

INDEPENDENT AUDITORS' REPORT

To
The Members of
Satra Properties (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of Satra Properties (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act 2013 (the 'Act') with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We have conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Standalone financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid Standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) on the basis of written representations received from the directors as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
 - f) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and the best of our information and according to explanation given to us :
 - i. Company has disclosed the amount of pending litigations on its financial position in its Financial Statements which is in the nature of contingent liability being not required to be provided in the accounts.
 - ii. The Company does not anticipate any material foreseeable losses, on long- term contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For GMJ & Co.

Chartered Accountants

Firm's Regn. No. 103429W

CA Haridas Bhat

Partner

M. No. 039070

Mumbai

29th May, 2015



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT of Satra Properties (India) Limited

The Annexure referred to in our Independent Auditors' Report to the members of company on the standalone financial statement for the year ended 31 March 2015, in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of even date

We report that

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) The Fixed assets of the Company have been physically verified by the management which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies have been noticed on such verification.
- ii. a) In our opinion, physical verification of inventory lying with the company has been conducted at reasonable intervals by the management.

b) In our opinion, the procedures of physical verification of inventory followed by the management are adequate in relation to the size of the Company and the nature of its business.

c) The Company has maintained 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/from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

a) In the case of the loans granted to the bodies corporate, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, this paragraph is not applicable to the Company in respect of repayment of the principal amount.

b) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, Inventory and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- v. In our opinion, and according to the information and explanations given to us, the company has not accepted any deposits during the year under audit.
- vi. We have been informed by the company that the maintenance of cost record under section 148 (1) of the Act has not been prescribed by the Central Government.



- vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues of Wealth tax, Profession tax, Provident fund, Customs duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, except for dues in respect of Works contract tax, Service tax, Value added tax and Income-tax 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*. As explained to us, the Company did not have any dues on account of Employees' state insurance, Excise duty, cess and Investor education and Protection fund.

According to the information and explanations given to us, *except for Rs 134,26,028/- on account of Dividend distribution tax, Rs 157,15,389 on account of Income-tax, Rs 539,64,358 on account of Value added tax and Rs.18,25,000 on account of TDS*, no undisputed amounts payable in respect of Wealth tax, Profession tax, Customs duty, Provident fund, Works contract tax, Cess, Service tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, following dues have not been deposited with the concerned authorities on account of dispute as at 31st March, 2015

Name of the Statute	Nature of the Due	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	9,24,99,191	Asst. Yr. 2012-13	Assessing Officer / Commissioner of Income Tax (Appeals)
		6,90,02,060	Asst. Yr. 2011-12	Commissioner of Income Tax (Appeals)
		42,83,010	Asst. Yr. 2008-09	
		4,61,854	Asst. Yr. 2007-08	
		1,62,135	Asst. Yr. 2007-08	Assessing Officer
		3,26,038	Asst. Yr. 2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961	TDS	48,92,079	Asst. Yr. 2007-08 to Asst. Yr. 2015-16	Assessing Officer

- c) According to the information and explanations given to us, the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provision of the Act and rules there under has been transferred to such fund within time.

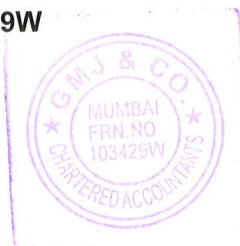
- viii. The company does not have any accumulated losses at the end of the financial year and has not incurred any cash loss during the financial year and in the immediately preceding financial year.



- ix. The Company has not defaulted in repayment of dues to bankers and debenture holders during the year under audit. The company had not taken loans from any financial institution during the year.
- x. In our opinion, in respect of the guarantee given by the company for the loans taken by others, the terms and conditions thereof are not, prima facie, prejudicial to the interest of the company.
- xi. In our opinion, the term loans have been used for the purpose for which the same were obtained.
- xii. According to the information and explanation given to us , no material fraud on or by the company has not been noticed or reported during the year nor we have been informed of any such case by the management that causes the financial statements to be materially misstated.

For GMJ & Co.
Chartered Accountants
Firm's Regn. No. 103429W


CA Haridas Bhat
Partner
M. No. 039070



Mumbai
29th May, 2015

Satra Properties (India) Limited

Balance sheet

as at 31st March 2015

(Currency: Indian Rupees)

	Notes	2015	2014
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	35,67,16,000	32,27,16,000
Reserves and surplus	4	70,88,27,231	65,68,02,853
Money received against share warrants	5	-	2,21,00,000
		1,06,55,43,231	1,00,16,18,853
NON - CURRENT LIABILITIES			
Long-term provisions	6	18,52,299	9,97,559
		18,52,299	9,97,559
CURRENT LIABILITIES			
Short-term borrowings	7	1,19,57,39,842	1,71,62,01,144
Trade payables	8	35,41,93,417	34,88,21,843
Other current liabilities	9	1,65,34,17,576	87,51,84,133
Short-term provisions	10	10,11,74,051	11,29,15,604
		3,30,45,24,886	3,05,31,22,724
TOTAL		4,37,19,20,416	4,05,57,39,136
ASSETS			
NON - CURRENT ASSETS			
Fixed assets			
-Tangible assets	11	38,43,187	81,27,459
Non-current investments	12	59,87,10,450	1,43,90,83,701
Deferred tax assets	13	65,94,977	61,51,916
Long-term loans and advances	14	1,45,63,469	1,45,63,469
		62,37,12,083	1,46,79,26,545
CURRENT ASSETS			
Inventories	15	1,41,61,01,474	43,21,04,791
Trade receivables	16	1,12,56,41,477	1,29,31,31,888
Cash and bank balances	17	1,80,28,370	2,47,71,850
Short-term loans and advances	18	89,03,27,563	53,74,47,075
Other current assets	19	29,81,09,449	30,03,56,987
		3,74,82,08,333	2,58,78,12,591
TOTAL		4,37,19,20,416	4,05,57,39,136
Significant accounting policies	2		
Notes to the financial statements	1-38		

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

As per our report of even date attached.

