GMJ & Co
Chartered Accountants
3rd & 4th Floor, Vaastu Darshan,
'B'wing, Above Central Bank of India,
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INDEPENDENT AUDITORS' REPORT

To
The Members of
Satra Properties (India) Limited

Report on Indian Accounting Standards ("Ind AS") Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Satra Properties (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph,* the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the Company as at 31st March, 2020, and its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. *We draw your attention to Note 38 to the Financial statement, which states that during the year company has sold the subsidiary and subsequently entered into an agreement with India Infoline Finance Ltd (IIFL) and IIFL Home Finance Ltd(IIHFL) and the said subsidiary, by virtue of which the Loan of Rs. 113.52 crores along-with the Interest of Rs. 71.83 crores, totalling to Rs. 185.35 crores which was secured by the mortgage of the property, now stands settled and closed by IIFL & IIHFL. The company has treated the said settled amount as the part of the consideration against the sale of subsidiary. However in the absence of any confirmation from IIFL & IIHFL for the treatment of Loan in their books, and confirmation of accounting of the same by the erstwhile subsidiary as well as the Buyer of the said subsidiary, we are unable to comment on the accounting treatment in the books.*

2. *We draw your attention to Note 39 to the accompanying statement, which states that the company has not provided interest for Rs. 17.17 crores as on year end on the basis of the duly authenticated Minutes of Meeting held with said Lenders as described in aforesaid note. As per said Minutes of Meeting, bulks of the Loans were to be adjusted against a Project in one of the erstwhile subsidiary. Currently said matter is under litigation and the Loans are carried in books without any Interest provisions. Consequently the profit for the year is overstated by Rs. 17.17 crores, other current liabilities is understated by Rs. 17.17 crores.*

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Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Key Audit Matters

Except for the matter described in the Basis for Qualified opinion, we have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon. The above stated reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above stated reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the IndAS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS

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Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

1. *The management of the company is of the opinion that the debtors of Rs. 11.22 crores (net of ECL provisions) which are outstanding for a period exceeding two years are good and recoverable. In the absence of any confirmations, we are not in a position to comment on the recoverability of the same.*

2. *During the year the company has paid Rs. 10 crores to one party, which was received back and was not banked as on the year end, due COVID19 disruption, Further Rs. 6.87 crores is paid to another party which is also not Banked by the said Company as on year end. In the absence of any documentation in support of all these transactions, we are not able to comment on the nature of such transaction and adherence to statutory compliances of the same.*

3. *During the conduct of our audit, various supporting vouchers and documents amounting to Rs.32.88 lakhs has not been provided to us because of declaration of lockdown on 24-03-2020 by the Government of India due to outbreak of Coronavirus Disease (COVID-19). Accordingly, we are not in a position to comment on the same.*

4. *Two parties have not confirmed their loan balances including Interest amounting to Rs. 15.94 crores(net of ECL provision) which are outstanding for a period exceeding one year and two parties with an outstanding advances amounting to Rs. 2.77 crores have not confirmed the same. In the absence of the same, we are unable to comment on the management view that they are good and recoverable.*

5. *We draw your attention to Note 41 to these financial results, which describes the Management's assessment of the impact of COVID19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property/inventory, Debtors and the net realisable values of other assets. Based on information*

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available as of this date, Management believes that no further adjustments are required to the financial results. However, in View of the highly uncertain economic environment impacting the real estate industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of these financial statements.

Our opinion is not modified in respect of these matters.

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 in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order;

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, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph In our opinion*, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the relevant rules issued thereunder;

   (e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**;

   (g) As per information and explanation give to us, the managerial remuneration for the year ended March 31, 2020 has not been paid / provided by the Company to its directors;

   (h) With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements. Refer Note No. 29 to the Ind AS 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 31 March , 2020;

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31st 2020.

For GMJ & Co.
Chartered Accountants
Firm Registration Number: 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
M. No. 039070

UDIN: 20039070AAAAEZ6020

Place: Mumbai
Date : 30th June 2020

"ANNEXURE A"

The Annexure referred to in paragraph 1 of the Independent Auditors' under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of Satra Properties (India) Limited on the Ind AS financial statements as of and for the year ended 31 March,2020

(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 company does not have any immovable property and hence this paragraph is not applicable to 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;

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 and interest 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.

(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, 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) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained;

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

(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 Service Tax, Value added tax, Dividend Distribution Tax, Income Tax, Works Contract Tax and TDS which have generally been regularly deposited during the year by the Company with the appropriate authorities, and there have been significant delays in few cases.

According to the information and explanations given to us, except for Rs. 92,59,464/- on account of Goods and Service Tax, Rs. 3,73,80,334/- on account of Dividend distribution tax, Rs. 87,78,981/- on account of Income-tax, Rs. 2,85,45,322/- on account of Value added tax ,Rs. 1,10,32,537/- on account of service tax, Rs. 2,39,647 on account of Provident Fund, no undisputed amounts payable in respect of Profession tax, Customs duty and other material statutory dues were in arrears as at 31 March 2020 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 31 March, 2020:

Name of statute	**Nature of the Dues**	**Amount (Rs.)**	**Period to which the amount related**	**Forum where dispute is pending**
Income Tax Act, 1961	Income tax	60,38,750	A.Y. 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	TDS	97,14,759	A.Y. 2009-10 to A.Y. 2014-15	Assessing Officer / As per Traces

(viii) In According to the information and explanations given to us, *except for Rs.2,44,43,772/- on account of interest and principal payable to a financial institution and Rs. 1,49,694/- on account of interest and principal payable to banks, the company has not defaulted in repayment of dues to banks and financial institution. The Company has extended the date of redemption of Non-Convertible Debentures by two year which is due on 3rd April, 2019 onwards, however same is under dispute refer note 2 of Basis for Qualified Opinion. The Company does not have any loan or borrowings from the government during the year.*

(ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or term loan or further public offer (including debt instruments) during the year.

(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.

(xi) According to the information and explanation given to us and based on our examination of the records, the Company has not paid/provided for managerial remuneration. Therefore, paragraph 3 (xi) of the Order is not applicable.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company;

(xiii) According to information and explanations given us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act wherever applicable and the details have been disclosed in the IndAS Financial Statements etc., 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 information and explanations given to us and based on our examination of records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly 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. Accordingly paragraph 3 (xvi) of the Order is not applicable;

For GMJ & Co.
Chartered Accountants
Firm Registration Number: 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
M. No. 039070

UDIN: 20039070AAAAEZ6020

Place: Mumbai
Date : 30th June 2020

"ANNEXURE B"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Satra Properties (India) Limited** ("the Company") as of 31 March, 2020 in conjunction with our audit of the Ind AS 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 auditors' judgment, including the assessment of the risks of material misstatement of the IndAS 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.

