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LETTER TO SHAREHOLDERS



Dear Shareholders,

It is my privilege to present you the 26th Annual Report of your Company for the financial Year 2008-09.

The year proved to be a challenging one for the economy in general and a few sectors like real estate in particular. The world is in throes of an economic slowdown, yet we are happy to see India swim against the tide and remain one of the few growth regions in the world. This phase presents both challenges and opportunities, and I am sure that given our strong fundamentals, we will capitalize on these opportunities and successfully tackle the challenges. While the country's economy is on a

strong growth path, inflation is threatening to slow down the overall growth rate. A tighter monetary policy and higher interest rates present a challenge to India Inc., including the realty sector, to complete projects within stipulated cost and time.

The unexpected and unpredictable situation gave rise to new challenges to the organization. This resulted in various steps taken by your company to mitigate the unprecedented volatility and challenges such as i) Change in scope of projects from shopping malls to commercials and residential, ii) disinvestment in SPV's, iii) focus on completing the on-going projects in scheduled time, iv) launched new marketing strategies for effective Sales and generating Cash Flows, v) Rescheduling the debt portfolio.

With government commitment to bring down the fiscal deficit upto 5.5%, targeting the growth at 9% of GDP and various economic reforms, will see the growth and stability in the Indian Economy. This in turn will generate demand in Real Estate Sector specially in Housing and Commercial.

To ensure that Satra stays on its growth path, we are investing in intellectual and human capital and constantly upgrading our systems and processes. Simultaneously, we are also identifying and foraying into newer geographies and growth areas to give stable and consistent returns on investments in the years ahead. Let us take the challenge and work together to take the Company to newer heights. Our efforts to conduct our business in cost effective manner will continue, and I look forward to another year of good performance

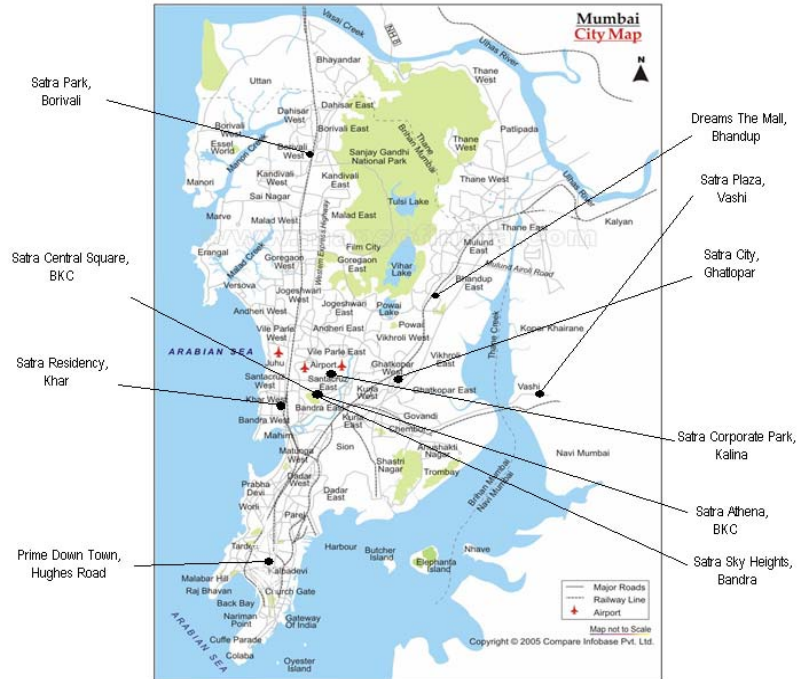
In spite of the liquidity crisis in the market we have not relented on expenditures on ongoing projects and our expansion plans. It was possible for us to weather this storm and withstand the adversity with continued support of our investors, bankers, creditors and the employees of the company.

I take this opportunity to express my gratitude to various stakeholders for their wholehearted co-operation and look forward to your continued support and patronage in the future.

Warm Regards,

Praful Satra
Chairman cum Managing Director
31st July, 2009

SATRA'S PRESENCE IN INDIA – REAL ESTATE SECTOR



Satra Properties (India) Limited, its subsidiaries & SPV's has a bouquet of projects comprising of Malls, Residential, Commercial, Hotels & Township

Ongoing and Completed Projects



1) **Dreams The Mall, Bhandup** - will offer an unprecedented mix of retails & entertainment, offering visitors the chance to shop at their favorite store as well as catch a movie and enjoy food court. The Mall offers frontage of 1400 ft and is comprised of approx 8.35 Lacs sq.ft. at the Junction of L.B.S. Marg and Bhandup Station. The said project is in Joint Development with other Developer.



2) **Satra Galleria, Calicut** – located on Mavoor Road in Calicut, is spread over about 1 Lac sq.ft. which offers Anchor Stores, Vanilla Shops, food court, Amusement Zone. The Project includes 2 screen multiplex, which is first ever multiplex in Kerala. The Construction work is in full swing.



3) **Satra Galleria, Jodhpur** – to be constructed at Nayi Sarak, a prime shopping street located in the Vicinity of Jodhpur, Rajasthan. The Company has proposed to built Shopping Mall Cum Hotel comprising of shopping complex of approx 70,000 sq. ft. and hotel of approx 52,250 sq.ft. The construction work is in full swing.



4) **Satra Residency, Khar** - A Completed residential project combines high end technology, design and aesthetics to meet customer aspirations through superior standards of performance and service and has changed the skyline of Khar, Mumbai. The said building is of 13 storey tower with all the modern architectural design and amenities for entertainment and leisure. The project consist of apartments and Pent House with Sea View.



5) **Prime Down Town, Hughes Road** – It's an 50 storey residential tower that overlooks the Arabian Sea at Hughes Road, admeasuring 5,64,000 sq.ft. approximately that offers single flat on each floor, with various amenities like gymnasium, aerobic centre, yoga room, Jacuzzi & so on. The said project is in joint development with Satra's share being of approx. 1,69,200 Sq. ft.



6) **Satra Park, Borivali** – The said project is a combination of shopping center cum 3 residential tower. Luxurious 2BHK & 3BHK Apartments & Pent Houses on top floor with all the modern amenities, Swimming Pool, Gymnasium, Gardens, Jain Temple, etc. The said project is proposed to have a saleable area of approx 4.65 Lacs sq. ft. comprising of Residential area of approx 3.40 sq. ft. & Shopping Center area of approx 1.25 Lacs sq. ft.. The said project is in Joint Development with Satra having stake of 65%.