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

Haridas Bhat
Partner
Membership No.: 39070



Bhavesh V. Sanghavi
Chief Financial Officer

Mumbai
29 May 2015

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

Vidyadhar D.
Khadilkar
Director

Praful N. Satra
Chairman and
Managing Director

Manan Y. Udani
Company Secretary



Satra Properties (India) Limited

Statement of profit and loss

for the year ended 31st March 2015

(Currency: Indian Rupees)

	Notes	2015	2014
Income			
Revenue from operations	20	57,97,83,519	91,84,51,864
Other income	21	13,74,00,644	1,75,07,204
Total revenue		71,71,84,163	93,59,59,068
Expenses			
Cost of Construction	22	49,10,39,050	57,31,53,741
Employee benefits	23	98,87,819	96,50,327
Finance costs	24	15,14,29,223	23,63,47,121
Depreciation and amortisation	11	33,33,630	17,75,129
Other expenses	25	3,45,76,488	2,89,79,732
Total expenses		69,02,66,210	84,99,06,050
Profit before tax		2,69,17,953	8,60,53,018
Tax expenses:			
Current Tax		1,42,53,000	3,30,00,000
Prior year (credit)/charge		(4,72,031)	1,23,21,700
Deferred tax charge/(credit)		(59,758)	7,21,126
Profit after tax		1,31,96,742	4,00,10,192
Earnings per equity share (Rs.)	27		
Basic (face value of Rs. 2 per share)		0.08	0.25
Diluted (face value of Rs. 2 per share)		0.08	0.24

Significant accounting policies

2

Notes to the financial statements

1-38

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

As per our report of even date attached.

For GMJ & Co

Chartered Accountants

Firm Registration No.: 103429W

Haridas Bhat

Partner

Membership No.: 39070



Bhavesh V. Sanghavi
Chief Financial Officer

Mumbai
29 May 2015

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

Vidyadhar D.
Khadilkar
Director

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Chairman and
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Manan Y. Udani
Company Secretary

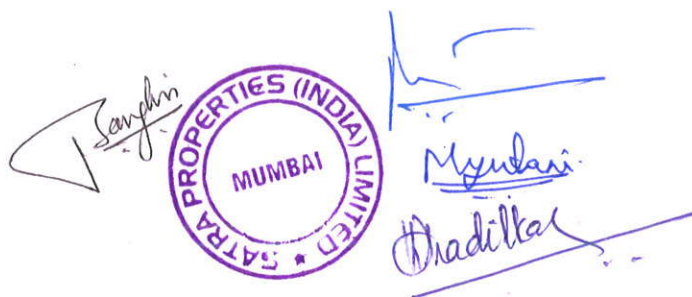
Satra Properties (India) Limited

Cash flow statement

for the year ended 31 March 2015

(Currency: Indian Rupees)

	2015	2014
A Cash flows from operating activities :		
Profit before tax	2,69,17,953	8,60,53,018
Adjusted for:		
Depreciation / amortisation	33,33,630	17,75,129
Dividend income	(7,488)	-
Loss/ (profit) on sale of fixed assets	(10,643)	3,63,328
Interest income	(67,46,659)	(1,04,75,391)
Finance costs	15,14,29,223	23,63,47,121
	<u>14,79,98,063</u>	<u>22,80,10,187</u>
Operating profit before working capital changes	17,49,16,016	31,40,63,205
Changes in working capital		
(Increase) / decrease in inventories	(4,87,10,649)	21,34,23,719
(Increase) / decrease in trade receivables	16,74,90,411	(12,41,90,907)
(Increase) / decrease in short-term loans and advances	(18,52,52,205)	(28,59,835)
(Increase) / decrease in long-term loans and advances	-	(73,84,201)
Increase / (decrease) in trade payables	53,71,574	5,12,35,880
Increase / (decrease) in long-term provisions	8,54,740	(1,91,647)
Increase / (decrease) in short-term provisions	63,192	1,44,66,437
Increase / (decrease) in other current liabilities	69,02,57,427	(18,92,54,033)
	<u>63,00,74,490</u>	<u>(4,47,54,587)</u>
Cash generated from operations	80,49,90,506	26,93,08,618
Taxes paid (net of refund)	(3,24,81,013)	(8,81,70,049)
Net cash generated from operating activities	77,25,09,493	18,11,38,569
B Cash flows from investing activities :		
Purchase of fixed assets	(10,83,941)	(16,32,079)
Proceeds from sale of fixed assets	40,000	14,50,735
Investment in equity shares of subsidiaries	(9,00,000)	-
Loans given	(19,86,10,551)	(28,12,00,000)
Loans repaid	3,09,82,268	42,15,22,301
Investment in fixed deposits (including earmarked balances)	64,76,176	(1,54,90,978)
Dividend received	7,488	-
Interest received	89,94,197	1,82,79,640
Net cash (used) by investing activities	(15,40,94,363)	14,29,29,619
C Cash flows from financing activities :		
Money received against share warrants	6,63,00,000	2,21,00,000
Redemption of preference shares	-	(7,40,00,000)
Repayment of long-term borrowings	-	(6,15,145)
Proceeds from short-term borrowings	75,90,77,720	3,29,26,25,077
Repayment of short-term borrowings	(1,27,95,39,023)	(3,33,12,39,198)
Dividend paid	(1,59,25,769)	(2,22,22,738)
Finance costs paid	(14,85,95,362)	(22,58,98,700)
Net cash (used) by financing activities	(61,86,82,434)	(33,92,50,704)
Net (decrease) / increase in cash and cash equivalents	(2,67,304)	(1,51,82,516)
Cash and cash equivalents, beginning of year	64,50,947	2,16,33,463
Cash and cash equivalents, end of year	<u>61,83,643</u>	<u>64,50,947</u>



Satra Properties (India) Limited

Cash flow statement

for the year ended 31 March 2015

(Currency: Indian Rupees)

	2015	2014
Components of cash and cash equivalents		
Cash on hand	15,39,058	5,87,566
Balances with banks		
-On current accounts	46,44,585	58,63,381
	61,83,643	64,50,947

Notes:

1. Cash flow statement has been prepared using the indirect method as prescribed in Accounting Standard -3

As per our report of even date attached.

For GMJ & Co

Chartered Accountants

Firm Registration No. 103429W

Haridas Bhat

Partner

Membership No.: 39070



Mumbai

29 May 2015

For and on behalf of the Board of Directors

Satra Properties (India) Limited

Bhavesh V. Sanghavi

Chief Financial Officer

Vidyadhar D.