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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 Ind AS 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 Ind AS 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, to the best of our information and according to the explanations given to us, 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 31st March, 2020, 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

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
M. No. 039070

UDIN: 20039070AAAAEZ6020

Place: Mumbai
Date : 30th June 2020

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(Amount in INR Lakhs)

Particulars	Notes	March 31, 2020	March 31, 2019
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	41.55	93.55
(b) Financial assets			
(i) Investments	5	0.62	10,854.02
(c) Other non-current assets	10	472.48	430.36
		514.65	**11,377.93**
Current assets			
(a) Inventories	6	20,313.92	22,401.75
(b) Financial assets			
(i) Trade receivables	7	1,393.10	1,893.32
(ii) Cash and cash equivalents	8	541.21	20.60
(iii) Bank balances other than (ii) above	9	9.90	15.06
(iv) Loans	5	1,469.33	1,773.85
(v) Other financial assets	5	4,848.79	3,920.44
(c) Other current assets	10	1,143.68	615.74
		29,719.93	**30,640.77**
TOTAL		**30,234.58**	**42,018.70**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	3,567.16	3,567.16
(b) Other equity	13	2,636.70	877.25
		6,203.86	**4,444.41**
Liabilities			
Non Current Liabilities			
Provisions	18	12.25	28.20
		12.25	**28.20**
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	8,756.27	20,460.24
(ii) Trade payables	16		
Micro, Small and Medium Enterprises		-	-
Others		2,901.10	3,306.84
(iii) Other financial liabilities	15	8,336.34	9,077.76
(b) Other current liabilities	17	3,872.15	4,550.10
(c) Provisions	18	101.10	103.48
(d) Current tax liabilities (Net)	19	51.52	47.68
		24,018.47	**37,546.09**
TOTAL		**30,234.58**	**42,018.70**

Significant accounting policies and notes forming part of the financial statements 1 to 41

As per our report of even date attached

For GMJ & Co
Chartered Accountants
Firm Registration No. 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
Membership No. 039070

UDIN:20039070AAAAEZ6020

Place: Mumbai
Date: June 30, 2020

For and on behalf of the Board of Directors
Satra Properties (India) Limited

Praful N. Satra
Chairman and Managing Director
(DIN : 00053900)

Kamlesh B. Limbachiya
Director
(DIN : 07256660)

Manish B. Jakhmola
Chief Financial Officer

Anusha Singhi
Company Secretary

Place: Mumbai
Date: June 30, 2020

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in INR Lakhs)

Particulars	Notes	2019-20	2018-19
REVENUE			
Revenue from operations (net)	20	2,524.69	3,315.42
Other income	21	12,530.83	314.45
Total revenue (I)		**15,055.52**	**3,629.86**
EXPENSES			
Cost of construction	22	2,456.77	3,269.56
Employee benefits expense	23	99.70	152.64
Finance costs	24	7,059.87	13.52
Depreciation expense	25	14.70	21.78
Other expenses	26	3,689.77	196.20
Total expenses (II)		**13,320.81**	**3,653.70**
Profit/(loss) before tax (I-II)		**1,734.71**	**(23.83)**
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax		-	-
Profit/(loss) for the year		**1,734.71**	**(23.83)**

OTHER COMPREHENSIVE INCOME			
A. Other comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		24.74	22.55
Income tax effect		-	-
B. Other comprehensive income to be reclassified to profit and loss in subsequent periods:		-	-
Other comprehensive income for the year, net of tax		24.74	22.55
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**1,759.45**	**(1.28)**

Earnings per share for profit attributable to equity shareholders	27		
Basic and diluted EPS		0.97	(0.01)

Significant accounting policies and notes forming part of the financial statements — 1 to 41

As per our report of even date attached

For GMJ & Co
Chartered Accountants
Firm Registration No. 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
Membership No. 039070

UDIN:20039070AAAAEZ6020

Place: Mumbai
Date: June 30, 2020

For and on behalf of the Board of Directors
Satra Properties (India) Limited

Praful N. Satra
Chairman and Managing Director
(DIN : 00053900)

Kamlesh B. Limbachiya
Director
(DIN : 07256660)

Manish R. Jakhmola
Chief Financial Officer

Anusha Singhi
Company Secretary

Place: Mumbai
Date: June 30, 2020

SATRA PROPERTIES (INDIA) LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
CASH FLOWS FROM OPERATING ACTIVITIES:		-
Profit/(Loss) before income tax	1,734.71	(23.83)
Adjustments for:		
Depreciation and amortisation expense	23.25	33.35
Financial guarantee	-	243.80
Interest income classified as investing cash flows	(299.51)	(536.04)
Loss/disposal on sale of Fixed Assets	24.00	-
Profit on sale of Investment	(12,230.84)	-
Finance costs	6,971.14	(134.10)
Allowance for loss on trade receivables and other advances	12.97	(23.62)
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	487.25	2,466.23
(Increase)/Decrease in inventories	2,087.83	(4,508.15)
Increase/(decrease) in trade payables	(405.74)	(295.02)
(Increase) in other financial assets	(1,035.84)	(431.18)
(Increase)/decrease in other assets	(468.54)	(235.70)
Increase/(decrease) in provisions	6.41	1.09
(Increase)/decrease in other bank balances	5.16	0.13
Increase/(decrease) in other financial liabilities	(508.71)	1,549.43
Increase/(decrease) in other liabilities	(674.11)	1,078.00
Cash generated from operations	**(4,270.57)**	**(815.59)**
Less: Income taxes paid	(42.12)	(34.16)
Net cash inflow from operating activities	**(4,312.69)**	**(849.75)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	-	(9.52)
Sale of property, plant and equipment	4.75	-
Loans to employees and related parties and others	352.63	1,236.22
Sale of Investement	4,549.12	16.40
Interest received	299.51	536.04
Net cash outflow from investing activities	**5,206.01**	**1,779.14**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	-	208.39
Repayment of borrowings	(351.91)	(1,717.62)
Interest paid	(20.80)	(46.07)
Net cash inflow (outflow) from financing activities	**(372.71)**	**(1,555.30)**
Net increase (decrease) in cash and cash equivalents	520.61	(625.91)
Cash and cash equivalents at the beginning of the financial year	20.60	646.51
Cash and cash equivalents at end of the year	**541.21**	**20.60**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	535.25	6.28
Cash on hand	5.96	14.32
Balances per statement of cash flows	**541.21**	**20.60**

Note:
The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.