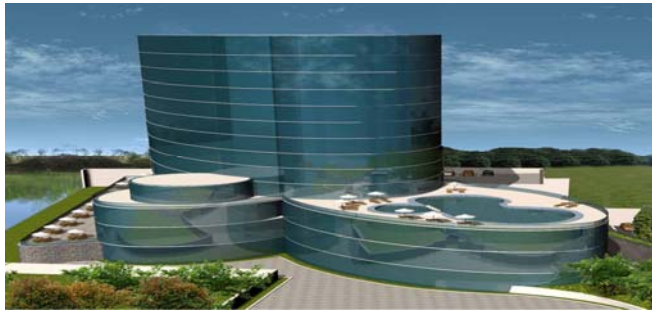


7) **Satra Plaza, Vashi** – is located in sector 19-D on Palm Beach Marg, the proposed Shopping Center Cum Commercial Complex Stands Strong on the pillars of innovation, operational excellence, customer centric approach & diversified talent. The proposed Shopping Center Cum Commercial Complex is spread over about 6.50 Lacs sq.ft. and offers a frontage of 650 Sq. ft. The project offers nano offices ideal for APMC Merchants and also organized markets for hardware & interior items. The RCC work of the project is nearing completion.

Future Projects:



1) **Bhopal** – The proposed township is strategically located in the vicinity of New Market Area, the Central Business District as well as high street of Bhopal. Land has been acquired from the State Government of Madhya Pradesh in Auction. The Township project is spread over 15 Acres of Land. The said project is in SPV with Satra having stake of 26%.



2) **Satra Palace, Cochin** – The project is proposed to be a 5 Star hotel situated on Bolgatty Island and is surrounded by Arabian Sea backwaters, adjacent to 100 Years old heritage structure, the Bolgatty Palace. The Company has acquired the land and the plans are approved. The hotel will have a built up area of approximately 1.64 Lacs sq.ft..



3) **Satra Corporate Park, Kalina** – one of commercial projects is proposed to be constructed in Kalina, Santacruz is in proximity to the domestic airport. The estimated saleable area is approximately 2.27 Lacs sq.ft. The project will comprise of ultra modern offices & ensuring improved indoor environment by ensuring daylight and natural view.



4) **Satra City, Ghatkopar** – The Project is undertaken under the SRA Scheme & will be constructed off LBS Marg, Ghatkopar. The hilly location of the project will add value and aesthetic touch to the project. The saleable area of the proposed project comprises of 6 residential towers that offers about 8.22 Lacs sq.ft. space. The project is expected to have landscaped gardens, swimming pools, and gymnasium.



5) **Satra Springs, Khopoli** – a Township Project spread over a 68 acre layout on Mumbai – Pune Highway offering a frontage of 1 Km. The saleable area of proposed project is 28.33 Lacs sq.ft. It includes ultra luxurious lagoon villas, malls, mini golf course, temple, school and community hospital. It will offer water bodies within the complex, with green landscaping. The said project is in SPV with Satra having stake of 20%.



6) **Satra Sky Heights** – a Proposed Premium Project is strategically located at Bandra (W). The company plans to offer apartments, duplex & pent house with sea view from high floors. The saleable area of proposed tower is 98,691 sq.ft. approx.



8) **Satra Central Square, Bandra Kurla Complex** – The estimated saleable area of the project is approximately 3.75 Lacs sq.ft. The proposed project is undertaken under the SRA scheme and will construct premium office spaces.



7) **Satra Athena, Bandra Kurla Complex** – is proposed to be constructed in the heart of Bandra Kurla Complex. The project comprises of premium office blocks furnished with amenities suitable for corporate clients. The area is upcoming financial hub of Mumbai where many corporate offices of reputed companies are situated. The estimated saleable area for project is approximately 3.15 Lacs sq.ft. The said project is in SPV with Satra having stake of 17.50%



9) **Dubai**, a proposed Hi-end commercial project consisting of ground plus 9 storey tower is spread over built-up area of approx 97,000 sq. ft.

Today, your Company is in an enviable position of being the catalyst of change in Mumbai.

Disclaimer:

All the elevation, amenities, facilities etc. are subject to the approval of respective authorities and would be changed if necessary. All the elevation, amenities, facilities etc. are artistic conception and not actual depiction and Satra Properties (India) Limited reserves all right to make changes at any time, without notice or obligation, to the information contained in this Annual Report, including and without limitation to elevation, amenities, facilities etc. Satra Properties (India) Limited does not warrant or assume any legal liability or responsibility for the accuracy, completeness or usefulness of any information disclosed.

BUSINESS MODULE

Vision -

"We have dreamt of enriching the lives of our brethren by creating world class real estate solutions and redefining lifestyles standards".....

Quite aptly, we are headed towards this direction".

Our Mission defines our ethos, our goals -

To be the leading Real Estate Development Company in the Corporate Sector and to fulfil the growing aspiration of our customers, stakeholders and public at large.

Vitality:

- ❖ Identifying the projects at Prime Location.
- ❖ Acquiring Land Reserves at competitive prices.
- ❖ Creating the State-of-Art Projects of International Standards.
- ❖ To control the time & Cost of the project by adopting innovative techniques & Processes
- ❖ Creating a dedicated and confident work force through continual development process.
- ❖ To Develop customer Centric approach
- ❖ Strong Marketing Network.
- ❖ Majority of Projects are located at premium locations in Mumbai.

COMPANY INFORMATION

Board of Directors

Chairman cum Managing Director	: Praful N. Satra
Executive Director	: Rajan P. Shah
Independent Director	: Vidyadhar D. Khadilkar
Independent Director	: Vinayak D. Khadilkar
Independent Director	: K. Jawahar Mahi

Company Secretary/ Compliance Officer

: Vicky M. Kundaliya

Chief Financial Officer

: Bhavesh V. Sanghavi

Auditors

: B S R & Associates
Bhuta Shah & Co.

Bankers

: Indian Bank
Syndicate Bank
Yes Bank Limited
Bank of India
Allahabad Bank
Industrial Development Bank of India Limited
The Cosmos Co-operative Bank Limited

Registered Office

: Dev Plaza, 2nd Floor,
Opp. Andheri Fire Station, S.V. Road,
Andheri (W), Mumbai – 400058. INDIA
Tel.: +91 022-2671 9999
Fax: +91 022-2620 3999
Email: info@satraproperties.in
Website: www.satraproperties.in

Registrar & Share Transfer Agent

: Adroit Corporate Services Pvt. Ltd.
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makhwana Road, Marol Naka,
Andheri (E), Mumbai – 400059.
Tel.: 022-2895 4060/6060
Fax. No.: 022-2850 3748
Email: adroit@vsnl.net

DIRECTOR'S PROFILE

1) Mr. Praful N. Satra, our Promoter and Chairman cum Managing Director has a total experience of over 25 years in domestic and international business which includes 9 years of experience in Real Estate Development. Mr. Praful Satra has been the visionary behind the success of our Company. He has vast experience in execution and management of a wide variety of construction and development of projects. His main activities include Identification of Land, Business Planning & Marketing. He is the chairman of Investment Committee, Borrowing Committee and Rights Issue Committee of our company

Mr. Satra holds Directorship in various Companies; Satra Buildcon Private Limited, Satra Estate Development Private Limited, Satra Lifestyles Private Limited, Satra Infrastructure & Land Developers Private Limited, Satra International Realtors Ltd., Satra Reality & Builders Limited, Satra Re-Development Company Limited, Satra Infrastructure Development Private Limited, Satra Land Development Private Limited, Satra Property Development Private Limited, Satra Retail Private Limited, Shravan Developers Private Limited, Prime Multi Tiles Trading Private Limited, Anupam Stock Broking Private Limited, BKC Developers Private Limited, Satra Novelties Private Limited, Sejal Architectural Glass Limited, C. Bhansali Developers Private Limited, Deepmala Infrastructure Pvt. Ltd., Savla Realtors & Developers Private Limited as on March 31, 2009. He is a member of the Audit Committee of Sejal Architectural Glass Limited.