Khadilkar

Director

Praful N. Satra

Chairman and
Managing Director



Mumbai

29 May 2015

Manan Y. Udani

Company Secretary

Satra Properties (India) Limited

Notes to the financial statements

for the year ended 31 March 2015

(Currency: Indian Rupees)

1 Company overview

The Company was incorporated on 30 May 1983 as Express Leasing Limited. The name of the Company was changed to Satra Properties (India) Limited ('the Company') on 8 December 2005. The Company is engaged in the business of real estate development and trading in properties, transferable development rights and construction contracts.

2 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed u/s 133 of Companies Act, 2013 (the Act) read with rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). 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 policies hitherto in use.

2.2 Current / Non-current classification

The assets and liabilities are classified into current or non-current.

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

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

All other assets are classified as non-current.

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

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.2 Current / Non-current classification (*Continued*)

Operating cycle

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

2.3 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.4 Fixed assets and depreciation / amortization and capital work-in-progress

Tangible assets

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

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

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

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

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.5 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Investments

Investments are classified into long-term investments and current investments. Investments that are intended to be held for one year or more are classified as long-term investments and investments that are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost of acquisition less permanent diminution in value.

Current investments are valued at lower of cost or fair value determined on individual investment basis.

2.7 Inventories

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

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

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.8 *Borrowing costs*

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

2.9 *Employee benefits*

(a) *Short-term employee benefits*

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and wages, leave salary etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

(b) *Post employment benefits*

Defined contribution plans:

The Company makes specified monthly contributions towards employee provident fund. The Company's contribution paid / payable under the schemes is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan:

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

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

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

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

Actuarial gains and losses are recognized immediately in the statement of profit and loss.



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.10 Revenue recognition

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

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

Revenue from constructions contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract.

Unbilled work-in-progress is valued at lower of cost and net realizable value upto the stage of completion. Cost includes direct material, labour cost and appropriate overheads.

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

Revenue 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.

In view of the nature of service rendered, revenue is recognized provided the consideration is reliably determinable and no significant uncertainty exists regarding the amount of consideration.

Interest income is recognized on time proportion basis.

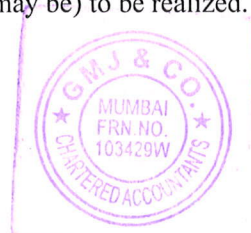
Dividend income is recognized when the right to receive dividend is established.

2.11 Taxation

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

Current tax provision is made annually based on the tax liability computed in accordance with the provisions of the Income-tax Act, 1961.

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.12 Foreign currency transactions

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

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

2.13 Operating lease

Lease rentals in respect of assets acquired on operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term.

2.14 Earnings per share (EPS)

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

2.15 Provisions and contingent liabilities

The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements.



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian Rupees)

3 Share capital

Authorised capital:

210,000,000 (2014: 210,000,000) equity shares of Rs 2 each

8,000,000 (2014: 8,000,000) 8% cumulative redeemable preference shares of Rs. 10 each

2015

2014

42,00,00,000

42,00,00,000

8,00,00,000

8,00,00,000

50,00,00,000

50,00,00,000

Issued, subscribed and paid up:

178,358,000 (2014: 161,358,000) equity shares of Rs 2 each, fully paid up

35,67,16,000

32,27,16,000

35,67,16,000

32,27,16,000

Sub-notes :

1 The reconciliation of the number of equity shares and preference shares outstanding as at the year end is set as below:

Equity shares	31 March 2015		31 March 2014	
	Number of equity shares (units)	Amount	Number of equity shares (units)	Amount
At the beginning and at the end of the year	16,13,58,000	32,27,16,000	16,13,58,000	32,27,16,000
Add: issued during the year [refer note 5(i)]	1,70,00,000	3,40,00,000	-	-
At the end of the year	17,83,58,000	35,67,16,000	16,13,58,000	32,27,16,000

Preference shares	31 March 2015		31 March 2014	
	Number of preference shares (units)	Amount	Number of preference shares (units)	Amount
At the beginning of the year	-	-	74,00,000	7,40,00,000
Less: redeemed during the year	-	-	74,00,000	7,40,00,000
At the end of the year	-	-	-	-

2 Rights, preferences and restrictions attached to shares

Equity shares :

The Company has only one class of equity shares having a face value of Rs 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. During the year ended 31 March 2015, the Company has proposed final dividend of Re. 0.10 per equity share (2014: final dividend of Re. 0.10 per equity share). 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.

Preference shares :

7,400,000 8% cumulative redeemable preference shares of Rs 10 each were redeemed on 2 February 2014.

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

Name of equity shareholder	31 March 2015		31 March 2014	
	No. of shares held	% of holding	No. of shares held	% of holding
Praful N. Satra	7,37,98,106	41.38	7,37,98,106	45.74
Minaxi P. Satra	3,75,37,356	21.05	3,75,37,356	23.26
Anil B. Mehta	91,54,450	5.13	91,54,450	5.67



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian Rupees)

	2015	2014
4 Reserves and surplus		
Capital reserve		
Reserve on amalgamation (at the commencement and end of the year)	2,17,96,437	2,17,96,437
Capital redemption reserve		
At the commencement of the year	7,40,00,000	-
Add : transferred during the year	-	7,40,00,000
At the end of the year	7,40,00,000	7,40,00,000
Securities premium reserve		
At the commencement of the year	10,80,00,000	10,80,00,000
Add : on issue of equity shares	5,44,00,000	-
At the end of the year	16,24,00,000	10,80,00,000
Debenture redemption reserve		
At the commencement of the year	4,00,00,000	8,90,00,000
Add : transferred during the year from surplus in statement of profit and loss	10,00,00,000	4,00,00,000
Less : transferred to general reserve	-	8,90,00,000
At the end of the year	14,00,00,000	4,00,00,000
General reserve		
At the commencement of the year	12,31,66,888	10,81,66,888
Add : transferred during the year	-	8,90,00,000
Less : transferred to capital redemption reserve	-	7,40,00,000
At the end of the year	12,31,66,888	12,31,66,888
Surplus in the statement of profit and loss		
At the commencement of the year	28,98,39,528	30,85,82,767
Less : adjustment relating to fixed assets [refer note 11(ii)]	(7,98,089)	-
Revised balance at the commencement of year	28,90,41,439	30,85,82,767
Add : profit for the year	1,31,96,742	4,00,10,192
	30,22,38,181	34,85,92,959
Less : appropriations		
Proposed dividend on equity shares	1,78,35,800	1,61,35,800
Tax on proposed dividend on equity shares	36,51,821	26,17,631
Dividend distribution tax adjustment	(67,13,346)	-
Transfer to debenture redemption reserve	10,00,00,000	4,00,00,000
Total appropriations	11,47,74,275	5,87,53,431
Net surplus in the statement of profit and loss	18,74,63,906	28,98,39,528
	70,88,27,231	65,68,02,853

