

SATRA PROPERTY DEVELOPERS
PRIVATE LIMITED

AUDITED FINANCIALS
STATEMENT

FINANCIAL YEAR 2016-17

Independent Auditor's Report

To the Members of
Satra Property Developers Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Satra Property Developers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's management is responsible for the matters stated 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 Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate 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 provision of the Act and the Rules made thereunder.

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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) 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.

1. As required by the Companies (Auditor's Report) Order, 2016 ("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.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. 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;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. 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;
 - e. On the basis of written representations received from the Directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and



g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

- i. The company has disclosed the impact of pending litigations on its financial position as at March 31, 2017 in its financial statements—Refer Note 25 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2017.
- iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
- iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and those are in accordance with the books of accounts maintained by the Company - Refer Note 36 to the financial statements.

For GMJ & Co.

Chartered Accountants

Firm Registration Number: 103429W

Haridas Bhat

Partner

Membership Number: 039070



Mumbai

May 22, 2017

Annexure A to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to the information and explanations given to us, the Fixed Assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification with book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
- c. According to the information and explanations given to us and on the basis of our examination of the records, the title deed of immovable property is held in name of the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification between physical stock and book records.
- iii. In respect of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered under register maintained under section 189 of the Companies Act, 2013;
 - a. In our opinion, the terms and conditions on which the loans have been granted are not, prima facie, prejudicial to the interest of the company;
 - b. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, this paragraph is not applicable to the Company in respect of repayment of the principal amount.
 - c. There are no overdue amounts in respect of loans granted to the parties covered under register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security given, if any.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and other relevant provisions with regard to the deposits accepted from the public are not applicable.



- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Therefore, paragraph 3(vi) of Order is not applicable to the company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities the amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable *except for dues in respect of Dividend distribution tax, Value added tax, and Income-tax which have been regularly deposited during the year by the Company with the appropriate authorities, except for some cases where have been significant delays.*

According to the information and explanations given to us, *except for Rs 2,05,37,200 /- on account of Dividend Distribution Tax, Rs 6,61,74,192 /- on account of Income tax, Rs 72,91,194 /- on account of Tax Deducted at Source and Rs. 7,50,000 /- on account of Service tax*, no undisputed amounts payable in respect of Profession tax, Customs duty, Provident fund, Works contract tax, Cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, following dues have not been deposited with the concerned authorities on account of dispute as at 31st March, 2017.

Name of the Statute	Nature of the Due	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
<i>Income Tax Act, 1961</i>	<i>Income Tax</i>	<i>57,89,727</i>	<i>Asst. Yr. 2011-12</i>	<i>Commissioner of Income Tax (Appeals)</i>

- viii. In According to the information and explanations given to us, *except for Rs. 8,04,52,835 /- on account of interest payable to a financial institution*, the company has not defaulted in repayment of dues to banks and financial institution.

The Company does not have any loan or borrowings from the government or dues to debenture holders during the year.

- ix. In our opinion and according to the information and explanations given to us, the monies raised by way of term loans were applied for the purposes for which they were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- x. According to the information and explanations given to us, no material fraud by the company or on the Company by its officer or employees has been noticed or reported during the course of our audit.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W

Haridas Bhat

Partner

Membership Number: 039070



Mumbai

May 22, 2017

Annexure – B to the Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Satra Property Developers Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



- xi. According to the information and explanation give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Therefore, paragraph 3 (xi) of the Order is not applicable.
- xii. In our opinion and according to the information given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanation give to us and based on our examination of the records of the Company, the transactions with related parties are in compliance of section 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the company.
- xv. According to the information and explanation given to us and based on our examination of the records, company has not entered into any non-cash transactions with the directors or persons connected with him under the provisions of section 192 of Companies Act, 2013. Therefore, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W



Haridas Bhat

Partner

Membership Number: 039070



Mumbai

May 22, 2017

Satra Property Developers Private Limited

Balance Sheet

as at 31 March 2017

(Currency: Indian Rupees)

	Notes	2017	2016
EQUITY AND LIABILITIES			
SHARE HOLDERS' FUNDS			
Share capital	3	14,60,39,000	14,60,39,000
Reserves and surplus	4	51,71,04,087	51,87,73,505
		<u>66,31,43,087</u>	<u>66,48,12,505</u>
NON - CURRENT LIABILITIES			
Long-term borrowings	5	1,25,568	21,64,677
Long-term provisions	6	15,93,852	10,40,530
		<u>17,19,420</u>	<u>32,05,207</u>
CURRENT LIABILITIES			
Short-term borrowings	7	1,84,30,78,171	2,05,44,41,250
Trade payables [refer note 28]			
Outstanding dues of micro small and medium enterprises		-	-
Outstanding dues of creditors other than micro, small and medium enterprises		6,30,86,024	5,07,54,915
Other current liabilities	8	94,42,61,522	83,30,75,965
Short-term provisions	9	9,22,72,245	10,94,73,384
		<u>2,94,26,97,962</u>	<u>3,04,77,45,514</u>
TOTAL		<u><u>3,60,75,60,469</u></u>	<u><u>3,71,57,63,226</u></u>
ASSETS			
NON - CURRENT ASSETS			
Fixed assets			
-tangible assets	10	62,28,312	83,28,707
Non-current investments	11	56,24,900	58,69,900
Deferred tax assets	12	6,01,98,858	-
Long-term loans and advances	13	1,47,03,966	84,19,555
		<u>8,67,56,036</u>	<u>2,26,18,162</u>
CURRENT ASSETS			
Inventories	14	2,25,12,73,595	1,79,25,18,684
Trade receivables	15	5,11,73,358	8,17,83,713
Cash and bank balances	16	2,64,68,250	4,19,03,520
Short-term loans and advances	17	1,05,99,05,074	1,66,28,59,348
Other current assets	18	13,19,84,156	11,40,79,799
		<u>3,52,08,04,433</u>	<u>3,69,31,45,064</u>
TOTAL		<u><u>3,60,75,60,469</u></u>	<u><u>3,71,57,63,226</u></u>
Significant accounting policies	2		
Notes to the financial statements	3-38		

The notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For GMJ & Co.