Mr. Satra holds 7,94,47,500 shares of the Company in his name as on March 31, 2009.

2) Mr. Rajan P. Shah, our Executive Director, has over 18 years of experience in the real estate industry and construction activities. He has vast experience in the execution and management of a wide variety of construction projects. He joined our Company on May 13, 2006 as a Executive Director. His areas of responsibilities include Liaisoning with Government Authorities and Local Municipal Corporations, Purchases, & Project Execution. He also looks into the legal matters relating to our Company. He is a member of the Shareholder's / Investor's Grievance Committee, Audit Committee, Investment Committee, Borrowing Committee & Rights Issue Committee of our company.

Mr. Shah holds Directorship in various Companies; Alif International Private Limited, Satra Buildcon Private Limited, Satra Estate Development Private Limited, Satra Lifestyles Private Limited, Satra Infrastructure & Land Developers Private Limited, Satra Reality & Builders Limited, Satra Re-Development Company Limited, Satra Infrastructure Development Private Limited, Satra Property Development Private Limited, Shravan Developers Private Limited as on March 31, 2009.

Mr. Shah does not hold any shares of the Company in his name as on March 31, 2009.

3) Mr. Vidyadhar D. Khadilkar, our Independent Director, holds a diploma in Civil and Sanitary Engineering from the Victoria Jubilee Technical Institute, Mumbai. Mr. Vidyadhar Khadilkar has a total work experience of over 30 years. He was in-charge of the prestigious Morbe Dam Project of Navi Mumbai Municipal Corporation as an Executive Engineer. He was appointed by the State Government of Maharashtra, WS & S Department as a Member of Committee for Interconnecting all the Water Sources in Mumbai Metropolitan Region Area. He was also appointed by Navi Mumbai Municipal Corporation as a Member Secretary of its Expert Committee to decide permanent Water Source for Navi Mumbai City. He was assigned the Job of preparing and implementing 24 x 7 water supply systems in Navi Mumbai Area with atomization to achieve savings in Energy Charges and Economizing Operational Cost. He has worked as an Engineer with state PWD of the Government of Maharashtra and also was associated with CIDCO Limited, a town planning authority of Navi Mumbai. Mr. Vidyadhar Khadilkar joined our Board on May 26, 2007. He is the Chairman of Remuneration Committee and Member of the Shareholders' / Investors' Grievance Committee, Audit Committee, Borrowing Committee & Right Issue Committee of our Company.

Mr. Khadilkar holds Directorship in Satra Property Developers Private Limited in compliance of Clause 49 of Listing agreement.

Mr. Khadilkar does not hold any shares of the Company in his name as on March 31, 2009.

4) Mr. K. Jawahar Mahi, our Independent Director holds a Bachelors degree in Arts from Osmania University, Hyderabad. He is a former Indian Revenue Service (IRS) officer. He has over 9 years of experience in real estate business and corporate management. Mr. Mahi joined our Company on May 26, 2007 and is the Chairman of Shareholders' / Investors' Grievance Committee and a member of the Remuneration Committee of our Company.

Mr. K. Jawahar Mahi holds Directorship in Joy Homecreation Limited, Rosebud Project Private Limited, Joy Aman Homecreations Private Limited, Veejoy Home Private Limited and Jyot Fashions Private Limited as on March 31, 2009.

Mr. K. Jawahar Mahi does not hold any shares of the Company in his name as on March 31, 2009.

5) Mr. Vinayak D. Khadilkar, our Independent Director holds a Bachelors degree in Commerce from University of Mumbai. He is a practicing Chartered Accountant and has over 27 years of experience in the field of Finance, Accounts, Audit and Taxation. Mr. Khadilkar joined our Company on May 26, 2007 and is the Chairman of the Audit Committee and a member of the Remuneration Committee & Investment Committee of our Company.

Mr. Khadilkar does not hold Directorship in any other Company.

Mr. Khadilkar does not hold any shares of the Company in his name as on March 31, 2009.

NOTICE

Notice is hereby given that the Twenty-Sixth Annual General Meeting of the Members of Satra Properties (India) Limited will be held on **TUESDAY, September 29, 2009 at 5.00 P.M.** at **PRIME PARTY HALL, SHAFI MANSION, IRLA SOCIETY ROAD, VILE PARLE (WEST), MUMBAI – 400 056**, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2009 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vidyadhar D. Khadilkar, who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. K. Jawahar Mahi, who retires by rotation, and being eligible offers himself for re-appointment.
4. Appointment of Auditors

To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT subject to the provisions of Section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956 M/s. B. S. R. & Associates, Chartered Accountants and M/s. Bhuta Shah & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board of Directors

Vicky M. Kundaliya
Company Secretary
Mumbai, July 31, 2009.

Registered Office:

Dev Plaza, 2nd Floor, Opp. Andheri Fire Station,
S. V. Road, Andheri (West), Mumbai – 400 058.

Notes:

1. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, of persons seeking appointment, re-appointment as Directors under Item Nos. 2 and 3 above, are also annexed.
2. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of the limited Companies, societies, etc., must be supported by appropriate resolution/authority, as applicable.
 - a) The Register of Members and Transfer Books of the Company will be closed from September 22, 2009 to September 29, 2009 (both days inclusive).
3. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, Adroit Corporate Services Pvt. Ltd. Members holding shares in electronic form must send the advise about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agents.