Significant accounting policies and notes forming part of the financial statements 1 to 41

As per our report of even date attached

For GMJ & Co
Chartered Accountants
Firm Registration No. 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
Membership No. 039070

UDIN:20039070AAAAEZ6020

Place: Mumbai
Date: June 30, 2020

For and on behalf of the Board of Directors

Praful N. Satra
Chairman and Managing Director
(DIN : 00053900)

Kamlesh B. Limbachiya
Director
(DIN : 07256660)

Manish R. Jakhmola
Chief Financial Officer

Anusha Singhi
Company Secretary

Place: Mumbai
Date: June 30, 2020

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A Equity Share Capital

(Amount in INR Lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2019			
Numbers	1,784	-	1,784
Amount	3,567.16	-	3,567.16
March 31, 2020			
Numbers	1,784	-	1,784
Amount	3,567.16	-	3,567.16

B Other Equity

(Amount in INR Lakhs)

	Reserves and Surplus						
Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Debenture Redemption Reserve	Capital Redemption reserve	Retained Earnings	Total
As at March 31, 2018	217.96	1,624.00	1,549.17	1,082.50	740.00	(4,314.60)	899.04
Profit for the year	-	-	-	-	-	(23.83)	(23.83)
Other comprehensive income	-	-	-	-	-	22.55	22.55
Total comprehensive income for the year	-	-	-	-		(1.28)	(1.28)
Other Adjustments (refer Note 42)	-	-	-	-	-	(20.50)	(20.50)
Transfer to debenture redemption reserve	-	-			-	-	-
As at March 31, 2019	217.96	1,624.00	1,549.17	1,082.50	740.00	(4,336.38)	877.25
Profit for the year	-	-	-	-	-	1,734.71	1,734.71
Other comprehensive income	-	-	-	-	-	24.74	24.74
Total comprehensive income for the year	-	-	-	-	-	1,759.45	1,759.45
Other Adjustments						-	-
As at March 31, 2020	217.96	1,624.00	1,549.17	1,082.50	740.00	(2,576.93)	2,636.70

Significant accounting policies and notes forming part of the financial statements — 1 to 41

As per our report of even date attached

For GMJ & Co
Chartered Accountants
Firm Registration No. 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
Membership No. 039070

UDIN:20039070AAAAEZ6020

Place: Mumbai
Date: June 30, 2020

For and on behalf of the Board of Directors
Satra Properties (India) Limited

Praful N. Satra
Chairman and Managing Director
(DIN : 00053900)

Kamlesh B. Limbachiya
Director
(DIN : 07256660)

Manish R. Jakhmola
Chief Financial Officer

Anusha Singhi
Company Secretary

Place: Mumbai
Date: June 30, 2020

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1 Corporate information

These statements comprise financial statements of Satra Properties (India) Limited (CIN: L65910MH1983PLC030083) for the year ended March 31, 2020. The company is a public company domiciled in India and is incorporated on May 30, 1983 under the provisions of the Companies Act applicable in India. Its shares are listed on BSE in India. The registered office of the company is located at Kalina Motor Works Compound, Near Air India Colony, Kalina Kurla Road, Kalina, Santacruz East, Mumbai -400029

The Company is principally engaged in the business of real estate development and trading in properties, transferable development rights and construction contracts. The financial statements were approved by the board of directors and authorised for issue on June 30, 2020.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Summary of significant accounting policies

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on written down value basis using the useful lives as prescribed under Schedule II to the Act. 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.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leashold land is amortised on a straight line basis over the balance period of lease.

The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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(c) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(d) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

Construction work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

Finished goods - Stock of Residential Flats: Valued at lower of cost and net realizable value.

Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

Land stock: Valued at lower of cost and net realizable value.

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.

Land

Advances paid by the Company to the seller/intermediary toward outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories/ construction work in progress.

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(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Non-monetory items that are measure based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction.

(f) 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. Revenue is measured at the fair value of the consideration received/receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company collects taxes such as sales tax/value added tax, service tax, GST etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

The application of IND AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects, which is now being recogniased at a point in time upon the company satisfying its Performance Obligation / receipt of Occupancy Certificate and/or the customer obtaining control of the underlying asset.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Recognition of revenue from real estate development

Revenue from trading activity, in property as well as Transferable Development Rights (TDR), is recognized when significant risk and rewards of the property/TDR are transferred to the buyer, as demonstrated by transfer of physical possession and transfer of the title in the property/TDR.

(ii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iii) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

(g) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(h) Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Classification and subsequent measurement: Financial assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

the entity's business model for managing the financial assets and
the contractual cash flow characteristics of the financial asset.

(i) Amortised cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair value through profit or loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

(i) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Equity investment in subsidiaries, joint venturesand associates

Investment in subsidiaries, joint ventures and associates are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(i) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(j) Employee benefits

(i) Short-term obligations

Liabilities for wages, salaries and bonus including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity,

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

(k) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(l) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(m) Segment reporting - Identification of segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(n) Cash dividend to equity holders of the company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

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MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

(o) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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 and non-current classification of assets and liabilities.

(q) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks having original maturity of three months or less which are subject to insignificant risk of changes in value.

(r) Cash flow statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

(s) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

3 Use of estimates and critical accounting judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of recognition of revenue, valuation of unbilled receivables, estimation of net realisable value of inventories, impairment of non current assets, valuation of deferred tax assets, provisions and contingent liabilities.

(i) Revenue recognition and valuation of unbilled revenue

The Company uses the percentage-of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

(ii) Estimation of net realizable value for inventory

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

(iii) Impairment of non - financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

(iv) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(v) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note above.

(vi) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits, if any and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

(Amount in INR Lakhs)

Particulars	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computer hardwares	Total
GROSS CARRYING VALUE						
As at March 31, 2018	60.68	52.87	35.43	5.60	12.17	166.74
Additions	9.52	-	-	-	-	9.52
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
As at March 31, 2019	70.20	52.87	35.43	5.60	12.17	176.26
Additions						
Disposals	0.04	26.50	0.52	0.58	1.12	28.75
Other adjustments						
As at March 31, 2020	70.16	26.37	34.91	5.02	11.05	147.50
ACCUMULATED DEPRECIATION/IMPAIRMENT						
As at March 31, 2018	23.95	3.55	9.40	3.15	9.27	49.32
Depreciation for the year	11.61	12.49	7.93	0.24	1.13	33.39
Deductions\Adjustments during the period	-	-	-	-	-	-
As at March 31, 2019	35.56	16.05	17.33	3.39	10.39	82.72
Depreciation for the year	7.92	9.54	5.05	0.52	0.22	23.25
Deductions\Adjustments during the period						
As at March 31, 2020	43.48	25.59	22.38	3.90	10.61	105.96
Net Carrying value as at March 31, 2020	26.68	0.78	12.53	1.12	0.43	41.55
Net Carrying value as at March 31, 2019	34.64	36.82	18.10	2.21	1.77	93.55

Note:

i. Property, plant and equipment given as collateral security against borrowings by the company

Refer to Note 35 for information on property, plant and equipment given as collateral security by the company

GMJ & CO.
MUMBAI
FRN NO. 103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