Chartered Accountants

Firm Registration No. 103429W

Haridas Bhat

Partner

Membership No. 039070



For and on behalf of the Board of Directors of
Satra Property Developers Private Limited

Minaxi P. Satra

Managing Director
(DIN:00053884)

Praful N. Satra
Director
(DIN:00053900)

Dimple S. Valiyani
Company Secretary

Mumbai, 22 May 2017

Mumbai, 22 May 2017

Satra Property Developers Private Limited

Statement of Profit and Loss

for the year ended 31 March 2017

(Currency: Indian Rupees)

	Notes	2017	2016
INCOME			
Revenue from operations	19	59,32,225	78,95,700
Other income	20	11,09,89,132	6,19,99,011
Total revenue		11,69,21,357	6,98,94,711
EXPENSES			
Cost of construction	21	-	12,09,362
Employee benefits expenses	22	1,06,97,537	74,54,215
Finance costs	23	13,47,32,133	11,07,90,834
Depreciation and amortization expenses	10	18,86,397	30,64,591
Other expenses	24	3,13,30,211	1,00,10,006
Total expenses		17,86,46,278	13,25,29,008
Profit / (loss) before tax		(6,17,24,921)	(6,26,34,297)
Tax expenses:			
- Current tax		-	-
- Prior year charge of current tax		1,43,354	(79,75,555)
- Deferred tax	12	(6,01,98,857)	-
Profit / (loss) after tax for the year		(16,69,418)	(5,46,58,742)
Earnings per equity share (Rs.)			
Basic and diluted (face value of Rs.10 per share)	35	(0.11)	(3.74)
Significant accounting policies	2		
Notes to the financial statements	3-38		

The notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For GMJ & Co.

Chartered Accountants

Firm Registration No. 103429W

Haridas Bhat

Partner

Membership No. 039070



**For and on behalf of the Board of Directors of
Satra Property Developers Private Limited**

Minaxi P. Satra
Managing Director
(DIN:00053884)

Praful N. Satra
Director
(DIN:00053900)

Dimple S. Valiyani
Company Secretary



Mumbai, 22 May 2017

Mumbai, 22 May 2017

Satra Property Developers Private Limited

Cash flow statement

for the year ended 31 March 2017

(Currency: Indian Rupees)

	2017	2016
Cash flows from operating activities :		
Profit before tax	(6,17,24,921)	(6,26,34,297)
<u>Adjusted for:</u>		
Depreciation/amortisation	18,86,397	30,64,591
Loss/ (profit) on sale of fixed assets	(1,06,473)	-
Interest income	(6,21,79,657)	(5,62,78,011)
Financial expenses	13,47,32,133	11,07,90,834
	<u>7,43,32,400</u>	<u>5,75,77,414</u>
Operating profit / (loss) before working capital changes	<u>1,26,07,479</u>	<u>(50,56,883)</u>
Changes in working capital		
(Increase)/ decrease in inventories	(38,43,76,799)	(19,61,73,610)
(Increase)/ decrease in trade and other receivables	3,06,10,355	74,18,768
(Increase)/ decrease in short-term advances	18,05,80,775	5,58,41,637
(Increase)/ decrease in other current assets	(1,93,76,524)	(2,59,16,127)
Increase/ (decrease) in long term provisions	5,53,322	(1,70,491)
Increase/ (decrease) in trade payables and other liabilities	13,03,02,494	1,78,11,175
Increase/ (decrease) in short term provisions	37,798	(73,766)
	<u>(6,16,68,580)</u>	<u>(14,12,62,414)</u>
Cash generated from / (used in) operations	<u>(4,90,61,101)</u>	<u>(14,63,19,297)</u>
Taxes paid (net of refund)	(3,43,68,727)	(6,40,26,430)
Net cash generated from / (used in) operating activities	<u>A (8,34,29,828)</u>	<u>(21,03,45,727)</u>
Cash flows from investing activities :		
Purchase of fixed assets	(2,31,920)	(2,71,469)
Proceeds from sale of fixed assets	2,62,222	-
Loan given	(4,18,25,000)	(29,35,00,153)
Loan received back	46,41,98,499	1,85,26,654
(Increase)/decrease in investment in fixed deposits (including earmarked balances)	1,55,79,005	(35,72,880)
Investment made / sold	2,45,000	-
Interest received	6,36,51,824	5,63,92,484
Net cash generated from / (used in) investing activities	<u>B 50,18,79,630</u>	<u>(22,24,25,364)</u>
Cash flows from financing activities :		
Repayment of long-term borrowings	(35,98,473)	(35,40,270)
Proceeds from short-term borrowings	59,81,07,072	1,49,27,82,640
Repayment of short-term borrowings	(80,94,70,150)	(93,86,75,062)
Financial expenses paid	(20,33,44,515)	(11,30,93,528)
Net cash generated from / (used in) financing activities	<u>C (41,83,06,067)</u>	<u>43,74,73,780</u>
Net increase / (decrease) in cash and cash equivalents	<u>(A+B+C) 1,43,735</u>	<u>47,02,689</u>
Cash and cash equivalents, beginning of the year	72,84,562	25,81,873
Cash and cash equivalents, end of the year	<u>74,28,297</u>	<u>72,84,562</u>