Details of Directors Seeking Appointment/ Re-appointment at the Annual General Meeting

Particulars	Mr. K. Jawahar Mahi	Mr. Vidyadhar D. Khadilkar
Date of Birth	27/09/1964	16/09/1958
First Date of Appointment as Director	26/05/2007	26/05/2007
Qualifications	Bachelor in Arts	Diploma in Civil and Sanitary Engineering
Expertise in specific Functional Areas	Wide experience in Real Estate business	Wide experience in Engineering field.
Directorships held in other Public Companies (excluding foreign companies and section 25 companies)	<ul style="list-style-type: none"> Joy Homecreation Ltd. 	<ul style="list-style-type: none"> Satra Property Developers Pvt. Ltd.
Memberships/Chairmanships of committees of other Public companies (includes only Audit Committee and Shareholders/Investors Grievance Committee)	NIL	Audit Committee Chairman <ul style="list-style-type: none"> Satra Property Developers Pvt. Ltd.
Number of Shares held in the Company	NIL	NIL

DIRECTORS' REPORT

To
The Members,
SATRA PROPERTIES (INDIA) LIMITED

Your Directors are pleased to present the 26th Annual Report and the Audited Accounts for the Financial Year ended March 31, 2009.

1) Financial Highlights

The Financial Performance of the Company for the Financial Year ended March 31, 2009 is summarized below:

(Rs. In Lacs)

FINANCIAL RESULTS		
Particulars	Current Year	Previous Year
Profit / (Loss) before taxation	493.35	5,590.08
Less: Provision for Taxation		
Current	509.91	1,883.38
Earlier	12.46	(53.39)
Deferred	(201.55)	(14.51)
Fringe Benefit Tax		
Current	4.39	-----
Earlier Years Taxation	0.51	1.38
Net Profit After Taxation	167.63	3,773.22
Add : Profit b/f from Previous years	2,672.17	574.08
Add : Transferred on Amalgamation	-----	189.92
Profits available for Appropriation	2,839.80	4,537.22
<u>Less: Appropriation</u>		
Transferred to General Reserve	-----	1,500.00
Dividend on Preference Shares	59.20	127.48
Tax on Dividend on Preference Shares	10.06	21.67
Dividend on Equity Shares	-----	155.36
Tax on Dividend on Equity Shares / credit availed	(24.82)	26.40
On dividend distribution tax paid by subsidiary		
Interim Dividend paid on Equity Shares	-----	29.19
Tax on Interim Dividend paid on Equity Shares	-----	4.96
Balance Profit c/f to Balance Sheet	2795.80	2,672.16

2) Operations :-

The year 2008-09 witnessed the overall recession in the economy, particularly in the real estate industry, which created an adverse impact on the revenues. To continue the operations of various projects your Company had to depend upon borrowed funds which resulted in higher finance cost and thereby squeezing the profit margin of the Company. As a result the turnover of the Company has decreased from Rs. 194.23 Crores to Rs. 105.88 Crores and Net Profit After Tax reduced from Rs. 37.73 Crores to Rs. 1.67 Crores.

Due to subdued demand in various segments of real estate in particular commercial projects, your Directors were of the view to change the scope of few projects from Shopping Mall to residential premises so as to develop marketable product and thereby increase the future profitability of the Company.

Status of the various Projects as on March 31, 2009:

- a. **Satra Residency, Khar:**
The 13 storey residential project is successfully completed and possession is given.
- b. **Satra Plaza, Vashi:**
Pursuing to the market trends of real estate industry, we have planned to change the scope of the project from "Shopping Mall cum Office Complex" to "Shops cum Office Complex". Howsoever plans for development of commercial project remain unchanged and the construction work of the project is in the full swing and the RCC work of the said project is completed up to 90%.
- c. **Satra Galleria, Calicut:**
The project is the combination of Mall and Hotel. The construction work of the said project is in full swing & the RCC work of the said project is completed up to 78%.
- d. **Residential Project, Hughes Road:**
The proposed residential project is a joint venture project. The RCC Work as per the approved plan is completed and approvals for further FSI is awaited.
- e. **Satra Galleria, Jodhpur:**
Pursuing to the market trends of real estate industry, we have planned to change the scope of the project from "Shopping Mall " to "Shopping Mall cum Hotel". The construction work upto plinth level is completed and further construction activity is in progress.
- f. **Residential cum Commercial Project, Borivali:**
In view of the present economic scenario, your Company has planned to change the scope of project from "Shopping Mall" to "Shopping Complex cum Residential building". The project is the combination of commercial complex cum 3 residential towers consisting 16 storeys each. The construction work of commercial complex is more than 75% completed and the proposed residential activity will commence once the plans are approved.

3) Transfer to Reserves:

In view of the inadequate profits for the year under review, the Board of Directors of your Company has not appropriated any amount from profit & Loss Account to General Reserves.

4) Dividend:

During the year under review, the Company has earned Net Profit after Tax of Rs. 1.67 Crores as compared to Rs. 37.73 Crores for the previous year. In the absence of adequate profits, your directors have not recommended any Preference Dividend and Equity dividend the financial year 2008-2009. However, the amount of Preference Dividend has been appropriated from the current profits of the Company.

5) (A) Acquired Interest in Wholly Owned Foreign Subsidiary :-

During the year under review, your Company has acquired Interest, through subscription, in Wholly Owned Subsidiary Company, incorporated in Dubai, named as "Satra International Realtors Limited" with the main object of investing and developing Real Estate, buying shares and stocks in UAE Companies and world wide and to own properties in Emaar, Nakheel or any properties as approved by JAFZA. The said Company has acquired plot of land which is proposed to be developed for Commercial Offices with Modern and Hi end amenities and shall consist of ground plus 9 floors.

(B) Rights Issue :-

During the year under review, the Directors of the Company has recommended the Rights issue and constituted a Rights Issue Committee. Further, the Board of Directors has decided to defer the Rights Issue till the market sentiment improves.

(C) Investment & Disinvestment in a Partnership Firm.

During the year under review, your Company had invested in a Partnership Firm for the development of Slum Project. However as the project execution could not be started as planned, your Company decided to disinvest from the said firm.

The audited Consolidated Financial Statements based on the financial statements received from subsidiary companies, as approved by their respective board of directors, have been prepared in accordance with the Accounting Standard – 21 – "Consolidated Financial Statements" and Accounting Standard – 23 – "Accounting for Investment in Associates", notified under Section 211 (3C) of the Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006, as applicable.

As required under Section 212 of the Companies Act, 1956, the Audited Balance Sheets as on March 31, 2009 and Profit & Loss Account for the Financial Year ended March 31, 2009 along with the reports of the Auditors and Directors thereon of Satra Property Developers Private Limited, Satra Infrastructure & Land Developers Private Limited, Satra Estate Development Private Limited, Satra Buildcon Private Limited, Satra Lifestyles Private Limited and Satra International Realtors Limited (prepared as per Indian GAAP) are annexed and form part of this Annual Report.