5. FINANCIAL ASSETS

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through profit and loss		
Unquoted		
Investments in equity instruments		
624 equity shares of The Cosmos Co-operative Bank Limited of INR 100 each (March 31, 2020: 624)	0.62	0.62
	0.62	**0.62**
(2) Investments carried at cost		
Unquoted		
Investments in equity instruments of subsidiaries		
(par value of INR 10 each fully paid-up, unless otherwise stated)		
NIL equity shares of Satra Buildcon Private Limited (March 31, 2019: 10,000)	-	1.00
NIL equity shares of Satra Infrastructure and Land Developers Private Limited (March 31, 2019: 40,000)	-	4.00
NIL equity shares of Satra Property Developers Private Limited (March 31, 2019: 14,603,900)	-	5,856.16
2,870 equity shares of Satra International Realtors Limited, UAE of AED 10,000 each (March 31, 2019: 2870)	-	4,992.23
	-	**10,853.40**
Total	**0.62**	**10,854.02**
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	0.62	10,854.02
Aggregate amount of impairment in the value of investments	-	-
Investments carried at fair value through profit and loss	**0.62**	**0.62**
Investments carried at cost	**-**	**10,853.40**
(B) LOANS		
Current		
Unsecured, considered good unless otherwise stated		
Loans to Related Parties	-	1,665.98
Loans to Other Parties	1,469.33	107.87
Total	**1,469.33**	**1,773.85**

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(C) OTHER FINANCIAL ASSETS		
Current		
Financial assets carried at amortised cost		
Unsecured, considered good unless otherwise stated		
Interest accrued on fixed deposits with banks	-	0.08
Interest accrued and due on loan		
Related parties	-	370.33
Other parties	587.79	190.61
Other Deposit	261.00	261.00
Other financial assets	4,000.00	3,098.42
Total	**4,848.79**	**3,920.44**

6. INVENTORIES

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
(Valued at lower of cost and net realisable value)		
Raw materials	-	80.64
Construction work-in-process	20,313.92	22,321.11
Total	**20,313.92**	**22,401.75**

7. TRADE RECEIVABLES

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Receivables from customers	1,393.10	1,269.05
Receivables from related parties	-	624.27
	1,393.10	**1,893.32**
Breakup of Security details		
Secured, considered good		
Unsecured, considered good	1,804.04	2,388.48
Which have significant increase in credit risk		
Doubtful	-	-
	1,804.04	**2,388.48**
Loss Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	410.94	495.16
Doubtful	-	-
	410.94	**495.16**
	1,393.10	**1,893.32**

Trade or other receivable due from directors or other officers of the company either severally or jointly with any other person amounted to NIL (Previous year NIL)

Trade or other receivable due from firms or companies respectively in which any director is a partner, a director or a member amounted to NIL (Previous year INR 624.26 Lakhs)

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

8. CASH AND CASH EQUIVALENTS

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balances with banks on current accounts	535.25	6.28
Cash on hand	5.96	14.32
Total	**541.21**	**20.60**

9. OTHER BANK BALANCES

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Earmarked balances with banks	9.90	10.21
Other deposits with banks	-	4.85
Total	**9.90**	**15.06**

10. OTHER ASSETS

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Payment of taxes (Net of provisions)	472.48	430.36
Total	**472.48**	**430.36**
Current		
Advances other than capital advances		
- Security deposits	25.63	13.60
- Advances to creditors	805.16	363.86
- Advances against purchase of property	276.75	217.35
- Staff advance	0.08	2.14
Others		
- Prepaid expenses	0.04	0.72
- Balances with statutory, Government authorities	36.02	15.06
- Other current assets	-	3.01
Total	**1,143.68**	**615.74**

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

11. INCOME TAX

Deferred Tax (Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Deferred tax relates to the following		
Temporary difference in carrying amount of property, plant and equipment	-	-
Temporary difference in carrying amount of instruments carried at amortised cost	-	-
Loss allowance on financial assets	-	-
Expenditure allowable on payment basis under Income Tax	-	-
Net Deferred Tax Assets / (Liabilities)	-	-

Movement in deferred tax liabilities/assets

Particulars	March 31, 2020	March 31, 2019
Opening balance as of March 31, 2019	-	-
Tax income/(expense) during the period recognised in profit or loss	-	-
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance as at March 31, 2020	-	-

Particulars	March 31, 2020	March 31, 2019
Unrecognised deferred tax assets		
Deductible temporary differences	150.06*	266.84*
Unrecognised tax losses	777.4*	694.33*

*Calculated using the effective tax rate of 22% applicable for the financial year 2019-20 .

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liablities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax lossses carried forward by the Company.

Major Components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are as follows:

i. Income tax recognised in profit or loss (Amount in INR Lakhs)

Particulars	2019-20	2018-19
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense recognised in profit or loss	-	-

ii. Income tax recognised in OCI

Particulars	2019-20	2018-19
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax expense recognised in OCI	-	-

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2020 and March 31, 2019

Particulars	2019-20	2018-19
Accounting profit before income tax	**1,734.71**	**(23.83)**
Enacted tax rate in India	25.17%	33.06%
Income tax on accounting profits	**436.59**	**(7.88)**
Tax Effect of		
Depreciation	(3.70)	(3.55)
Expenditure allowable on payment basis and other disallowances	(22.76)	42.55
Income not taxable under income tax	-	-
Losses carried forward to future years	(438.97)	(39.36)
Tax expense relating to earlier years	-	-
Other adjustements	28.83	8.23
Tax at effective income tax rate	-	-

GMJ & CO.
MUMBAI
FRN NO. 103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

12. SHARE CAPITAL

i. Authorised Share Capital

(Amount in INR Lakhs)

Particulars	Equity Share of INR 2 each		Preference Share of INR 10 each	
	Number	Amount	Number	Amount
At March 31, 2018	2,100	0.04	80	0.01
Increase/(decrease) during the year	-	-	-	-
At March 31, 2019	2,100	0.04	80	0.01
Increase/(decrease) during the year	-	-		
At March 31, 2020	**2,100**	**0.04**	**80**	**0.01**

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 2 each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors 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 to their shareholding.

ii. Issued capital

(Amount in INR Lakhs)

Particulars	Number	Amount
Equity shares of INR 2 each issued, subscribed and fully paid		
At March 31, 2018	1,784	3,567
Issued during the period	-	-
At March 31, 2019	1,784	3,567
Issued during the period	-	-
At March 31, 2020	**1,784**	**3,567**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% holding	Number	% holding
Equity shares of INR 2 each fully paid				
Praful N. Satra	46,739,831.00	26.21%	46,739,831.00	26.21%
India Infoline Finance Limited	32,497,723.00	18.22%	32,581,039.00	18.27%
Rushabh P. Satra	27,000,000	15.14%	27,000,000	15.14%
Vrutika P. Satra	15,500,000	8.69%	15,500,000	8.69%
Anil B. Mehta	8,782,858.00	4.92%	8,782,858.00	4.92%

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. Shares reserved for issue under options

None of the above shares are reserved for the issue under option/contract/commitments for sale of shares or disinvestment.