5 Money received against share warrants

1,70,00,000 share warrants allotted with an option to convert into equivalent equity share

At the commencement of the year	2,21,00,000	-
Add: money received during the year	6,63,00,000	2,21,00,000
Less:- conversion into equivalent equity shares	(8,84,00,000)	-
	-	2,21,00,000

- (i) The Company had allotted 17,000,000 warrants of issue price of Rs. 5.20 each with an option to convert each warrant into one equity share of Nominal Value of Rs. 2 each at a price of Rs. 5.20 per share, including premium of Rs. 3.20 per share to the promoter group on preferential basis. The Company had received 25% of issue price in the last year and pursuant to receipt of balance 75% of the issue price upon the exercise of rights by the allottees, the share warrants are converted into equivalent equity shares.

6 Long-term provisions

Provision for employee benefits

Provision for gratuity [refer note 31]

18,52,299	9,97,559
18,52,299	9,97,559



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian Rupees)

	2015	2014
7 Short-term borrowings		
Secured borrowings		
5,600 (2014:3,850) redeemable non-convertible debentures of Rs 100,000 each [refer note 7(i) & 7(vii)]	56,00,00,000	38,50,00,000
From banks		
Bank overdraft [refer note 7(ii) & 7(vii)]	81,08,082	1,27,30,693
From others [refer note 7(iii), 7(iv), 7(vii) & 34(iv)]	31,03,79,000	60,11,68,090
Unsecured borrowings		
From related parties [refer note 32]	-	19,64,80,000
From others [refer note 7(v), 7(vi), 7(vii) & 7(viii)]	31,72,52,760	52,08,22,361
	1,19,57,39,842	1,71,62,01,144

Notes:

A Details of security on loans

- (i) Non Convertible Debentures (NCD) are 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 debentures is 18% p.a. with 9 months compounding, payable at the time of redemption. The NCD is redeemable from April 2016 to December 2016.
- (ii) Bank overdraft of Rs 0.81 crores (2014 : Rs 1.27 crores) is secured against fixed deposits and interest rate is bank rate plus 2%.
- (iii) Rs. Nil (2014 : Rs 27.61 crores) was secured against registered mortgage on land at Kalina, Mumbai alongwith charge on Escrow account of receivables of other projects. Further, unsold units of two other projects have been mortgaged. The loan carried an interest rate of 24% p.a. and was fully repayable on or before 30 September 2014.
- (iv) Term Loan of Rs.31.04 crores is 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 carries an interest rate of 19% p.a. and is repayable in 4 equal quarterly installment of Rs.8.125 crores starting from May 2015.
- (v) Rs 0.65 crore (2014 : 0.65 crore) term loan carries an interest rate of 19% p.a. which is payable in lump sum by 7 September 2015.
- (vi) Term loan of Rs 10.76 crores carries an interest rate of 18% p.a. and is secured by personal assets of directors/ shareholders. The term loan is repayable in equated monthly instalment of Rs. 72,30,479 (including interest) starting from April 2016. The last installment is due by March 2018.
- (vii) All the above term loans, bank overdraft and the debentures are secured by personal guarantees of director/shareholders of the Company.
- (viii) Unsecured loans are repayable on demand and carrying interest rates ranging between 12 % p.a. to 18% p.a.

8 Trade payables

Dues to micro, small and medium enterprises [refer note 33]
Others

	-	-
	35,41,93,417	34,88,21,843
	35,41,93,417	34,88,21,843



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian Rupees)

9 Other current liabilities

Interest accrued but not due on borrowings

- term loan
- debentures

Interest accrued and due on borrowings

- term loans
- unsecured loans

Unpaid dividend *

Other payables

- advance received from customer
- refundable advances
- statutory dues payable**
- employee benefits payable
- interest free deposits [refer note 32]
- other liabilities

2015

2014

-	94,628
9,34,43,870	44,70,411
1,33,81,223	2,44,08,392
16,03,92,901	15,70,77,864
5,11,557	3,01,526
21,89,57,242	8,63,95,570
33,92,27,015	43,74,98,214
9,45,82,835	8,55,40,578
19,89,209	23,33,913
68,85,00,000	75,00,000
4,24,31,724	6,95,63,037
1,65,34,17,576	87,51,84,133

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

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

10 Short-term provisions

Provision for employee benefits

Provision for gratuity [refer note 31]

1,56,011	82,940
1,56,011	82,940

Other provisions

Provision for taxation [net of advance tax and tax deducted at source Rs. 115,146,733 (2014:Rs.82,665,720)]

Provision for wealth tax

Proposed dividend on equity shares

Tax on proposed dividend

6,26,55,851	7,12,14,805
24,700	34,625
1,78,35,800	1,61,35,800
2,05,01,689	2,54,47,434
10,10,18,040	11,28,32,664
10,11,74,051	11,29,15,604



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2015

(Currency: Indian Rupees)

11 Fixed assets

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK
	As at 1 April 2014	Additions	Deletions/ Disposals/ Adjustments	As at 31 March 2015	As at 1 April 2014	For the year On Deletions/ Disposals / Adjustments	As at 31 March 2015
Tangible assets							
Leasehold improvements	2,53,31,539	-	2,53,31,539	-	2,53,31,539	-	-
Plant and machinery	32,89,076	3,50,237	-	36,39,313	27,30,895	2,09,368	6,99,050
Computer	60,32,080	2,44,973	-	62,77,053	45,76,632	11,34,214	5,66,207
Furniture and fittings	21,44,824	1,26,962	-	22,71,786	18,07,894	1,63,171	3,00,721
Office equipment	64,40,654	3,61,765	-	68,02,419	37,16,546	25,62,119	5,23,754
Temporary structures	4,07,275	-	4,07,275	-	4,07,275	4,07,275	-
Vehicles	1,42,65,186	-	2,80,697	1,39,84,489	1,12,12,394	2,51,340	17,53,455
Total	5,79,10,634	10,83,937	2,60,19,511	3,29,75,060	4,97,83,175	53,38,852	38,43,187

Notes:

(i) Depreciation aggregating Rs.717,176 (2014: Rs.471,218) has been transferred to 'construction work-in-progress' and Rs.106,659 (2014: Rs.NIL) has been transferred to 'investment under construction property'

(ii) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to Rs.798,089 (net of tax of Rs.383,303).