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Satra Property Developers Private Limited

Cash flow statement

for the year ended 31 March 2017

(Currency: Indian Rupees)

Cash and cash equivalents, at the end of year comprise of :

	2017	2016
Cash on hand	12,78,401	10,37,685
Balance with bank		
- in current accounts	61,49,896	62,46,877
	<u>74,28,297</u>	<u>72,84,562</u>

Note:

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 'Cash Flow Statements'

As per our report of even date attached

For GMJ & Co.

Chartered Accountants

Firm Registration No. 103429W



Haridas Bhat

Partner

Membership No. 039070



Mumbai, 22 May 2017

For and on behalf of the Board of Directors of
Satra Property Developers Private Limited



Minaxi P. Satra
Managing Director
(DIN:00053884)



Praful N. Satra
Director
(DIN:00053900)



Dimple S. Valiyani
Company Secretary

Mumbai, 22 May 2017

Satra Property Developers Private Limited

Notes to the financial statements

for the year ended 31 March 2017

(Currency: Indian Rupees)

1. Company overview:

The Company was incorporated on 1 May 2000 as Henry Hill Impex Private Limited. The name of the Company was changed to Satra Property Developers Private Limited on 17 September 2004. It became a Wholly-owned subsidiary of Satra Properties (India) Limited on 2 July 2007. The Company is engaged in the business of real estate, construction and re-development.

2. Summary of Significant accounting policies:

2.1. Basis of preparation of financial statements:

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed u/s 133 of Companies Act, 2013 (the Act) read with rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standards requires a change in the accounting policies hitherto in use.

2.2. Current / Non-current classification:

The assets and liabilities are classified into Current or Non-current.

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle.
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve month after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settle in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the balance sheet date.

All other liabilities are classified as non- current.



Satra Property Developers Private Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

Operating cycle

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 3 to 4 years for the purpose of current – non-current classification of assets and liabilities.

2.3. Use of Estimates:

The preparations of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.4. Fixed assets and depreciation / amortisation and capital work-in-progress:

Tangible assets

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation is provided on the written down value method. The rates of depreciation are calculated as prescribed in Schedule II of the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Plant and equipment and furniture and fixtures, costing individually Rs 5,000 or less, are depreciated fully in the year of purchase.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.



Satra Property Developers Private Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

2.5. *Impairment of assets:*

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the assets or recoverable amount of cash generating unit to which asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6. *Investments:*

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realized within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current-non-current classification scheme of Schedule III of the Companies Act, 2013.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

2.7. *Inventories:*

Direct expenses like cost of land, site labour cost, material used for project construction, temporary structures, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, borrowing costs and construction overheads are taken as the cost of construction work-in-progress.

Material at site comprises of building material, components and stores and spares.

Inventories are valued at lower of cost and net realizable value. Cost is determined on the first in first out ('FIFO') basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



Satra Property Developers Private Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

2.8. *Revenue recognition:*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from real estate sales is recognized on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However if, at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognized on proportionate basis as the acts are performed, i.e., on the percentage of completion basis.

Determination of revenues under the Percentage of Completion Method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion. The estimates of cost are periodically reviewed by the Management and the effect of changes in estimates is recognised in the period such changes are recognised. When the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately.

Revenue on account of contract variations, claims and incentives are recognized upon determination or settlement of the contract.

Interest income is recognized on time proportion basis.

Dividend income is recognized when the right to receive dividend is established.

2.9. *Borrowing costs:*

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalization of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

2.10. *Employment benefits:*

(a) *Short term employee benefits:*

All employee benefits payable wholly within twelve months from the Balance Sheet date are classified as short-term employee benefits. Benefits such as salaries and wages, leave



Satra Property Developers Private Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

salary etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

(b) *Post-employment benefits:*

Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

2.11. *Taxation:*

Income tax expense comprises current income tax and deferred tax charge or credit.

Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961.

The deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.



Satra Property Developers Private Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

2.12. *Foreign currency transactions:*

Foreign currency transactions are recorded at the spot rates on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss. Non-monetary asset such as investments in equity shares, etc. are carried forward in the balance sheet at costs.

2.13. *Operating lease:*

Lease rentals in respect of assets acquired on operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

2.14. *Earnings per share (EPS):*

The Basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15. *Provision and contingent liabilities:*

A provision is recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

2017 2016

3 SHARE CAPITAL

Authorised capital:

1,50,00,000 (2016 : 1,50,00,000) equity shares of Rs. 10 each

15,00,00,000 15,00,00,000

15,00,00,000 15,00,00,000

Issued, subscribed and paid up:

1,46,03,900 (2016 : 1,46,03,900) equity shares of Rs.10 each fully paid up

14,60,39,000 14,60,39,000

14,60,39,000 14,60,39,000

Sub-notes:

- a) The reconciliation of the number of equity shares outstanding as at the year end is set as below:

Equity shares	31 March 2017		31 March 2016	
	Number of equity shares (units)	Amount	Number of equity shares (units)	Amount
At the beginning of the year	1,46,03,900	14,60,39,000	1,46,03,900	14,60,39,000
Add: issued during the year	-	-	-	-
At the end of the year	1,46,03,900	14,60,39,000	1,46,03,900	14,60,39,000

- b) Rights, preferences and restrictions attached to shares

Equity shares :

The Company has only one class of equity shares having a face value of Rs 10 each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. The dividend proposed by the board of directors, if any is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the shares held by the shareholder.