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

13. OTHER EQUITY

Reserves and surplus **(Amount in INR Lakhs)**

Particulars	March 31, 2020	March 31, 2019
Capital reserve	217.96	217.96
Securities premium reserve	1,624.00	1,624.00
General reserve	1,549.17	1,549.17
Retained earnings	(2,576.93)	(4,336.38)
Debenture redemption reserve	1,082.50	1,082.50
Capital redemption reserve	740.00	740.00
	2,636.70	**877.25**

(a) Capital reserve

	March 31, 2020	March 31, 2019
Opening balance	217.96	217.96
Add/(Less):	-	-
Closing balance	**217.96**	**217.96**

During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of amalgamation.

(b) Securities premium reserve

	March 31, 2020	March 31, 2019
Opening balance	1,624.00	1,624.00
Add/(Less):	-	-
Closing balance	**1,624.00**	**1,624.00**

Securities Premium reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Act.

(c) General reserve

	March 31, 2020	March 31, 2019
Opening balance	1,549.17	1,549.17
Add/(Less):	-	-
Closing balance	**1,549.17**	**1,549.17**

(d) Retained earnings

	March 31, 2020	March 31, 2019
Opening balance	(4,336.38)	(4,314.60)
Net Profit/(Loss) for the period	1,734.71	(23.83)
Add/(Less):		
Other Adjustments (refer Note 42)	-	(20.50)
Items of other comprehensive income directly recognised in retained earnings		
Remeasurement of post employment benefit obligation, net of tax	24.74	22.55
Closing balance	**(2,576.93)**	**(4,336.38)**

(e) Debenture redemption reserve (DRR)

	March 31, 2020	March 31, 2019
Opening balance	1,082.50	1,082.50
Add/(Less):	-	-
Closing balance	**1,082.50**	**1,082.50**

The Company had issued secured redeemable non convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.

(f) Capital redemption reserve (CRR)

	March 31, 2020	March 31, 2019
Opening balance	740.00	740.00
Add/(Less):	-	-
Closing balance	**740.00**	**740.00**

Represents reserve created during redemption of preference shares and it is a non distributable reserve.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

14. BORROWINGS

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current borrowings		
Secured		
(a) 4,330 Redeemable non-convertible debentures of INR 100,000 each (March 31, 2019 : 4,330)	4,330.00	4,330.00
(b) Term loans		
From banks	15.58	21.95
From others	467.88	10,453.92
Unsecured		
(c) Term loan from others	-	1,276.52
(d) Loans from other parties	3,912.76	4,179.40
(e) Loan from related parties	0.24	-
(f) Bank overdraft	29.80	198.45
Total	**8,756.27**	**20,460.24**

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Non Current Borrowings

Note : Borrowings

Particulars	March 31, 2020	March 31, 2019
Secured		
(a) 4,330, 9% Redeemable non-convertible debentures of INR 100,000 each (March 31, 2019 : 4,330) (Refer Note 1)	4,330.00	4,330.00

9% Redeemable non-convertible debentures of INR 1 Lakh each

Note 1 : Non convertible debentures (NCD) were secured against first equitable mortgage over the leasehold rights on plot at Jodhpur and charge over escrow account on receivables from the project situated at Jodhpur. The interest on NCD is 9% p.a. with 9 months compounding, payable at the time of redemption. The NCDs were redeemable from April 2019 to December 2019. However according to the company the same has been settled on account of agreed understanding recorded in minutes of meeting dated 31st January,2018 (And various subsequent meetings & events) between Satra Group, IIFL Group & MJS Group. The matter is in dispute & subjudice.

Particulars	March 31, 2020	March 31, 2019
Secured		
(b) Term loans		
From banks (Refer Note 2)	15.58	21.95
From other parties (Refer note 3 to 5)	467.88	10,453.92

Note 2: Term Loan of INR 15.58 lakhs (March 31, 2019: 21.95 lakhs) Includes loans against Vehicle and Plant and Machinary (2 nos.) are secured by hypothecation of the respective vehicle and equipment purchased. The loans are repayable in equated monthly installments of Rs.1.60 lakhs for all loan beginning from the month subsequent to the taking of the loan. The last installment for the loans are due in December 2023.

Note 3: Term loan of INR 6,000 Lakhs (March 31, 2019: 6,000 Lakhs) was secured by way of first and exclusive charge on unsold units / flats in project situated at Borivali along with receivables, pari passu charge on land and receivables from project at Kalina. Also over specific unsold units and receivables from specific sold / unsold units in the project at Vashi. The loan carried an interest rate of 22% p.a. and was repayable in 4 equal quarterly installments of INR 1,825 Lakhs.

Term Loan of INR 4,000 lakhs (March 31, 2019: 4,000 lakhs) was secured by way of first and exclusive charge on unsold units / flats in project situated at Borivali along with receivables, pari passu charge on land and receivables from project at Kalina. Also over specific unsold units and receivables from specific sold / unsold units in the project at Vashi. The loan carried an interest rate of 20% p.a. and was repayable in 8 equal quarterly installments Rs.597.59 lakh.

As per consent terms dated 08.08.2019 executed between company and IIFL Group, the terms and conditions for repayment of interest along with principal was revised. Further as per deed of security dated 20.03.2020, the company has during the year ended March 31, 2020, considered the amount of the Loan and Interest of "IIFL GROUP" amounting to Rs.185.35 Cr as a part of consideration against the sale of share of subsidiary (Satra Property Developers Private Limited) .

Note 4: Term Loan of INR 467.88 lakhs (March 31, 2019: INR 453.92 lakhs) is secured by way of charge over specific units admeasuring 8,392 Sq.feet in the project "Satra Plaaza" being constructed on a leasehold commercial plot of land situated at Jodhpur. The loan carries an interest rate of 24% p.a. (monthly reducing on closing balance and is repayable in 60 equated monthly installments of INR 14.38 lakhs starting from September 2018 on the 15th day of every month and last installment due on September 2023.

Note 5: All the above term loans and the debentures are secured by personal guarantees of director of the Company.

Particulars	March 31, 2020	March 31, 2019
Unsecured		
(c) Term loan from others (Refer Note 4)	-	1,276.52
(d) Loans from other parties (Refer Note 5)	3,912.76	4,179.40
(e) Loan from related parties (Refer Note 30)	0.24	-
(f) Bank overdraft (Refer Note 7)	29.80	198.45

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Note 6: All unsecured loans are repayable on demand and carrying interest rates ranging upto 15% p.a.

Note 7: Bank overdraft of INR 29.80 lakhs (March 31, 2019 : INR 198.45 lakh) carries an interest rate of base rate plus 2.90% to 3.00% p.a.