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK
	As at 1 April 2013	Additions	Deletions/ Disposals	As at 31 March 2014	As at 1 April 2013	For the year On Deletions/ Disposals	As at 31 March 2014
Tangible assets							
Leasehold improvements	2,53,31,539	-	-	2,53,31,539	2,53,31,539	-	-
Plant and machinery	64,83,603	2,31,545	34,26,072	32,89,076	45,93,411	2,12,821	5,58,181
Computer	47,22,566	13,09,514	-	60,32,080	42,19,005	3,57,627	14,55,448
Furniture and fittings	21,36,844	7,980	-	21,44,824	16,62,978	1,44,916	3,36,930
Office equipment	63,57,615	83,039	-	64,40,654	32,84,018	4,32,528	27,24,108
Temporary structures	4,07,275	-	-	4,07,275	4,07,275	-	-
Vehicles	1,63,14,058	-	20,48,872	1,42,65,186	1,16,99,484	10,98,454	30,52,792
Total	6,17,53,500	16,32,078	54,74,944	5,79,10,634	5,11,97,710	22,46,346	81,27,459

Notes:

(i) Depreciation aggregating Rs. 471,218 (2013: Rs.572,424) has been transferred to construction work in progress.



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian Rupees)

	2015	2014
12 Non-current investments (at cost)		
Trade investments : unquoted		
Investment in equity instruments		
(face value of Rs.10/- and fully paid-up, unless otherwise stated)		
<i>In subsidiaries</i>		
10,000 (2014: 10,000) equity shares of Satra Buildcon Private Limited	100,000	100,000
40,000 (2014: 10,000) equity shares of Satra Estate Development Private Limited	400,000	100,000
40,000 (2014: 10,000) equity shares of Satra Infrastructure and Land Developers Private Limited	400,000	100,000
40,000 (2014: 10,000) equity shares of Satra Lifestyles Private Limited	400,000	100,000
14,603,900 (2014: 14,603,900) equity shares of Satra Property Developers Private Limited	585,616,450	585,616,450
100 (2014:100) equity shares of Satra International Realtors Limited, UAE of AED 10,000 each	11,711,600	11,711,600
<i>In associates</i>		
2,000 (2014: 2,000) equity shares of C. Bhansali Developers Private Limited	20,000	20,000
Other non-current investments		
624 (2014: 624) equity shares of The Cosmos Co-operative Bank Limited of Rs 100 each	62,400	62,400
Aggregate amount of unquoted investments	598,710,450	597,810,450
Investment in property under construction [refer note 12(i)]		
Development rights	412,583,740	412,583,740
Professional and legal fees	7,999,056	7,131,767
Civil, electrical and contracting	207,384,723	134,459,072
Depreciation and amortisation [refer note 11]	432,895	326,236
Administrative and other expenses	10,344,971	13,178,987
Borrowing costs	301,231,393	273,593,449
	939,976,778	841,273,251
Less: transferd to inventory	(939,976,778)	-
	598,710,450	1,439,083,701
(i) Pursuant to change in the management's business plans in respect of the Company's Jodhpur project from lease model to sale model, the Company has re-classified costs incurred till date on its Jodhpur project from investment property under construction (non-current investments) to construction work-in-progress (inventories).		
13 Deferred tax assets		
The components of deferred tax balances are as follows:-		
- difference between book depreciation and depreciation as per Income Tax Act, 1961	5,591,106	5,801,348
Add: adjustment relating to fixed assets [refer note 11(ii)]	383,303	-
	5,974,409	5,801,348
- on provision allowable on a payment basis under the Income Tax Act, 1961	620,568	350,568
	6,594,977	6,151,916
14 Long-term loans and advances		
(unsecured and considered good)		
- Advance tax and tax deducted at source [net of provision for tax Rs 63,613,523 (2014:Rs.63,613,523)]	14,563,469	14,563,469
	14,563,469	14,563,469
15 Inventories		
Construction work-in-progress [refer note 12(i), 26 & 32]	1,394,796,109	405,477,187
Materials at site	21,305,365	14,190,350
Unsold units	-	12,437,254
	1,416,101,474	432,104,791



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian Rupees)

	2015	2014
16 Trade receivables (unsecured and considered good)		
Debts outstanding for a period exceeding six months from the date they are due for payment	98,09,47,110	85,21,02,072
Other debts [for related party refer note 32]	14,46,94,367	44,10,29,816
	1,12,56,41,477	1,29,31,31,888
17 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	15,39,058	5,87,566
Balances with banks		
- On current accounts	46,44,585	58,63,381
	61,83,643	64,50,947
Other bank balances		
- Earmarked balances with banks (under lien)	5,30,225	3,21,377
- Balances in deposits with original maturity of less than 12 months but more than 3 months	1,13,14,502	1,79,99,526
	1,80,28,370	2,47,71,850
Details of bank balances / deposits		
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	1,13,14,502	1,79,99,526
18 Short-term loans and advances (Unsecured and considered good)		
Short-term loans and advances given to related parties [refer note 32 & 36]	43,79,37,280	33,91,99,548
Loans and advances given to other parties [refer note 36]	35,74,57,522	15,00,24,808
Others		
- Advances to staff	2,73,250	4,29,550
- Advances to vendors	8,57,39,533	3,61,11,345
- Prepaid expenses	11,05,565	10,42,337
- Deposits*	53,08,971	32,55,286
- Balance with revenue authorities	25,05,442	73,84,201
	89,03,27,563	53,74,47,075
* includes Rs 2,150,000 (2014: Rs 2,150,000) rent deposit given to the Managing Director		
19 Other current assets		
Interest accrued on fixed deposits with banks	1,28,994	9,55,177
Interest accrued and due from related parties [refer note 32]	28,69,96,685	29,04,41,810
Interest accrued and due from other parties	1,09,83,770	89,60,000
	29,81,09,449	30,03,56,987



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2015

(Currency: Indian Rupees)