6) Reconstitution of the Committees:

Pursuant to the resignation tendered by some of the Directors during the year under review, the Board of Directors reconstituted the Board and Committees as follows:

(A) Board of Directors

Sr. No.	Names of Directors	Designation
1	Mr. Praful N. Satra	Chairman cum Managing Director
2	Mr. Rajan P. Shah	Executive Director
3	Mr. Vidyadhar D. Khadilkar	Independent Director
4	Mr. K. Jawahar Mahi	Independent Director
5	Mr. Vinayak D. Khadilkar	Independent Director

(B) Audit Committee

Sr. No.	Names of Members	Designation
1	Mr. Vinayak D. Khadilkar	Chairman
2	Mr. Vidyadhar D. Khadilkar	Member
3	Mr. Rajan P. Shah	Member

(C) Shareholders Grievance Committee

Sr. No.	Names of Members	Designation
1	Mr. K. Jawahar Mahi	Chairman
2	Mr. Vidyadhar D. Khadilkar	Member
3	Mr. Rajan P. Shah	Member

(D) Remuneration Committee

Sr. No.	Names of Members	Designation
1	Mr. Vidyadhar D. Khadilkar	Chairman
2	Mr. Vinayak D. Khadilkar	Member
3	Mr. K. Jawahar Mahi	Member

(E) Investment Committee

Sr. No.	Names of Members	Designation
1	Mr. Praful Satra	Chairman
2	Mr. Rajan Shah	Member
3	Mr. Vinayak Khadilkar	Member

(F) Borrowing Committee

Sr. No.	Names of Members	Designation
1	Mr. Praful Satra	Chairman
2	Mr. Rajan Shah	Member
3	Mr. Vidyadhar D. Khadilkar	Member

(G) Rights Issue Committee

Sr. No.	Names of Members	Designation
1	Mr. Praful Satra	Chairman
2	Mr. Rajan Shah	Member
3	Mr. Vidyadhar D. Khadilkar	Member

7) Directors :-

During the year under review, Mrs. Minaxi P. Satra, Chairperson cum Non-Executive Director and Mr. Pisupati Subrahmanyam, Independent and Non-Executive Director has resigned. Further, during the year under review, Dr. Vijay N. Satra, Executive Director has resigned and the Board of Directors has accepted the resignation.

Mr. Vidyadhar D. Khadilkar, Independent Director and Mr. Jawahar Mahi, Independent Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

The relevant details as required under clause 49 of the Listing Agreement entered into with the Stock Exchanges, of the person seeking re-appointment as Directors are set out in the Annexure to the Notice forming part of the Annual Report.

8) Fixed Deposits:

During the year under review the Company has not accepted deposits from the public and shareholders.

9) Insurance:

The Assets of the Company has been adequately insured, wherever necessary.

10) Directors Responsibility Statement:

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures except in case of Borivali project wherein the Management perception has been explained elsewhere in Report.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the annual accounts on a going concern basis.

11) Corporate Governance and Management Discussion and Analysis Statement:-

A report on Corporate Governance is attached to this Report as also a Management Discussion and Analysis Statement.

12) Auditors Report:

The Auditors have made certain comments in their Report concerning the Accounts of the Company. The Management puts forth its explanations as below:

1. The Auditors remark regarding the Borivali project wherein construction cost arising out of significant change in structural plan of the project have been provided in work in progress instead of charging to Profit and loss Account. The Management is of the view that during the year under review, the Company has changed the structural plan of the Borivali Project from Commercial complex to Commercial cum residential complex to improve the overall profitability of the project. As a result, in order to facilitate the construction as per revised plan, certain existing structures at the site have been demolished subsequent to the year end. Management has revised its estimated cost to complete the revised commercial cum residential project and believes that the overall margins of the revised project will be adequate to recover the construction cost of demolished area. Hence, the construction cost of demolished area continues to be included in the construction work-in-progress and has not been charged to the Profit and Loss Account during the year.
2. The Auditors remark regarding non-payment of undisputed statutory dues more than six months wherein the Company has not paid statutory dues relating to Sales Tax of Rs. 1,44,000/- and Income Tax of Rs. 17,84,77,466/-. The Management have to state that

during the year under review there was an overall recession in the economy and the Real Estate Industry in particular. This affected the overall performance in terms of generating fresh sales, completing the projects as per the scheduled time and liquidation of Debtors in time and hence your Company could not pay some of its statutory dues in time. However the Management has taken effective steps to liquidate its debtors and your Company is confident to meet its statutory liabilities very soon.

3. The Auditors remark regarding defaults in certain cases wherein Company has defaulted in repayment of dues to its bankers and financial institutions, the Management have to state that during the year under review there was an overall recession in the economy and Real Estate Industry in particular. In view of the recession, Reserve Bank of India had announced various policies for restructuring/ rephasing of loans by Banks / Financial Institution. Accordingly applications for re-schedulement of various project loans were pending with the various Banks / Financial Institution as on 31st March, 2009 and the same were accepted by the concern Banks / Financial Institutions. Out of the said Banks, Syndicate Bank and Indian Bank approved the re-schedulement of the Project Finance on 30th June, 2009. However as on date, your Company has started making payments and based on the revised sanction has cleared all the dues outstanding as on 31st March, 2009. The Management is confident that it will clear all the total outstanding dues very soon.

With reference to the other remarks of Auditors, the same are self explanatory and do not require further comments of the Management

13) Auditors:

The Company's Auditors, M/s. B S R & Associates, Chartered Accountants, and M/s. Bhuta Shah & Co., Chartered Accountants, retire at the conclusion of the forthcoming 26th Annual General Meeting and are eligible for re-appointment. The retiring auditors have furnished a Certificate of their eligibility for re-appointment under section 224(1)(B) of the Companies Act, 1956 and have indicated their willingness for re-appointment.

Pursuant to the recommendation of the Audit Committee at their meeting held on July 31, 2009 for re-appointment of M/s. B S R & Associates and M/s. Bhuta Shah & Co., as the Statutory Auditors of the Company for the Financial Year 2009-10 to hold office till the conclusion of next Annual General Meeting of the Company, the Board of Directors have, at their meeting held on July 31, 2009 approved re-appointment of M/s. B S R & Associates and M/s. Bhuta Shah & Co., as the Statutory Auditors of the Company for the Financial Year 2009-10 to hold office till the conclusion of the next Annual General Meeting of the Company. However, their re-appointment is subject to the approval of the Shareholders of the Company at the forthcoming Annual General Meeting of the Company.

14) Personnel:

The Company is professionally managed and has very cordial relationship with all its employees. Highly qualified personnel from the field of engineering, finance and administration assist the top-level management. Your Directors wish to place on record their deep appreciation of the dedicated and efficient services rendered by them.

The Company has no employees drawing the remuneration more than the specified limit prescribed under Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 during the year under review.