- c) The details of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries /associates are as below:

Particulars	Status	31 March 2017		31 March 2016	
		No. of shares held	Amount	No. of shares held	Amount
Equity shares					
Satra Properties (India) Limited	Holding Company	1,46,03,900	14,60,39,000	1,46,03,900	14,60,39,000
Total number of equity shares		1,46,03,900	14,60,39,000	1,46,03,900	14,60,39,000

- d) The details of shareholders holding more than 5% of the equity shares of the Company as at year end is as below :

Name of shareholders	As at 31 March 2017		As at 31 March 2016	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Satra Properties (India) Limited	1,46,03,900	100	1,46,03,900	100



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

	2017	2016
4 RESERVES AND SURPLUS		
Securities premium reserve (at the commencement and end of the year)	22,58,40,000	22,58,40,000
General Reserve (at the commencement and end of the year)	3,42,85,345	3,42,85,345
Surplus in the statement of profit and loss		
At the commencement of the year	25,86,48,160	31,33,06,902
Add: Profit / (loss) for the year transferred	(16,69,418)	(5,46,58,742)
Net surplus in the statement of profit and loss	25,69,78,742	25,86,48,160
	51,71,04,087	51,87,73,505
5 LONG-TERM BORROWINGS		
Secured borrowings		
From banks		
- vehicle loans [refer note 5(i)]	1,25,568	3,96,176
From others		
- vehicle loans [refer note 5(i)]	-	17,68,501
	1,25,568	21,64,677
Details of security on loans		
(i) Vehicle loans are secured by hypothecation of the respective vehicles purchased. The loans are repayable in equated monthly installments of Rs.1,74,988, Rs.1,51,749 and Rs.9749 respectively beginning from the month subsequent to the taking of the loan. The last installment for the loans are due in April 2017, April 2018 and May 2019 respectively.		
6 LONG-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity [refer note 30]	15,93,852	10,40,530
	15,93,852	10,40,530
7 SHORT-TERM BORROWINGS		
Secured borrowings		
From banks		
- bank overdraft	-	46,95,882
From others [refer note 7(i), 7(ii),(iv)]	1,40,00,00,000	1,33,75,00,000
Unsecured borrowings		
From related parties [refer note 7(iii) & note 33]	9,67,53,171	33,63,45,368
From others [refer note 7(iii)]	34,63,25,000	37,59,00,000
	1,84,30,78,171	2,05,44,41,250



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

2017 2016

Details of security on loans

- (i) Loan of Rs. 75 crores is secured by way of mortgage of the property situated in central suburban, Mumbai by way of deposit of title deed. Principal is due along with suitable rewards (which is not accounted since not crystallised) in September, 2017.
- (ii) Rs. 65 crore is secured against registered mortgage on right to develop slum area under scheme framed by slum rehabilitation project on plot at Ghatkopar, Mumbai (except area coming to the share of joint venture partners) alongwith charge on scheduled receivables, additional receivables, all insurance receipts from the project and charge on escrow account of receivables and the term loan is further secured against security owned by directors. The loan carries an interest rate of 22% p.a. payable on quarterly basis. Repayable in 4 equal quarterly installments of Rs 16.25 crores each starting from April 2019.
- (iii) Other loans and loan from related parties are repayable on demand carrying interest rates upto 18% p.a.
- (iv) The above term loan was further secured by Personal guarantee/securities of Directors.

8 OTHER CURRENT LIABILITIES

Current maturities of long-term borrowings

From banks (Secured)

-vehicle loans [refer note 5(i)] 2,70,608 20,54,891

From others (Secured)

-vehicle loan [refer note 5(i)] 17,68,501 15,43,582

Interest accrued and due on borrowings

-from related party [refer note 33] 3,92,94,088 4,45,20,552

-from others 9,00,49,686 3,37,94,356

Other payables

-advance received against property 63,32,40,449 58,48,39,488

-refundable advances 60,00,000 1,60,00,000

-refundable deposits 10,75,19,000 -

-other liabilities * 6,61,19,190 15,03,23,096

94,42,61,522 83,30,75,965

* includes amounts payable on account of statutory dues, employee benefits, interest payable to vendors and other payables.