	2015	2014
20 Revenue from operations		
Revenue from sale of properties	22,95,50,129	76,66,59,464
Revenue from work contract	34,98,04,890	-
Other operating revenues		
Development charges	4,28,500	17,92,400
Brokerage Income	-	15,00,00,000
	<u>57,97,83,519</u>	<u>91,84,51,864</u>
21 Other income		
Interest income on		
- fixed deposits with banks	11,95,127	13,15,122
- loans given to related parties [refer note 32]	33,02,899	71,30,817
- loans given to other party	22,48,633	20,29,452
Dividend from others	7,488	-
Other non-operating income		
- liabilities written back to the extent no longer required	13,06,35,854	2,79,444
- profit on sale of fixed assets	10,643	-
- input credit income	-	67,52,369
	<u>13,74,00,644</u>	<u>1,75,07,204</u>
22 Cost of construction		
Opening inventory		
Material at site	1,41,90,350	2,14,31,525
Construction work-in-progress	40,54,77,187	1,36,17,56,157
Unsold units	1,24,37,254	7,99,35,924
	(A) <u>43,21,04,791</u>	<u>1,46,31,23,606</u>
Incurring during the year		
Development rights / land cost	-	3,98,65,744
Professional and legal fees	35,32,798	87,47,592
Civil, electrical and contracting	45,16,88,912	27,99,70,005
Depreciation and amortisation [refer note 11]	7,17,176	4,71,218
Administrative and other expenses	1,23,72,065	76,13,628
Borrowing costs [refer note 24]	6,55,51,004	2,32,06,936
Compensation paid	11,97,000	1,93,41,400
Transfer from 'investment in property under construction' (including borrowing cost of Rs. 27,637,944 and depreciation of Rs.106,659 incurred during the year)	93,99,76,778	-
	(B) <u>1,47,50,35,733</u>	<u>37,92,16,523</u>
Closing inventory		
Material at site	2,13,05,365	1,41,90,350
Construction work-in-progress	1,39,47,96,109	40,54,77,187
Unsold units	-	1,24,37,254
	(C) <u>1,41,61,01,474</u>	<u>43,21,04,791</u>
	(A) + (B) - (C) <u>49,10,39,050</u>	<u>1,41,02,35,338</u>
Less : Transfer to 'investment in property under construction'	-	83,70,81,597
	<u>49,10,39,050</u>	<u>57,31,53,741</u>
23 Employee benefits		
Salaries, wages and bonus	77,60,288	88,68,850
Contribution to provident and other funds	10,29,292	6,83,821
Staff welfare expenses	1,40,312	97,656
Gratuity (refer note 31)	9,57,927	-
	<u>98,87,819</u>	<u>96,50,327</u>



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2015

(Currency: Indian Rupees)

	2015	2014
24 Finance costs		
Interest on short-term borrowings		
Debentures	9,93,56,112	7,51,40,593
From banks	6,92,788	7,25,574
Others	11,91,94,988	15,55,37,266
Interest on delayed payment of trade payables	55,48,364	33,73,147
Interest on delayed payment of statutory dues	1,43,56,013	1,54,65,379
Other borrowing costs		
Processing charges	44,69,906	76,66,098
Stamp duty	10,00,000	16,46,000
	<u>24,46,18,171</u>	<u>25,95,54,057</u>
Less: borrowing costs transferred to construction work-in-progress /investment under construction property (refer note 22)	9,31,88,948	2,32,06,936
	<u>15,14,29,223</u>	<u>23,63,47,121</u>
25 Other expenses		
Profession and legal fees	31,32,974	39,20,304
Advertisement and sales promotion expenses	33,99,474	25,69,328
Power and fuel	23,71,756	22,68,530
Rent	1,23,38,243	1,18,38,240
Telephone expenses	2,99,048	7,05,752
Bad debts	55,44,567	-
Foreign fluctuation loss	5,04,258	-
Repairs and maintenance		
- others	2,66,716	5,77,193
Insurance	66,674	2,44,419
Rates and taxes	5,56,526	4,02,750
Payment to auditors (including service tax)		
As auditors		
- Statutory audit	4,49,440	10,67,420
- Tax audit	2,24,720	2,24,720
- Limited review of quarterly results	8,98,880	13,48,320
In other capacity		
- Taxation matters	1,85,020	-
Reimbursement of expenses	-	25,507
Net loss on sale of fixed assets	-	3,63,328
Directors' sitting fees	3,42,698	2,28,344
Corporate Social Responsibility (CSR) expenditure	19,00,000	-
Printing and stationery	8,92,563	9,42,498
Miscellaneous expenses	12,02,931	22,53,079
	<u>3,45,76,488</u>	<u>2,89,79,732</u>



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees)

26. Disclosure pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts"

Particulars	2015	2014
Contract revenue recognised for the year	349,804,890	-
Aggregate amount of contract costs incurred (net of inventory adjustments) for contracts existing as at the year end	324,123,977	47,816,994
Aggregate contract profits/losses recognized for contracts existing as at the year end	25,680,913	-
Contract advances	175,040,976	-
Gross Amount due from Customers for contract work	72,142,422	46,575,012
Gross Amount due to customers for contract work	175,040,976	-

27. Earnings per share

Particulars	2015	2014
Basic earnings per share		
Net profit after tax attributable to equity shareholders (A)	13,196,742	40,010,192
Number of equity shares at the beginning of the year	161,358,000	161,358,000
Number of equity shares outstanding at the end of the year (B)	178,358,000	161,358,000
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (C)	164,199,096	161,358,000
Basic earnings (in rupees) per share of face value Rs 2 (A)/(B)	0.08	0.25
Dilutive earnings per share		
Net profit after tax attributable to equity shareholders (Existing and potential) (A)	13,196,742	40,010,192
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (B)	164,199,096	161,358,000
Weighted average number of potential equity shares outstanding during the year (C)	-	2,833,333
Weighted average number of equity shares for calculation of dilutive earnings per share (D) = (B+C)	164,199,096	161,191,333
Dilutive earnings (in rupees) per share of face value Rs 2 (A)/(D)	0.08	0.24

28. Contingencies

Particulars	2015	2014
Income tax liabilities under dispute	171,626,367	120,495,941
Corporate guarantee given on behalf of Satra Buildcon Private Limited to IDBI Bank for sanction of loan amounting of Rs 130 crores	600,000,000	-



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees)

29. Segment reporting

The Company is operating in the real estate and construction industry and has only domestic sales. Therefore, the Company has only one reportable business segment, which is real estate development and trading in properties and transferable development rights and construction contracts and only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17 on 'Segment reporting'.