15) Particulars of Conservation of Energy, Technology Absorption and Foreign Earning and Outgo:

The Company has no foreign exchange earnings and outgo during the year. Since the Company does not have any manufacturing activities, the other particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

16) Appreciation:

The Board of Directors expresses their deep gratitude for the assistance and guidance and support extended to the Company by its Customers, Vendors, Bankers, Professionals and various Government Authorities & to all of the Shareholders of Company. Your Directors also place on record the commitment and involvement of the employees at all levels and looks forward to their continued co-operation.

For and on behalf of the Board of Directors

Praful N. Satra
Chairman and Managing Director
Mumbai, July 31, 2009

Management Discussion & Analysis Statement

Industry Structure & Development:

Global Economy

The Year 2008-2009 witnessed the recession in the overall global economy and real estate sector in particular. The world has witnessed the worst ever recession during the year, perhaps the worst then the great depression of the 30's. The last quarter of the year saw a series of events that terminated in the collapse of several venerable financial institutions in the U.S. and elsewhere. The reverberations were felt around the world, with the real estate being the worst hit. Governments of various countries have come out of maximum stimulus packages to pushen the impact of recession and absorb some of the losses. Some of the economist feel that the worst is not over and the slow down is likely to take the further toll on the world economies, while some are positive that the revival is not too far away.

Indian economy:

While India has not witnessed the kind of major turmoil in the advanced economies, it has certainly being impacted adversely. The major followed of the recession in the developed countries has been its impact on the inflow of capital to emerging nations including India which started drying off and resulting in net outflow of capital. Industries and Services sectors were denied the required funding for not only growth but even for their day to day operations. The worst hit industries is Real Estate and Construction, IT/ITES sector, Traditional Exports of Diamonds, Textiles etc., The positive and timely measures initiated by Government and RBI have resulted in controlling inflations well above expectations. It is widely accepted that India is in a much better position than many other economies to achieve an early and fast recovery.

Real Estate Sector:

The sub-prime crisis which surpassed in the US early on which considered the forerunner of the economic recession in that country. It soon engulfed the entire global economy. The real estate sector, thus was the first casualty in the global meltdown, the defaults in payments coupled with the sharp fall in the property prices resulted in the crash in the market. Funding by the banking system into this sector dried up totally. There has been subdued demand as a result of which the activity has come to a standstill in many countries which consequently eroded customer sentiments deeply. It is widely believed that the recovery of global real estate sector will take longer to recover than the global economy.

As the IT / ITES Sector has been the mainstay of the demand for the office space for the last few years, the crisis in the world economy too fizz out of the booming real estate sector. These down turn combined with the high interest costs brought the sector to the brink across the country. Considering the present economic conditions buyers are deferring their decisions to acquire the property and are more likely to invest once the economy recovers and investor's confidence is restored. Judging from the pronouncements made by the governments from time to time, we can expect more positive and concrete fiscal steps which will result in providing the required support to the Real Estate Sector for an early recovery.

Opportunities:

Most studies are unanimous that there is a short fall of around 30 millions dwelling units in the country. However more than 90% of these would be at a price range that very few private developers have really looked at – budgets of between Rs. 10 lacs to Rs.15 lacs. With the melt down, more developers have started looking up in this segment to do for housing – "NANO HOUSE", which can be brought within the reach of the common man.

We being Mumbai Centric Company with renewed focus on residential segment, great opportunities lies in the segment as there is tremendous demand for affordable and luxurious apartments due to mushroomed growth of population in Mumbai and Suburban areas. Further, Mumbai offers scope for redevelopment and Slum Rehabilitation projects.

The focus of the Government to undertake turnkey and infrastructure projects through Public Private Partnership (PPP) would result in huge opportunities in development of basic amenities like water, sanitation, sewerage and transportation.

With the Government considering the introduction of REIT's and REMF's, it would bring great liquidity in the Real Estate market and in turn create lesser burden of borrowing cost and increased profitability of the Real Estate companies.

Risks and Threats:

Some of the prominent risks faced by the organization as a whole are:

Market Recession:

Your Company might encounter demand recession. To mitigate this risk, your Company has created a diverse and comprehensive portfolio spanning residential, commercial and retail properties of various sizes, location and prices. In addition, the Management has a good experience in managing land banks, putting it in a strong position to counter any downtrend.

Change in Government Policies:

Your Company faces risks associated with changes in government policies. To mitigate this risk, Your Company is consciously building a compliance system to ensure legal and regulatory compliance at each level.

Project Execution:

Your Company faces a risk of non-completion of existing projects with the given time frame, hereby affecting profit estimates. To mitigate this risk, Your Company has enhanced project flexibility and control, improving the quality of real estate construction, appointing professional architect, engineers and contractors thereby reducing the time taken for completion of projects.

Human Resources:

Your Company's business growth is dependent on the availability & capability of its Human Resource. Business growth could be affected due to a scarcity/ turnover of qualified professional. To mitigate this risk, the Company is in the process of recruiting qualified professionals and experienced personnel, implementing a human resource policy to attract and retain talent and provide incentives for self development.

Financial Resources:

Your Company may not be able organize funds for execution of its project in the scheduled time hindering the growth of company. Majority of ongoing projects are under construction and are financed through various Banks and Financial Institution. The Company has strong marketing network and investors helping to mitigate the risk.

Land Availability:

Inability to acquire land with proper legal title, due diligence and location of the property can hinder your Company's growth. For due diligence and proper legal title, your company timely hires Advocates and Solicitors to provide proper title certificate that helps in mitigating a risk of title clearance. Further most of the projects acquired by your company are located at premium locations.

Calamities & Disasters:

Natural calamities like earthquake, floods, cyclone and disasters beyond our control like loss due to theft, fire that may hamper your Company's growth. To mitigate these risks, your company has taken adequate insurance on the properties.

Your company is well equipped to mitigate any such aforesaid situations.

Future Outlook:

The Country is currently excited with the prospect of a stable and aggressive government at the Centre. Inflation which has been controlled effectively and is expected to be held in check, interest rate have started moving southwards and the buyers will be attractive to borrow at cheaper rates of interest. In the long run supply will be moderated to be in line with demand and gap currently existing on account of unsold stocks is likely to be breached. New projects launched with innovate products and aggressive marketing will be the strategy for this sector. Success will depend on the ability of the enterprise to convert its land bank to projects in the shortest possible time span.

Segment-wise or Product-wise Performance:

The Company is operating in a single segment i.e. Real Estate and trading in Properties and TDR's and hence there is only one reportable segment.

Outlook:

Your Company standard of Innovations, Quality, & Trust has been established and constantly up-graded, these are clearly reflected in the projects undertaken by the Company. The Company proposes to do integrated developments on the large scale in the future.

Based on the economic outlook of the Indian Economy and Strengths and current financial performance, your company has multiple opportunities for growth and diversification across all lines of Business. Key priorities going forward includes focusing on execution for current and planned projects, building a Pan India Presence, expanding into the base of investors and retail customers and pursuing new business opportunities and achieving the highest standards of professionalism, ethics and customers service.