9 SHORT-TERM PROVISIONS

Provision for employee benefits

Provision for gratuity [refer note 30] 2,81,467 2,43,669

Other provisions

Provision for taxation [net of advance tax and tax deducted at sources Rs.26,18,48,922 (2016:Rs.23,17,91,394)] 7,07,22,536 8,94,23,557

Tax on dividend on equity shares 2,12,68,242 1,98,06,158

9,22,72,245 10,94,73,384



Satra Property Developers Private Limited

Notes to the financial statements(Continued)
for the year ended 31 March 2017

(Currency: Indian Rupees)

10 FIXED ASSETS

	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK
	As at 1 April 2016	Additions	Deletions/ Disposals	As at 31 March 2017	As at 1 April 2016	For the year	On Deletions/ Disposals	
Owned Assets								
Tangible assets								
Computer and printer	10,91,268	1,98,920	-	12,90,188	9,53,694	1,12,312	-	10,66,006
Furniture and fixture	16,08,186	33,000	-	16,41,186	15,28,282	25,819	-	15,54,101
Office equipment	9,89,782	-	-	9,89,782	8,29,186	69,717	-	8,98,903
Vehicles	2,38,72,590	-	18,28,710	2,20,43,880	1,78,95,951	18,72,182	16,72,961	1,80,95,172
Building	26,33,240	-	-	26,33,240	6,59,247	96,536	-	7,55,783
Total	3,01,95,066	2,31,920	18,28,710	2,85,98,276	2,18,66,360	21,76,566	16,72,961	2,23,69,965
								62,28,312

Notes:

(i) Depreciation amounting to Rs.290,169 (2016: Rs.365,820) has been transferred to construction work-in-progress.

	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK
	As at 1 April 2015	Additions	Deletions/ Disposals	As at 31 March 2016	As at 1 April 2015	For the year On Deletions/ Disposals	
Owned Assets							
Tangible assets							
Computer and printer	9,50,268	1,41,000	-	10,91,268	9,05,490	48,204	9,53,694
Furniture and fixture	15,61,217	46,969	-	16,08,186	13,83,316	1,44,966	15,28,282
Office equipment	9,06,282	83,500	-	9,89,782	6,78,757	1,50,429	8,29,186
Vehicles	2,38,72,590	-	-	2,38,72,590	1,49,10,638	29,85,313	1,78,95,951
Building	26,33,240	-	-	26,33,240	5,57,747	1,01,500	6,59,247
	2,99,23,597	2,71,469	-	3,01,95,066	1,84,35,948	34,30,412	2,18,66,360
							83,28,707

Notes:

(i) Depreciation amounting to Rs. 619,320 (2015: Rs.1,060,286) had been transferred to construction work-in-progress.



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

	2017	2016
11 NON-CURRENT INVESTMENTS (at cost)		
Trade investments : unquoted		
(face value of Rs. 10 each and fully paid-up, unless otherwise stated)		
<i>In subsidiaries</i>		
25,500 (2016: 50,000) Equity Shares of Satra Realty and Builders Limited [refer note 11(i)]	50,05,000	52,50,000
8,750 (2016: 8,750) Equity Shares of RRB Realtors Private Limited	87,500	87,500
Non-trade investments : unquoted		
324 (2016: 324) Equity Shares of The Cosmos Co-operative Bank Limited of Rs. 100 each, fully paid up	32,400	32,400
20,000 (2016: 20,000) Equity Shares of The Greater Bombay Co-operative Bank Ltd of Rs. 25 each, fully paid up	5,00,000	5,00,000
	56,24,900	58,69,900
Note:		
(i) The Company has divested its 49% holding during the year. 25,500 (2016 : 25,000) shares out of 25,500 shares are pledged for loan facility availed by the subsidiary.		
12 DEFERRED TAX ASSETS (net)		
The components of deferred tax balances are as follows:-		
- Difference between book depreciation and depreciation as per Income Tax Act, 1961	27,42,295	29,18,299
- On provision allowable on a payment basis under the Income Tax Act, 1961	5,79,474	3,96,817
- Business loss and unabsorbed depreciation	5,68,77,089	1,73,16,077
Less: differential deferred tax assets not recognised	-	(2,06,31,193)
	6,01,98,858	-
13 LONG-TERM LOANS AND ADVANCES		
<i>(Unsecured and considered good)</i>		
Others		
- Advance tax and tax deducted at source	1,47,03,967	84,19,555
	1,47,03,967	84,19,555
14 INVENTORIES		
Material-at-site	9,22,169	13,25,502
Construction work-in-progress	2,24,57,86,087	1,78,66,27,843
Finished goods	45,65,339	45,65,339
	2,25,12,73,595	1,79,25,18,684
15 TRADE RECEIVABLES		
<i>(unsecured and considered good)</i>		
On account of goods sold		
-Debts outstanding for a period exceeding six months from the date they are due for payment	5,02,19,612	8,17,83,713
-Other debts	9,53,746	-
<i>(unsecured and considered doubtful)</i>		
Doubtful debts	1,64,73,855	-
Provision for doubtful debts	(1,64,73,855)	-
	5,11,73,358	8,17,83,713



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

16 CASH AND BANK BALANCES

	2017	2016
Cash on hand	12,78,401	10,37,685
Balance with banks		
- in current accounts	61,49,896	62,46,877
Other bank balances		
Deposits with original maturity of less than 12 months but more than 3 months[refer note 16(i)]	1,90,29,922	3,46,08,927
Bank accounts marked as lien	10,031	10,031
	2,64,68,250	4,19,03,520

Notes:

- (i) Deposits amounting to Rs.3.28 crores (2016: Rs.2.94 crores) are under lien for bank guarantee.

17 SHORT-TERM LOANS AND ADVANCES

(unsecured and considered good)

Short-term loans given to related parties [refer note 33 & 37]	56,22,976	42,79,96,475
Loans and advances given to other parties	1,04,11,76,752	1,12,26,76,752
Others *#	1,31,05,346	11,21,86,121
	1,05,99,05,074	1,66,28,59,348

* includes Rs 11,50,000 (2016: Rs 11,50,000) rent deposit given to the Director.

includes advances given to employees, vendors, prepaid expenses and deposits.