The carrying amounts of financial and non-financial assets pledge as security for current and non current borrowings are disclosed in Note 35

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods specified :

(Amount in INR Lakhs)

Particulars	Liabilities from financing activities
	Current Borrowings
Net debt as at March 31, 2018	**25,065.24**
Cash inflows	240.95
Cash outflows	(1,717.62)
Interest expense	(166.24)
Interest paid	(46.07)
Other adjustments	(0.42)
Net debt as at March 31, 2019	**23,375.84**
Cash inflows	322.73
Cash outflows	(767.12)
Interest expense	319.67
Interest paid	(22.58)
Other adjustments	(11,917.75)
Net debt as at March 31, 2020	**11,310.79**

Amount and period of default in repayment of borrowings

	March 31, 2020		March 31, 2019	
	Amount	Period of Default	Amount	Period of Default
Principal				
Secured term loan from banks	1.18	270 Days	-	-
Secured term loan from others	85.65	351 Days	61.51	320 Days
Interest payable				
Secured term loan from banks	0.32	270 Days	-	-
Secured term loan from others	158.79	351 Days	86.90	320 Days

15. OTHER FINANCIAL LIABILITIES

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Financial liabilities at amortised cost		
- Others	1,036.88	1,239.02
Interest accrued but not due on borrowings	1,517.64	1,676.58
Unpaid dividends *	9.76	10.06
Employee dues payable	139.00	117.81
Refundable advances	4,008.00	4,013.00
Other deposits	-	219.94
Other payables	1,625.06	1,801.36
	8,336.34	**9,077.76**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

16. TRADE PAYABLES

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Trade payables to Micro, Small and Medium Enterprises (Refer Note 36)		-
Trade payables to others	2,901.10	3,306.84
Total	**2,901.10**	**3,306.84**

17. OTHER LIABILITIES

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Advance received from customers	2,913.58	3,727.78
Statutory liabilities *	571.73	461.56
Tax on dividend	386.84	360.76
Total	**3,872.15**	**4,550.10**

* includes provision on account of tax deducted at source , GST,value added tax, service tax etc.

18. PROVISIONS

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Provision for employee benefits		
Gratuity (Refer Note 28)	12.25	28.20
Total	**12.25**	**28.20**
Current		
Provision for employee benefits		
Gratuity (Refer Note 28)	1.10	3.48
Provision for others	100.00	100.00
Total	**101.10**	**103.48**

19. CURRENT TAX LIABILITY(NET)

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	47.68	43.84
Add: Current tax payable for the year	3.84	3.84
Less: Taxes paid		-
Closing Balance	**51.52**	**47.68**

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

20. REVENUE FROM OPERATIONS

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Revenue from sale of properties	2,524.69	2,809.26
Revenue from work contract	-	506.15
	2,524.69	**3,315.42**

21. OTHER INCOME

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Interest income on		
Bank fixed deposits	-	0.29
Other financial assets at amortised cost	299.51	535.75
Dividend income	-	0.01
Brokerage Income	-	14.00
Other non operating income		
Financial guarantee income	-	(243.80)
Net gain on sale of Investments	12,230.84	8.20
Profit on Sale of Fixed Assets	0.02	-
Foreign exchange gain	0.46	-
	12,530.83	**314.45**

22. COST OF CONSTRUCTION

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Opening inventory		
Material at site	80.64	104.61
Construction work-in-progress	22,321.11	17,789.00
	22,401.75	**17,893.61**
Incurred during the year		
Development rights / land cost	-	20.69
Professional and legal fees	113.32	40.96
Civil, electrical and contracting	168.85	7,634.49
Depreciation and amortisation	8.55	11.57
Administrative and other expenses	63.73	49.80
Selling & Marketing exp	14.24	-
Repairs and Maintenance	0.25	-
Compensation paid	-	17.00
Statutory Dues	-	3.18
	368.94	**7,777.70**
Closing inventory		
Material at site	-	80.64
Construction work-in-progress	20,313.92	22,321.11
	20,313.92	**22,401.75**
Net Cost of construction	**2,456.77**	**3,269.56**

23. EMPLOYEE BENEFITS EXPENSE

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Salaries, wages and bonus	87.92	120.43
Contribution to provident and other funds	3.99	6.90
Staff welfare expenses	1.38	1.66
Gratuity Expense	6.41	23.64
	99.70	**152.64**

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

24. FINANCE COST

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Interest expense on debts and borrowings	6,971.14	(134.10)
Interest on delayed payment of trade payables	0.09	-
Interest on delayed payment of statutory dues	87.70	147.39
Other borrowing costs		
Processing charges	0.94	0.23
	7,059.87	**13.52**

25. DEPRECIATION EXPENSE

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Depreciation on tangible assets	14.70	21.78
	14.70	**21.78**

26. OTHER EXPENSES

(Amount in INR Lakhs)

Particulars	2019-20	2018-19
Electric power, fuel and water	10.47	12.07
Repairs and maintenance	1.38	4.12
Advertisement	9.90	2.50
Payments to auditors (Refer note below)	10.50	6.54
Loand and Advance balances written off	3,356.78	-
Insurance	0.14	2.40
Legal and professional fees	41.74	95.93
Loss/disposal on sale of fixed assets	24.00	-
Rates and taxes	24.12	42.45
Rent	0.16	-
Printing and stationary	1.98	3.52
Telephone and internet expenses	1.52	1.98
Allowance for doubtful debts and advances	(12.97)	23.62
Director's sitting fees	0.50	2.63
Foreign exchange fluctuation loss	-	0.34
Donation	0.60	
Miscellaneous expenses	218.95	(1.90)
Total	**3,689.77**	**196.19**

(a) Details of Payments to auditors

(Amount in INR Lakhs)

	2019-20	2018-19
As auditor		
Statutory audit fee	1.25	2.36
Tax audit fee and Others	5.50	1.18
Limited review fee	3.75	3.00
	10.50	**6.54**

27. EARNINGS PER SHARE

(Amount in INR Lakhs)

Particulars	March 31, 2020	March 31, 2019
(a) Basic and diluted earnings per share (INR)	0.97	(0.01)
(b) Nominal Value per share (INR)	2.00	2.00
(c) Reconciliations of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	1,734.71	(23.83)
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,784	1,784

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

28. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR Lakhs)

	March 31, 2020			March 31, 2019		
	Current	Non Current	Total	Current	Non Current	Total
Gratuity	1.10	12.25	**13.35**	3.48	28.20	**31.68**
Total employee benefit obligation	**1.10**	**12.25**	**13.35**	**3.48**	**28.20**	**31.68**

(ii) Post employement obligations

a) Defined Benefit plan - Gratuity

The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination/death is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is an **unfunded plan.**

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

	Present value of obligation
As at March 31, 2018	**30.59**
Current service cost	4.11
Interest expense/(income)	2.35
Past service cost -(vested benefits)	-
Total amount recognised in profit or loss	**6.45**
Remeasurements	
(Gain)/Loss from change in financial assumptions	0.10
Experience (gains)/losses	(5.46)
Total amount recognised in other comprehensive income	**(5.36)**
As at March 31, 2019	**31.68**
Current service cost	3.99
Interest expense/(income)	2.42
Total amount recognised in profit or loss	**6.41**
Remeasurements	
(Gain)/Loss from change in financial assumptions	1.11
Experience (gains)/losses	(25.85)
Total amount recognised in other comprehensive income	**(24.74)**
Employer contributions	
Benefit payments	
As at March 31, 2020	**13.35**