Your Company is optimistic about delivering superior results in future, based on experience, available land reserves, and project execution skills.

Internal Control System and their Adequacy:

Adequate Internal Control System is in place as commensurate with the size and operations of the company. The Company ensures control over various functions in the field of designing, planning, execution & marketing of its business.

The internal control system has been designed to ensure that the financial and other records are reliable for preparing financial data and for maintaining accountability of assets. The internal control systems are supplemented by management reviews, documents, policies, guidelines and procedures.

There exists a dynamic internal check system, which helps in improving the efficiency and effectiveness of internal control system.

Discussion on Financial Performance with respect to Operational Performance:

Profit & Loss Account:

The Total income of your Company during the year decreased by 41% from Rs. 20,717 Lacs in fiscal 2008 to Rs. 12,202 Lacs in fiscal 2009. This was primarily due to decrease of 45% in top line from Rs. 19,423 Lacs to Rs. 10,588 lacs.

Decrease in revenue from construction activities by Rs. 1,363 Lacs is mainly due to subdued demand in various segments of real estate as a result of which there is slow down in the construction activity. Even due to general negative trend in the Real Estate Sector, the Company did not trade in properties and restricted its trade in TDR to Rs. 5,369 Lacs as compared to Rs. 7,478 Lacs in the year 2008.

During the year under review, Total expenditure decreased by 23% from Rs. 15,127 Lacs in fiscal year 2008 to Rs. 11,709 Lacs in fiscal year 2009, primarily due to overall slow down in construction activities.

However, the Finance cost increased from Rs. 864 Lacs in the fiscal year 2008 to Rs. 3,314 Lacs in the fiscal year 2009 which was an decrease of 283%.

The above resulted in decrease of 96% in the overall profit margins of the Company from Rs. 3,773 Lacs in fiscal year 2008 to Rs. 167 Lacs in the fiscal year 2009.

The adverse financial performance of the Company can be attributed to the following:

- Global recession during the year
- Slow down in the economic activities
- Reality Sector worst hit
- Increase in Finance cost
- Increase in Inflation
- Liquidity crisis
- Negative sentiments of Investors

Balance Sheet:

During the year under review, there is an increase in construction work in progress by 19% from Rs. 23,238 Lacs to Rs. 27,636 Lacs due to additional construction expenditure on various ongoing projects of the Company.

During the year under review, Company's Loans and advances increased by 32% from Rs. 11,929 Lacs to Rs. 15,803 Lacs due to advances given to subsidiary companies.

During the year your Company's Current Liabilities decreased by 29% from 18,464 lacs to Rs. 13,094 Lacs which was mainly due to decrease in advance booking money received against property and decrease in creditors.

During the year, Company's share capital remained same as before at Rs. 3847 lacs.

During the year, Reserves and Surplus of the Company increased by 3% from Rs. 3971 Lacs to Rs. 4094 Lacs due to marginal increase in current year's profit.

During the year, Loan funds increased by 76% from Rs. 19,102 Lacs to Rs. 33,662 Lacs, this is mainly due to additional debt which was used primarily to finance land acquisitions, construction and related expenses of the ongoing and new projects and investing in subsidiary and associate companies.

In spite of adverse market conditions across the globe, your Company has a positive bottom line.

Human Resources:

Our people are most important asset and we value their talent, integrity and dedication. We offer a highly entrepreneurial culture with a team based approach that we believe encourage growth and motivate our employees. We have been successful in attracting and retaining key professionals and intent to continue to seek fresh talent to further enhance and grow our business.

The staff strength of our Company comprises of professionals possessing qualifications and experience in the field of engineering, finance, law and business management which has decreased from 52 in the fiscal year 2008 to 46 in the fiscal year 2009.

The Company is in the process of recruiting more professionals and experienced personnel.

Information Technology:

Increasing competitive business environment companies have become dependent on technology not only on day to day operations but also as a tool to enable them to construct business processes, restructuring regulatory and speed with the change in the construction areas.

Business process continues to become more complex which results in delaying in decision making process and also to correlate different project locations distributed in various geographical areas.

Your Company is in the process of installing Enterprise Resource Planning (ERP) system to run the business effectively and efficiently.

Cautionary Statement:

Statement in the Management Discussion and Analysis Report detailing the Company's objective, projections, estimates, expectations or predictions may be forward-looking statements within the meaning applicable securities, laws and regulations. These statements being based on certain assumptions and expectation of future events, actual results might differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions, finished goods prices, change in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent development, information or event.

REPORT ON CORPORATE GOVERNANCE:

Corporate Governance is a systematic process by which organization is directed, administered, managed and controlled. It is a process to manage the business affairs of the Company towards enhancing business prosperity and accountability with the objective of realizing long term shareholder value, while taking into account the interests of the other stakeholders. In this dynamic environment, shareholders across the globe evince keen interest in the performance of the companies and thus good corporate governance is of paramount importance for companies seeking to distinguish themselves in the global footprint.

The equity shares of the Company are listed and admitted to dealings on the Bombay Stock Exchange Limited (BSE). Pursuant to the provisions of the revised Clause 49 of the Listing Agreement, a report on Corporate Governance for the financial year ended March 31, 2009, is furnished below:

1. Philosophy of Company on Corporate Governance:-

The Company reiterates its commitment to adhere to the highest standards of Corporate Governance which is founded upon a rich legacy of integrity, fairness, transparency, equity and accountability. We believe that a good Corporate Governance practices should be enshrined in all the operations and functioning of the Company and thus pivotal to enhance and retain investors' trust. The Company's philosophy on Corporate Governance envisages attainment of highest level of integrity, fairness, transparency, equity and accountability in all facets of its functioning and in its interactions with shareholders, employees, government, regulatory bodies, listeners and the community at large. The Company recognizes good corporate governance practices as a key driver to sustainable growth and long term creation and thus encourages timely and accurate dissemination of information to all their stakeholders.

In compliances with the regulatory requirements and effective implementation of corporate governance practices, the Company has adopted the following codes of governance in accordance with the applicable regulations of Securities and Exchange Board of India:-

- Code of Conduct for prevention of Insider Trading; or regulating the dealings of the Directors and Employees of the Company possessing or likely to possess price sensitive information, in the securities of the Company;
- Code of Conduct for Board of Directors and Senior Management

2. Board of Directors:

- **Composition:**

The Company believes that an active, well informed, and independent Board of Directors is vital to achieve the apex standard of corporate governance. The Board of Directors of the Company of an optimal combination of executive, non-executive and independent directors so to preserve and maintain the independence of the Board and **Composition as on 31st March, 2009** is as follows:

Particulars	Composition of the Board		Minimum Requirement as per Clause 49
	No. of Directors	% of Total Directors	
Non-Executive & Independent Directors	3	60.00	50%
Executive Directors	2	40.00	-
Total	5	100.00	

The composition of the Board of Directors is in accordance with the requirements of the revised Clause 49 of the Listing Agreement, the Companies Act, 1956 and the Articles of Association.

