134% | -2 | -68 | -97% |
| Employee Benefit Expenses | 293 | 259 | 13% | 236 | 24% | 798 | 620 | 29% |
| Finance Cost | 75 | 74 | 2% | 85 | -11% | 227 | 252 | -10% |
| Depreciation & Amortisation | 382 | 335 | 14% | 325 | 18% | 1,043 | 948 | 10% |
| Other Expenses | 1,190 | 1,051 | 13% | 1,222 | -3% | 3,346 | 3,452 | -3% |
| Total Expenses | 3,892 | 3,278 | 19% | 4,160 | -6% | 10,893 | 12,075 | -10% |
| Profit before Tax | 440 | 514 | -14% | 733 | -40% | 2,078 | 1,668 | 25% |
| Current tax | 58 | 37 | 59% | 120 | -51% | 409 | 288 | 42% |
| Deferred Tax | -15 | -2 | 591% | -35 | -58% | -48 | -79 | -39% |
| Profit for the period | 396 | 479 | -17% | 648 | -39% | 1,717 | 1,459 | 18% |
| Earnings per share (not annualised) | | | | | | | | |
| Basic and Diluted | 4.0 | 4.8 | -17% | 6.5 | -39% | 17.2 | 14.6 | 18% |

Capital Market Indicators

Shareholding as of 31st Dec 2023



■ Promoters & Promoters Group
■ Public

Stock Performance





Thank You

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



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