18 OTHER CURRENT ASSETS

Interest accrued on fixed deposits with banks	15,01,714	29,73,881
Interest accrued and due		
-from related party [refer note 33]	5,50,71,609	4,82,62,954
-from others	6,11,42,964	6,11,42,964
Fixed deposits with banks [refer note 16(i)]	1,42,67,869	17,00,000
	13,19,84,156	11,40,79,799



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

2017 2016

19 REVENUE FROM OPERATIONS

Revenue from sale of properties	-	17,50,000
Other operating revenues	59,32,225	61,45,700
	59,32,225	78,95,700

20 OTHER INCOME

Interest income on		
-fixed deposit with banks	23,51,048	31,58,864
-loans given to related parties [refer note 33]	5,97,48,001	5,29,32,749
-others	80,608	1,86,398
Other non-operating income		
-liabilities written back to the extent no longer required	4,87,03,002	57,21,000
-profit on sale of fixed asset	1,06,473	-
	11,09,89,132	6,19,99,011

21 COST OF MATERIALS CONSUMED

Inventory at the beginning of the year

Material-at-site	13,25,502	27,78,688
Construction work-in-progress	1,78,66,27,843	1,53,53,58,622
Finished goods	45,65,339	57,74,701
(A)	1,79,25,18,684	1,54,39,12,011

Incurred during the year

Professional fees	1,48,75,583	1,57,77,377
Civil, electricals, contracting etc.	34,41,30,246	13,28,35,694
Admin and other expenses	1,07,82,326	68,67,022
Depreciation [refer note 10]	2,90,169	3,65,820
Financial expenses [refer note 23]	7,40,87,943	5,20,67,244
Statutory and other costs	1,45,88,644	4,19,02,878
(B)	45,87,54,911	24,98,16,035

Inventory at the end of the year

Material-at-site	9,22,169	13,25,502
Construction work-in-progress	2,24,57,86,087	1,78,66,27,843
Finished goods	45,65,339	45,65,339
(C)	2,25,12,73,595	1,79,25,18,684
(A+B-C)	-	12,09,362

22 EMPLOYEE BENEFIT EXPENSES

Salaries, wages and bonus	98,90,004	65,10,863
Directors' remuneration [refer note 33]	-	9,00,000
Staff welfare expenses	2,16,413	1,88,878
Gratuity	5,91,120	(1,45,526)
	1,06,97,537	74,54,215



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

	2017	2016
23 FINANCE COST		
Interest cost		
-bank loans	8,71,137	12,67,844
-other loans [refer note 33]	18,84,78,253	13,87,71,436
-others	1,33,70,932	1,32,67,740
Other borrowing cost	60,99,754	95,51,058
	20,88,20,076	16,28,58,078
Less: borrowing cost and other cost transferred to construction work-in-progress	7,40,87,943	5,20,67,244
	13,47,32,133	11,07,90,834

24 OTHER EXPENSES

Advertisement and sales promotion expenses	40,81,857	2,34,000
Office rent [refer note 33]	67,98,470	67,40,395
Insurance	2,00,952	2,01,388
Conveyance	15,006	16,662
Professional fees	8,89,831	7,49,098
Telephone expenses	4,56,310	4,99,844
Travelling expenses	9,762	8,454
Repairs and maintainance		
- other	57,656	31,564
Auditor's remuneration		
- statutory audit fees	4,60,000	4,58,000
- taxation matter	1,17,500	1,16,140
Rates and taxes	67,300	76,725
Staff recruitment expenses	63,064	2,01,073
Printing and stationery expenses	3,01,468	2,11,379
Provision for doubtful debts	1,64,73,855	-
Motor car expenses	3,96,935	3,39,302
Miscellaneous expenses	9,40,245	1,25,982
	3,13,30,211	1,00,10,006



Satra Property Developers Private Limited

Notes to the financial statements (*continued*) for the year ended 31 March 2017

(Currency: Indian Rupees)

25. Contingent liabilities as at the balance sheet date were as follows:

Particulars	2017	2016
Bank Guarantee issued by Allahabad Bank	3.85 Crores	3.85 Crores
Income tax matter in dispute	0.57 Crores	0.57 Crores

In the opinion of the Directors, there are no other contingent liabilities as at the Balance Sheet date.

26. In the opinion of the directors, current assets, loans and advances have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. Sundry debtors, creditors and advances are subject to confirmation.
27. In the opinion of the directors, provision has been made for all known liabilities and the same is not in excess of the amounts considered reasonably necessary.
28. **Micro, Small and Medium Enterprises Development Act, 2006:**

Under the Micro, Small and Medium Enterprises Development Act, 2006[MSMED] which came into force from 2 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company has not received any information from the "suppliers" regarding their status under the Micro Small and Medium Enterprises Development Act, 2006.

	2017	2016
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-



Satra Property Developers Private Limited

Notes to the financial statements (continued) for the year ended 31 March 2017

(Currency: Indian Rupees)

29. Other matters:

- (i) Information with regard to other matters specified in Schedule III of the Act, is either nil or not applicable to the Company for the year.
- (ii) The company has delay in making payment of interest of Rs. 8,04,52,835/- due on 31 March 2017 in respect of short-term borrowing from others, said amount was outstanding as on 31 March 2017.