30. CIF values of imported goods

Particulars	2015	2014
Raw materials/ construction materials	23,819,325	9,261,294
Total	23,819,325	9,261,294

31. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee Benefits'

i) Defined Benefit Plans

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

	2015	2014
I Change in the defined benefits obligation		
Liability at the beginning of the year	1,080,499	1,382,443
Interest cost	98,021	110,381
Current service cost	403,437	225,248
Benefits paid	(30,115)	(22,500)
Actuarial (gain) / loss on obligations	456,468	(615,073)
Liability at the end of the year	2,008,310	1,080,499
II Amount recognised in the balance sheet		
Liability at the end of the year	2,008,310	1,080,499
Fair value of plan assets at the end of the year	-	-
Difference	(2,008,310)	1,080,499
Amount recognised in the balance sheet	(2,008,310)	1,080,499



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees)

31. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee Benefits' (Continued)

i) Defined Benefit Plans (Continued)

	2015	2014
III Expenses recognised in the statement of profit and loss		
Current service cost	403,437	225,248
Interest cost	98,021	110,381
Expected return on plan assets	-	-
Net actuarial (gain) / loss to be recognized	456,468	(615,073)
Expense recognised in the statement of profit and loss	957,926	(279,444)
IV Balance sheet reconciliation		
Opening net liability	1,080,499	1,382,443
Expense as above	957,926	(279,444)
Benefits paid	(30,115)	(22,500)
Amount recognised in the balance sheet	2,008,310	1,080,499
V Actuarial assumptions		
Discount rate	7.80%	9.20%
Salary escalation	6.00%	6.00%
VI Reconciliation of present value obligation and the fair value of plan assets	2015	2014
	2013	2012
	2011	
Present value of defined benefits obligation	2,008,310	1,080,499
Fair value of the plan assets	-	-
Deficit in the plan	2,008,310	1,080,499
VII Experience adjustments on:		
Plan liabilities (gain)/loss	(456,468)	(615,073)
Plan assets	-	-
VIII Schedule VI details	2015	2014
Current liability	156,011	82,940
Non-current liability	1,852,299	997,559

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

The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable.

ii) Defined contribution plan

Contribution to provident and other funds aggregating to Rs 1,029,292 [2014: Rs. 683,821] is recognised as an expense and included in "Employee benefits expense".

iii) Compensated absences

Compensated absences for employee benefits of Rs. 430,919 [2014: Rs 302,710] has been recognised as a gain/expense during the year.



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

32. Related party disclosures

A Parties where control exists:

- I. Praful N. Satra –Chairman and Managing Director (also key managerial personnel)

II. Subsidiaries

- Satra Property Developers Private Limited
- Satra Buildcon Private Limited
- Satra Estate Development Private Limited
- Satra Infrastructure and Land Developers Private Limited
- Satra Lifestyles Private Limited
- Satra International Realtors Limited, UAE

III. Step down subsidiaries

- Satra Realty and Builders Limited [Formerly known as “Satra DLH Reality and Builders Limited]
- RRB Realtors Private Limited [w.e.f. 12 July 2013]

B Other related parties:

I. Associates

- C. Bhansali Developers Private Limited

II. Entities over which key managerial personnel or their relatives exercises significant influence

- Shravan Developers Private Limited
- Satra Property Development Private Limited
- Satra Infrastructure Development Private Limited
- Satra Land Development Private Limited
- Savla Realtors and Developers Private Limited
- Satra Re-Development Company Limited
- Satra Retail Private Limited
- Prime Developers
- Prime Bond Industries

III. Relative of Key Managerial Personnel.

- Rushabh Praful Satra
- Vrutika Praful Satra
- Nisha Rajan Shah



Satra Properties (India) Limited

Notes to the financial statements (Continued) for the year ended 31 March 2015

(Currency: Indian Rupees)

32. Related party disclosures (Continued)

Disclosure of transaction between the company and related parties and the status of outstanding balances

Sr. No.	Nature of transaction	Subsidiary company		Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant Influence		Key managerial personnel and their relatives		Total	
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
1	Loans taken	-	-	-	-	-	274,500,000	-	-	-	274,500,000
2	Loans given	133,720,000	281,200,000	-	-	-	-	-	-	133,720,000	281,200,000
3	Interest income	3,302,899	7,130,817	-	-	-	-	-	-	3,302,899	7,130,817
4	Receiving of services	-	-	-	-	-	29,880,249	12,338,243	11,838,240	12,338,243	41,718,489
5	Revenue recognised	283,804,051	-	-	-	-	-	-	-	283,804,051	-
6	Bills in advance	22,789,644	42,267,453	-	-	-	-	-	-	22,789,644	42,267,453
7	Advances taken	-	7,500,000	-	-	-	-	66,825,000	1,450,000	66,825,000	8,950,000
8	Share issued (incl. premium)	-	-	-	-	33,800,000	-	54,600,000	-	88,400,000	-
9	Share warrant issued	-	-	-	-	25,350,000	8,450,000	40,950,000	13,650,000	66,300,000	22,100,000
10	Deposit received	426,000,000	7,500,000	-	-	-	-	-	-	426,000,000	7,500,000
11	Investment in subsidiaries	900,000	-	-	-	-	-	-	-	900,000	-
Outstanding balance receivable											
1	Loans along with the net interest	602,744,834	503,452,227	122,189,131	122,189,131	-	-	-	-	724,933,965	625,641,358
2	Deposits	-	-	-	-	-	-	2,150,000	2,150,000	2,150,000	2,150,000
3	Advance paid	-	-	4,000,000	4,000,000	-	-	-	-	4,000,000	4,000,000
4	Sundry debtors	14,415,306	44,712,012	-	-	-	-	-	-	14,415,306	44,712,012
Outstanding balances payable											
1	Loans along with the net interest	-	-	-	-	-	196,480,000	-	-	-	196,480,000
2	Deposits	433,500,000	7,500,000	-	-	-	-	-	-	433,500,000	7,500,000
3	Advances received	175,040,976	-	-	-	-	-	-	1,450,000	175,040,976	1,450,000
4	Sundry creditors	-	-	-	-	-	6,628,308	3,149,523	3,564,320	3,149,523	10,192,628



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees)

32. Related party disclosures (Continued)

Details of material related party transactions which are more than 10% of the total transactions of the same type with a related party during the year ended 31 March 2015.