The significant actuarial assumptions were as follows:

	March 31, 2020	March 31, 2019
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	6.80%	7.64%
Rate of increase in compensation	6.00%	6.00%
Expected average remaining service	13.38	13.41
Retirement age	58 Years	58 Years
Employee attrition rate	2% for all Ages	2% for all Ages

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:

Assumptions	Discount rate		Salary Escalation rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
March 31, 2020				
Impact on defined benefit obligation	(1.30)	1.53	1.50	(1.31)
% Impact	-9.75%	11.43%	11.26%	-9.78%
March 31, 2019				
Impact on defined benefit obligation	(2.97)	3.49	2.92	(2.81)
% Impact	-9.37%	11.01%	9.22%	-8.88%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The following are the expected payout in future years:

(Amount in INR Lakhs)

	March 31, 2020	March 31, 2019
Expected Payout Year one	1.10	5.29
Expected Payout Year two	0.34	0.78
Expected Payout Year three	2.31	0.83
Expected Payout Year four	0.30	2.69
Expected Payout Year five	0.32	0.87
Expected Payout Year six to ten	1.86	12.08
Total expected payments	**6.24**	**22.54**

The average duration of the defined benefit plan obligation at the end of the reporting period is 11.24 years (March 31, 2019: 13.41 years)

b) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the period towards defined contribution plan is INR 2.68 Lakhs (March 31, 2019: INR 5.26 Lakhs).

29. CONTINGENCIES

(Amount in INR Lakhs)

A. Contingent liabilities	March 31, 2020	March 31, 2019
Claim against the company not acknowledged as debt		
Income tax liabilities under dispute	157.54	109.42

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

30. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Country of Incorporation
Subsidiaries	
Satra Property Developers Private Limited (Upto 10 oct ,2019)	India
Satra Buildcon Private Limited (Upto 08th August,2019)	India
Carari Impex Private Limited (Formerly known as Satra Infrastructure and Land Developers Private Limited) (Up to 16th Oct ,2019)	India
Satra International Private Limited (Upto 5th Feb,2020)	UAE

Key managerial personnel and Relatives
Praful N. Satra-Chairman and Managing Director
Vishal R. Karia, Independent Director
Sheetal D. Ghatalia, Independent Director (Upto 4th Feb,2020)
Kamlesh B. Limbachiya, Independent Director
Minaxi Satra-Relative of KMP
Rushabh Satra-Relative of KMP
Rubina K. Kalyani, Non Executive Director
Sahara A Murad (with effect from 30.11.2019)
Anusha Singi, Company Secretary (with effect from 30.11.2019)
Manish R. Jakhmola, Chief Financial Officer

Entities over which key managerial personnel or their relatives exercises significant influence:
Prime Developers
Satra Estate Development Private Limited
VR2 Land Development Private Limited (Foremerly known as Satra Land Development Private Limited)
Satra Retail Pvt ltd

(ii) Transactions with related parties
The following transactions occurred with related parties

(Amount in **INR Lakhs**)

Name	Nature of Transaction	March 31, 2020	March 31, 2019
Praful N. Satra	Sale of Investment	-	4.00
	Loan taken	110.39	
Minaxi Satra	Services received (excluding taxes)	-	9.09
	Loan taken	121.67	-
Rushabh Satra	Services received (excluding taxes)	-	14.70
	Sale of Investment	-	4.00
Manish R. Jakhmola, Chief Financial Officer	Remuneration to KMP	5.75	-
Anusha Singi	Remuneration to KMP	2.58	-
Satra Property Developers Private Limited	Loans given	96.87	245.28
	Interest income	75.91	85.06
	Services provided (excluding taxes)	8.50	153.00
Satra Estate Development Private Limited	Loans given	-	2.50
	Interest income	1.86	6.03
	Services received (excluding taxes)	-	12.02
Carari Impex Private Limited (Formerly known as Satra Infrastructure and Land Developers Private Limited)	Loans given	4.50	-
	Interest income	9.45	9.91
	Services received (excluding taxes)	-	10.73
VR2 Land Development Private Limited (Foremerly known as Satra Land Development Private Limited)	Services received (excluding taxes)	21.07	-
	Deposit Given	18.00	
Prime Developers	Advances given against property	4,000.00	-
Satra Retail Pvt Ltd	Sales of Assets	5.00	

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(iii) Outstanding balances

(Amount in INR Lakhs)

Name	March 31, 2020	March 31, 2019
Trade receivables		
Satra Property Developers Private Limited	234.58	226.08
Satra Retail Pvt Ltd	5.00	-
Advances given		
Prime Developers	4,000.00	-
Deposit payable		
Satra Buildcon Private Limited	-	3.74
Deposit Given		
VR2 Land Development Private Limited (Foremerly known as Satra Land Development Private Limited)	18.00	-

(iv) Loans to related parties

Name	Particulars	March 31, 2020	March 31, 2019
Satra Property Developers Private Limited	Beginning of the year	826.04	1,783.47
	Loans advanced	96.87	245.28
	Loan repayments received	(236.41)	(1,279.25)
	Interest charged	68.32	76.55
	Interest received		-
	End of the year	**754.82**	**826.04**
Satra Estate Development Private Limited	Beginning of the year	23.53	108.65
	Loans advanced	-	2.50
	Loan repayments received	(0.25)	(93.05)
	Interest charged	1.86	5.43
	Interest received	-	-
	End of the year	**25.14**	**23.53**
Carari Impex Private Limited (Formerly known as Satra Infrastructure and Land Developers Private Limited)	Beginning of the year	140.39	139.98
	Loans advanced	4.50	-
	Loan repayments received	-	(8.50)
	Interest charged	8.51	8.91
	Interest received	-	-
	End of the year	**153.40**	**140.39**

(iv) Loans from related parties

Name	Particulars	March 31, 2020	March 31, 2019
Praful N. Satra	Beginning of the year	-	-
	Loans taken	110.39	-
	Loan repaid	110.15	-
	End of the year	**0.24**	-
Minaxi Satra	Beginning of the year	-	-
	Loans taken	121.67	-
	Loan repaid	121.67	-
	End of the year	-	-

(v) Key management personnel compensation

	March 31, 2020	March 31, 2019
Short term employee benefits	-	-
Director Sitting Fees	0.50	2.63
Post-employment benefits*	-	-
Long term employee benefits*	-	-
	0.50	**2.63**

* The amounts of post employment benefits and long term employee benefits cannot be seperately identified from the composite amount adviced by the actuary/valuer.

(vi) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs as per the contractual terms. The Compay has given guarantee/security to the lenders of subsidiary companies amounting to INR NIL (March 31, 2019: INR NIL).