30. Employee benefits:

Disclosures as required by the Accounting Standard 15 (Revised) "Employee Benefits" are given below:

Defined benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each year of service.

Sr. No	Particulars	2017	2016
I	Change in Benefit Obligation		
	Liability at the beginning of the year	12,84,199	14,98,956
	Interest Cost	1,02,736	1,14,219
	Current Service Cost	4,03,090	2,71,657
	Benefit Paid	-	(69,231)
	Actuarial (gain)/ loss on obligation	85,294	(5,31,402)
	Liability at the end of the year	18,75,319	12,84,199
II	Amount Recognised in the Balance Sheet		
	Liability at the end of the year	18,75,319	12,84,199
	Fair Value of Plan Assets at the end of the year	-	-
	Difference	(18,75,319)	(12,84,199)
	Amount Recognised in the Balance Sheet	(18,75,319)	(12,84,199)
III	Expenses recognised in the Statement of Profit and Loss		
	Current Service Cost	4,03,090	2,71,657
	Interest Cost	1,02,736	1,14,219
	Benefit Paid	-	-
	Expected Return on Plan Assets	-	-
	Net Actuarial (gain)/loss to be recognized	85,294	(5,31,402)
	Expenses recognised in the Statement of Profit and Loss	5,91,120	(1,45,526)
IV	Balance Sheet Reconciliation		
	Opening Net Liability	12,84,199	14,98,956
	Expense as above	5,91,120	(1,45,526)
	Employers Contribution paid	-	(69,231)
	Amount Recognised in the Balance Sheet	18,75,319	12,84,199
V	Actuarial Assumptions:		
	Discount Rate	7.40%	8.00%
	Salary Escalation	6.00%	6.00%



Satra Property Developers Private Limited

Notes to the financial statements (continued) for the year ended 31 March 2017

(Currency: Indian Rupees)

VI	Reconciliation of present value of obligation and the fair value of plan assets	2017	2016	2015	2014	2013
	Present value of defined benefit obligation	18,75,319	12,84,199	14,98,956	15,19,688	6,17,444
	Fair Value of the plan assets	-	-	-	-	-
	Liability recognised in the Balance Sheet	18,75,319	12,84,199	14,98,956	15,19,688	6,17,444
VII	Experience adjustments on:					
	Plan liabilities (gain)/loss	85,294	(5,31,402)	5,13,692	3,70,745	26,376
	Plan assets	-	-	-	-	-
VIII	Schedule VI Details				2017	2016
	Current Liability				2,81,467	2,43,669
	Non Current Liability				15,93,852	10,40,530

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable. The Company does not have any liability on account of long-term / short-term compensated absences.

Compensated absences:

Compensated absences for employee benefits of Rs. 3,79,022 [2016: Rs 2,76,741] has been recognized as a gain/expense during the year.

31. Segment reporting:

The Company is operating in the real estate and construction industry. The Company has only one reportable business segment, which is real estate development and only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17 on "Segment reporting".

32. Details of loan given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013 are given under their respective heads, if any. The loans given, investments made and guarantee given, if any, are for business purpose.



Satra Property Developers Private Limited

Notes to the financial statements (*continued*) for the year ended 31 March 2017

(Currency: Indian Rupees)

33. Related party disclosure:

Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below:

(a) List of related parties:

- **Holding Company**

Satra Properties (India) Limited

- **Fellow Subsidiary Company**

Satra Buildcon Private Limited

Satra Estate Development Private Limited

Satra Infrastructure and Land Developers Private Limited

Satra Lifestyles Private Limited

Satra International Realtors Limited, U.A.E.

- **Subsidiary Company**

Satra Realty and Builders Limited

RRB Realtors Private Limited

- **Entities over which key managerial personnel or their relatives exercise significance influence:** (*where transactions have taken place during the year*)

Satra Property Development Private Limited

- **Key managerial personnel**

Mrs. Minaxi P. Satra, Managing Director

Mr. Praful N. Satra, Director

Mr. Rushabh P. Satra, Director (w.e.f 28.10.2016)

Mr. Rajan P. Shah, Director (Upto 27.10.2016)

Mr. Tukaram K. Patil, Whole Time Director and Chief Financial Officer (Resigned as Chief Financial Officer w.e.f 11.01.2017)

- **Relatives of key managerial personnel**

Ms. Vrutika P. Satra



Satra Property Developers Private Limited

Notes to the financial statements (continued) for the year ended 31 March 2017

(Currency: Indian Rupees)

(b) Summary of related parties transactions:

Sr. no.	Nature of transaction	Holding company		Subsidiary company		Entities over which key managerial personnel or their relatives exercises significant influence		Key managerial personnel and their relative		Total	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
(A)	Transactions during the year:										
1	Loans taken	31,93,87,601	43,47,50,028	-	-	-	-	-	68,00,000	31,93,87,601	44,15,50,028
2	Loans given	-	-	4,18,25,000	28,85,00,153	-	-	-	-	4,18,25,000	28,85,00,153
3	Interest income	-	-	5,97,48,001	5,29,32,749	-	-	-	-	5,97,48,001	5,29,32,749
4	Interest expense	4,35,15,177	4,90,78,005	-	-	-	-	1,44,920	3,89,278	4,36,60,097	4,94,67,283
5	Receiving of services	-	-	-	-	2,59,003	1,02,45,556	67,98,470	67,40,395	70,57,473	1,69,85,951
6	Directors remuneration/salary	-	-	-	-	-	-	19,50,000	27,97,500	19,50,000	27,97,500
(B)	Outstanding balances receivable										
1	Loans including net interest	-	-	6,06,94,585	47,62,59,429	-	-	-	-	6,06,94,585	47,62,59,429
2	Deposits	-	-	-	-	-	-	11,50,000	11,50,000	11,50,000	11,50,000
(C)	Outstanding balances payable										
1	Loans including net interest	13,59,16,832	37,37,15,570	-	-	-	-	1,30,427	71,50,350	13,60,47,259	38,08,65,920
2	Directors remuneration/salary payable	-	-	-	-	-	-	5,10,000	2,35,000	5,10,000	2,35,000
3	Sundry creditors	-	-	-	-	-	7,08,278	-	5,15,185	-	12,23,463