Sr. No.	Nature of transaction	Total	
		2015	2014
1 Loans taken			
	Shravan Developers Private Limited	-	274,500,000
2 Loans given			
	Satra Property Developers Private Limited	132,020,000	281,200,000
3 Interest income			
	Satra Property Developers Private Limited	3,283,074	7,130,817
4 Receiving of services			
	Praful Satra	12,338,243	11,838,240
	Satra Property Development Private Limited	-	29,880,249
5 Revenue recognised			
	Satra Buildcon Private Limited	283,804,051	-
6 Bills in advances			
	Satra Buildcon Private Limited	9,162,473	42,267,453
	Satra Realty and Builders Limited	13,627,171	-
7 Advances received			
	Nisha R. Shah	-	1,450,000
	Satra Property Developers Private Limited	-	7,500,000
	Praful N Satra	66,825,000	-
8 Share issued			
	Rushabh P. Satra	31,200,000	-
	Vrutika P. Satra	23,400,000	-
	Satra Land Development Private limited	20,800,000	-
	Satra Infrastructure Development Private Limited	13,000,000	-
9 Share warrant issued			
	Rushabh P. Satra	23,400,000	7,800,000
	Vrutika P. Satra	17,550,000	5,850,000
	Satra Land Development Private limited	15,600,000	5,200,000
	Satra Infrastructure Development Private Limited	9,750,000	3,250,000
10 Deposit received			
	Satra Buildcon Private Limited	397,000,000	7,500,000
11 Investment in subsidiaries			
	Satra Estate Development Private Limited	300,000	-
	Satra Infra & Land Development Private Limited	300,000	-
	Satra Lifestyle Private Limited	300,000	-
Outstanding balances receivable			
1 Loans alongwith the net interest			
	Satra Property Developers Private Limited	115,115,340	15,940,575
	Satra International Realtors Limited	487,511,652	487,511,652
	C.Bhansali Developers Private Limited	122,189,131	122,189,131
2 Deposits			
	Praful N. Satra	2,150,000	2,150,000



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees)

32. Related party disclosures (Continued)

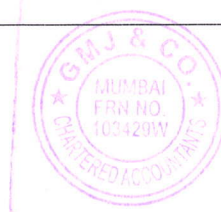
Details of material related party transactions which are more than 10% of the total transactions of the same type with a related party during the year ended 31 March 2015.

Sr. No.	Nature of transaction	Total	
		2015	2014
3	Advances given		
	C.Bhansali Developers Private Limited	4,000,000	4,000,000
4	Sundry debtors		
	Satra Buildcon Private Limited	-	44,712,012
	Satra Realty and Builder Limited	14,415,306	-
	<i>Outstanding balances payables</i>		
1	Loans alongwith the net interest		
	Shravan Developers Private Limited	-	196,480,000
2	Deposit		
	Satra Buildcon Private Limited	404,500,000	7,500,000
3	Advances received		
	Nisha R. Shah	-	1,450,000
	Satra Buildcon Private Limited	175,040,976	-
4	Sundry creditors		
	Praful Nanji Satra (for Office Rent)	3,149,523	3,564,320
	Satra Property Development Private Limited	-	6,628,308

33. Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no parties registered as Micro, Small and Medium Enterprises.

	2015	2014
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSME, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSME	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees)

34. Other matters

- i) Information with regard to other matters specified in Schedule III of the Act, is either nil or not applicable to the Company for the year.
- ii) In the opinion of the directors, current assets, loans and advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business. Sundry Debtors, Creditors and advances are subject to confirmation.
- iii) In the opinion of the directors, provision has been made for all known liabilities and the same is not in excess of the amounts considered reasonably necessary.
- iv) The company has delayed in making payment of interest of Rs.13,381,223 in respect of one of the short term borrowing from others, that was due on 31st March 2015 and the same was paid before 17th April 2015.

35. Disclosure as per clause 32 of the Listing Agreement

i. Particulars in respect of loans and advances to subsidiary companies:					
	Name of the company	Balance as at		Maximum outstanding during the year	
		2015	2014	2015	2014
1	Satra International Realtors Limited*	487,511,652	487,511,652	487,511,652	492,182,435
2	Satra Property Developers Private Limited	115,115,340	15,940,575	115,115,340	161,557,843
3	Satra Estate Development Pvt Limited	117,842	-	1,700,000	-
ii. Particulars of loans and advances to companies in which director(s) is a director or member:					
	Name of the Company	Balance as at		Maximum outstanding during the year	
		2015	2014	2015	2014
1	C. Bhansali Developers Private Limited*	126,189,131	126,189,131	126,189,131	126,189,131
iii. Particulars of loans and advances where there is no repayment schedule:					
	Name of the Company	Balance as at		Maximum outstanding during the year	
		2015	2014	2015	2014
1	Cine Line Exports Private Limited	20,762,378	18,738,608	20,762,378	18,738,608
2	Rushabh Civil Contractors Private Limited	64,890,551	-	67,063,061	-

All the above loans and advances are given for business purpose.

* Non-interest bearing loans.

36. Details of loan given, Investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013 are given under respective heads. [refer note 28 and note 35].

37. Transfer Pricing

The Company's management is of the opinion that its international transactions are at arm's length as per the independent accountants report for the year ended 31 March 2014. Further, the Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect from 1 April 2012. The management has commenced discussions with their tax consultants to carry out a detailed domestic transfer pricing study for the year ended 31 March 2015 (which will include the determination of arm's length pricing and maintaining appropriate documentation) in accordance with these regulations. Management continues to believe that its international transactions post March 2014 and the specified domestic transactions covered by the new regulations continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on the amount of tax expense and that of provision of taxation.



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian Rupees)

38. Prior Year Comparatives

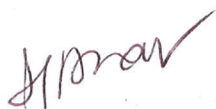
Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date attached.

For GMJ & Co

Chartered Accountants

Firm Registration No: 103429W

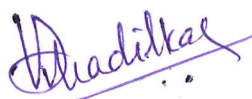


CA. Haridas Bhat
Partner

Membership No: 39070



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



Vidyadhar D. Khadilkar
Director



Praful N. Satra
Chairman and
Managing Director



Bhavesh V. Sanghavi
Chief Financial
Officer



Manan Y. Udani
Company Secretary

Mumbai

29 May 2015

Mumbai

29 May 2015