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

31. FAIR VALUE MEASUREMENTS

i. Financial instruments by category **(Amount in INR Lakhs)**

Particulars	Carrying Amount		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
FINANCIAL ASSETS				
Amortised cost				
Trade receivables	1,393.10	1,893.32	1,393.10	1,893.32
Loans	1,469.33	1,773.85	1,469.33	1,773.85
Cash and cash equivalents	541.21	20.60	541.21	20.60
Security deposits	-	-	-	-
Other bank balances	9.90	15.06	9.90	15.06
Other financial assets	4,848.79	3,920.44	4,848.79	3,920.44
FVTPL				
Investment in equity instruments	0.62	0.62	0.62	0.62
Total	**8,262.95**	**7,623.90**	**8,262.95**	**7,623.90**

FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	8,756.27	20,460.24	8,756.27	20,460.24
Trade payables	2,901.10	3,306.84	2,901.10	3,306.84
Other financial liabilities	8,336.34	9,077.76	8,336.34	9,077.76
Total	**19,993.71**	**32,844.85**	**19,993.71**	**32,844.85**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values security deposits and loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement

Level 1 -Hierarchy includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

ii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments is not significantly different from their carrying value and hence the management has considered their carrying amount as fair

iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

GMJ & CO.
MUMBAI
FRN NO.
103429W
CHARTERED ACCOUNTANTS

32. FINANCIAL RISK MANAGEMENT

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity/real estate risk.

(i) Foreign currency risk

Currency risk is not material as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The management is responsible for the monitoring of the Company' interest rate position. Various variables are considered by the management in strucutring the Company's borrowings to achieve a reasonable and competitive cost of funding.

However during the periods presented in the financial statements, the Company has primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not significantly exposed to interest rate risk.

(iii) Commodity/real estate price risk

The Company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

(B) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables/ unbilled revenue and other financial assets.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

With respect to trade receivables/ unbilled revenue, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss under simplified approach model suggested by Ind AS 109.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Reconciliation of loss allowance provision - Trade receivables

(Amount in INR Lakhs)

Particulars	
Loss allowance on March 31, 2018	1,288.59
Changes in loss allowance	(793.43)
Loss allowance on March 31, 2019	**495.16**
Changes in loss allowance	(84.22)
Loss allowance on March 31, 2020	**410.94**

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Other financial assets

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 6,869.23 Lakhs (March 31, 2019: INR 5,729.95 Lakhs). The 12 months expected credit loss and lifetime expected credit loss on these financial assets for the year ended March 31, 2020 is INR 185.30 Lakhs (March 31, 2019: INR 114.05 Lakhs).

Reconciliation of loss allowance provision - other financial assets

(Amount in INR Lakhs)

Particulars	
Loss allowance on March 31, 2018	99.67
Changes in loss allowances due to changes in risk parameters	14.38
Loss allowance on March 31, 2019	114.05
Changes in loss allowances due to changes in risk parameters	71.26
Loss allowance on March 31, 2020	185.30

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

Contractual maturities of financial liabilities

(Amount in INR Lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2020				
Borrowings	8,756.27	1,579.24	7,177.03	-
Trade payables	2,901.10	2,901.10	-	-
Other financial liabilities	8,336.34	8,300.05	36.29	-
Total financial liabilities	19,993.71	12,780.39	7,213.32	-
March 31, 2019				
Borrowings	20,460.24	4,497.97	14,903.86	1,058.51
Trade payables	3,306.84	3,306.84	-	-
Other financial liabilities	9,077.76	9,077.76	-	-
Total financial liabilities	32,844.84	16,882.57	14,903.86	1,058.51

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

33. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in INR Lakhs)

	March 31, 2020	March 31, 2019
Borrowings	8,756.27	20,460.24
Trade payables	2,901.10	3,306.84
Other payables	8,336.34	9,077.76
Less: cash and cash equivalents and other bank balances	(551.11)	(35.66)
Net Debt	**19,442.60**	**32,809.18**
Equity share capital	3,567.16	3,567.16
Other equity	2,636.70	877.25
Total capital	**6,203.86**	**4,444.41**
Capital and net debt	**25,646.46**	**37,253.59**
Gearing ratio (%)	**75.81**	**88.07**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements.

34. SEGMENT REPORTING

The Company is exclusively engaged in the business of real estate development primarily in India. As per Ind AS 108 "Operating Segments" there are no reportable operating segment applicable to the Company.

35. ASSETS GIVEN AS COLLATERAL AGAINST BORROWING

The carrying amount of assets given as collateral against current and non current borrowings are: **(Amount in INR Lakhs)**

	March 31, 2020	March 31, 2019
CURRENT ASSETS		
i. Financial Assets		
Trade Receivables	40.26	29.00
ii. Non Financial Assets		
First Charge		
Inventories	20,286.48	22,292.19
Total current assets	**20,326.74**	**22,321.19**
NON CURRENT ASSETS		
Property, plant and equipment	27.33	36.99
Total non current assets	**27.33**	**36.99**

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

SATRA PROPERTIES (INDIA) LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in INR Lakhs)

36. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Particulars	March 31, 2020	March 31, 2019
Principal amount due to suppliers under MSMED Act, 2006	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the years ended and as at March 31, 2020 and March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

37. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

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.

38. During the year ended March 31,2020, Company has considered the amount of the Loan and Interest of "IIFL GROUP" amounting to Rs.185.35 Cr, which is no more payable as per the agreement entered into on 20th March, 2020, as a part of consideration against the sale of share of subsidiary (Satra Property Developers Private Limited).

39. During the year ended March 31, 2020, the Company has not made provision for interest amounting to, Rs.17.17 on loans from Mayank Shah Group (MJS group) including its associates entities on account of agreed understanding recorded in minutes of meeting dated January 31, 2018 (and various subsequent meetings and events) between Satra Group and MJS Group considering the same stand settled and no interest is payable. However currently, the matter is in dispute and is subjudice.

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

40. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable

41. Covid-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's construction site and offices had to be closed down for a considerable period of time, including after the yearend. As a result of the lockdown, the likely revenue from the month of March 2020 has been impacted. Continued lockdowns are likely to impact the Company operationally. The Company is monitoring the situation closely taking into account directives from the Governments. Management believes that it has taken into account all the possible impacts of known events arisingfrom COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of company's liquidity and going concern, recoverable values of its property/inventory, debtors and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity and in particular on the real estate industry, the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

Significant accounting policies and notes forming part 1 to 41

As per our report of even date attached

For GMJ & Co
Chartered Accountants
Firm Registration No. 103429W

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Haridas Bhat
Partner
Membership No. 039070

UDIN:20039070AAAAEZ6020

Place: Mumbai
Date: June 30, 2020

For and on behalf of the Board of Directors
Satra Properties (India) Limited

Praful N. Satra
Chairman and Managing Director
(DIN : 00053900)

Kamlesh B. Limbachiya
Director
(DIN : 07256660)

Manish R. Jakhmola
Chief Financial Officer

Anusha Singhi
Company Secretary

Place: Mumbai
Date: June 30, 2020