Satra Property Developers Private Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2017

(Currency: Indian Rupees)

- (c) Details of material related party transactions which are more than 10% of the total transactions of the same type with a related party during the year ended 31 March 2017.

Sr. no.	Nature of transaction	Total	
		2017	2016
(A)	Transactions during the year:		
1	Loans taken		
	Satra Properties (India) Limited	31,93,87,601	43,47,50,028
2	Loans given		
	Satra Realty and Builders Limited	4,18,25,000	28,85,00,153
3	Interest income		
	Satra Realty and Builders Limited	5,89,17,435	5,21,82,830
4	Interest expense		
	Satra Properties (India) Limited	4,35,15,177	4,90,78,005
5	Receiving of services		
	Satra Property Development Private Limited	2,59,003	1,02,45,556
	Praful N. Satra	67,98,470	67,40,395
6	Directors remuneration/salary		
	Praful N. Satra	-	7,00,000
	Vrutika P. Satra	19,50,000	18,97,500



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

- (c) Details of material related party transactions which are more than 10% of the total transactions of the same type with a related party during the year ended 31 March 2017 (Continued)

Sr. no.	Nature of transaction	Total	
		2017	2016
(B) 1	Outstanding balances receivable: Loans including net interest		
	Satra Realty and Builders Limited	5,30,25,692	46,93,38,045
	RRB Realtors Private Limited	76,68,893	69,21,384
2	Deposits		
	Praful N. Satra	11,50,000	11,50,000
(C) 1	Outstanding balances payables: Loans including net interest		
	Satra Properties (India) Limited	13,59,16,832	37,37,15,570
2	Directors remuneration /salary payable		
	Vrutika P. Satra	5,10,000	2,35,000
3	Sundry creditors		
	Praful N. Satra	-	5,15,185
	Satra Property Development Private Limited	-	7,08,278

34. Leases:

Disclosures as required by the Accounting Standard 19 "Leases" are given below:

Operating lease

- (a) The Company has taken commercial properties on cancellable operating lease.

	2017	2016
Payment of lease rentals under cancellable leases during the year	1,00,72,098	82,47,395

- (b) The lease agreement does not provide for renew of lease period at the end of lease. There are no exceptional / restrictive covenants in the lease agreements.



Satra Property Developers Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

35. Earnings per share:

For the purpose of calculation of Basic and Diluted Earnings per share as required by the Accounting Standard 20 "Earnings per share", the following amounts are considered:

Particulars	2017	2016
Net profit / (loss) after tax attributable to shareholders (Rs.)	(16,69,418)	(5,46,58,742)
Weighted average number of equity shares (Nos.)	1,46,03,900	1,46,03,900
Basic earnings per share (Rs. per share)	(0.11)	(3.74)
Diluted earnings per share (Rs. per share)	(0.11)	(3.74)
Nominal value per equity share (Rs.)	10	10

36. Disclosure for the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 as per Ministry Of Corporate Affairs notification Dated March 30, 2017 as provided in the Table below:-

Particulars	SBN's (Rs.)	Other denomination notes (Rs.)	Total (Rs.)
Closing cash in hand as on 08.11.2016	5,05,500	4,47,651	9,53,151
(+) Permitted receipts	-	-	-
(+) Amount withdrawn from banks	-	2,50,000	2,50,000
(-) Permitted payments	-	77,561	77,561
(-) Amount deposited in banks	5,05,500	-	5,05,500
Closing cash in hand as on 30.12.2016	-	6,20,090	6,20,090

37. Disclosure as required by Schedule V(A)(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Company	Balance as at 31 March		Maximum Outstanding during the year	
	2017	2016	2017	2016
(i) Particulars of loans and advances to subsidiary companies				
1. Satra Realty and Builders Limited	5,30,25,692	46,93,38,045	51,04,13,045	46,93,38,045
2. RRB Realtors Private Limited	76,68,893	69,21,384	76,68,893	69,21,384



Satra Property Developers Private Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2017

(Currency: Indian Rupees)

38. Prior year comparatives:

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

Signature to notes 1 to 38 forming part of financial statements.

As per our report and even date attached

For GMJ & Co.

Chartered Accountants

Firm Registration No. 103429W



Haridas Bhat

Partner

Membership No. 039070

**For and on behalf of the Board of Directors of
Satra Property Developers Private Limited**



Minaxi P. Satra

Managing Director

(DIN:00053884)



Praful N. Satra

Director

(DIN:00053900)



Dimple S. Valiyani

Company Secretary



Mumbai, 22 May 2017

Mumbai, 22 May 2017