The attendance of Directors at the Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), number of directorships, memberships and chairmanships in other public companies is as follows:

Name	Category	Attendance at Board Meetings held during F.Y. 2008-09.		Attendance at last AGM held on 29.09.08	Number of Other Directorship - #	Other Committee positions in Public Ltd Co's. - \$	
		Held	Attended			Member	Chairman
Mr. Praful N. Satra - ** (Chairman cum Managing Director w.e.f. 20.03.09) (Executive Director)	Non- Independent	7	7	Yes	9	1	NIL
Mr. Rajan P. Shah (Executive Director)	Non- Independent	7	6	Yes	6	1	NIL
Mr. Vinayak D. Khadilkar – (Non-Executive Director)	Independent	7	7	Yes	NIL	NIL	NIL
Mr. K. Jawahar Mahi – (Non-Executive Director)	Independent	7	4	Yes	1	NIL	NIL
Mr. Vidyadhar D. Khadilkar (Non-Executive Director)	Independent	7	7	Yes	1	NIL	1
Mrs. Minaxi P. Satra - ** (Chairperson and Non-Executive Director) (Resigned w.e.f. 10.03.09)	Non-Independent	6*	6	Yes	7	NIL	NIL
Dr. Vijay N. Satra - ** (Executive Director) (Resigned w.e.f. 20.03.09)	Non Independent	6*	5	Yes	NIL	NIL	NIL
Mr. Pisupati Subrahmanyam - ** (Non-Executive Director) (Resigned w.e.f. 10.03.09)	Independent	6*	6	Yes	4	2	NIL

- The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

** - Dr. Vijay N. Satra, Executive Director's resignation was accepted by the Board of Directors w.e.f. 20.03.2009.

Mrs. Minaxi P. Satra, Chairperson and Non-Executive Director and Mr. Pisupati Subrahmanyam, Independent and Non-Executive Director resigned w.e.f. 10.03.2009. Mr. Praful N. Satra, Managing Director was appointed as Chairman cum Managing Director w.e.f. 20.03.2009.

\$ - In accordance with clause 49, Memberships / Chairmanships of only the Audit Committees & Shareholders / Investors Grievance Committees of all public limited companies (including private limited companies which is subsidiary of the public limited companies) have been considered.

* - Details provided till the date of resignation of respective Directors.

Mr. Praful N. Satra, Mrs. Minaxi P. Satra and Dr. Vijay N. Satra, Directors are related with each other (inter-se) during the year.

Mr. Vinayak D. Khadilkar and Mr. Vidyadhar D. Khadilkar are related with each other (inter-se).

None of the other Directors are related with each other (inter-se) within the meaning of Clause 49 G (ia) of the Listing Agreement.

- **Board Meetings:**

Seven Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows: -

- April 14, 2008,
- April 26, 2008,
- July 31, 2008,
- August 29, 2008,
- October 27, 2008,
- January 31, 2009,
- March 20, 2009

The Board of Directors has not passed any Resolution through Circular Resolution during the financial year under review.

The Twenty-Fifth Annual General meeting was held on September 29, 2008.

- **Chief Executive Officer (CEO) Certification:**

Declaration by the Chairman cum Managing Director under Clause 49 (1)(D) of the listing Agreement regarding adherence to the code of conduct is forming part of the Report on Corporate Governance.

In the preparation of the annual accounts, the applicable accounting standards have been followed and there is no significant material departure.

3. Audit Committee

- **Brief description and terms of reference:**

The Company recognizes that the Audit Committee is indispensable for ensuring accountability amongst the Board, Management and the Auditors, who are responsible for sound and transparent financial reporting. The primary objective of the audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and integrity of financial reporting.

The role and terms of reference of the Audit Committee inter-alia includes the following:

- a. Oversight of the Company's financial reporting process and disclosure of financial information.
- b. Recommend the appointment, re-appointment and, if required, replacement or removal of Statutory Auditors, fixation of Audit fees and approving payment for any other services.
- c. Review with the management the annual and quarterly financial statements before submission to the Board.
- d. Review with the management the performance of Statutory Auditors and adequacy of internal control systems.
- e. Discuss with the Statutory Auditors, before the Audit commences, of the nature and scope of the audit as well as have post audit discussion to ascertain any areas of concern.
- f. Look into the reasons for substantial defaults in the payment to the shareholders (in case of non – payment of declared dividends) and creditors.
- g. Review the following information:
 - Management discussion and analysis of financial condition and results of operations
 - Statement of Significant related party transaction
 - Management Letters / Letters of Internal Control Weaknesses issued by the Statutory Auditors
 - The Financial Statements, in particular, the investments made by Un-listed Subsidiary Company.

In addition to the above, the following disclosures are made to the Audit Committee, as and when applicable:

- Basis of related party transaction;
- Disclosure of Accounting treatment;
- Utilisation / application of proceeds from public issues, rights issues, preferential issues, etc., if any.

The Audit Committee is vested with the necessary powers, as defined in the Listing Agreement.

- Composition**

The Audit Committee of the Company is constituted in conformity with the provisions of Clause 49 of the Listing agreement read with Section 292A of the Companies Act, 1956.

The Audit Committee comprises of the following Directors as on 31st March, 2009, two-thirds of whom are Independent Directors:

Name of Directors	Tenure		Position	Category
	From	To		
Mr. Vinayak D. Khadilkar	May 26, 07	-	Chairman	Non-Executive & Independent Director
Mr. K. Jawahar Mahi	May 26, 07	Aug 29, 08	Member	Non-Executive & Independent Director
Dr. Vijay N. Satra	Oct 31, 07	Mar 20, 09	Member	Executive Director
Mr. Vidyadhar D. Khadilkar	Aug 29, 08	-	Member	Non-Executive & Independent Director
Mr. Rajan P. Shah	Mar 20, 09	-	Member	Executive Director

All the Members of Audit Committee are financially literate and have relevant accounting and financial management expertise as required under Clause 49 of the Listing agreement. The Company Secretary acts as the Secretary to the Audit Committee.

- Meetings and Attendance during the year**

The Audit Committee met five times during the Financial Year 2008-2009. The gap between two meetings did not exceed four months. The details of attendance of the Members and Secretary at these Meetings are as follows:

Name	Attendance at the Meeting held on				
	26.04.2008	31.07.2008	25.08.2008	27.10.2008	31.01.2009
Mr. Vinayak D. Khadilkar	Yes	Yes	Yes	Yes	Yes
Mr. K. Jawahar Mahi (Resigned w.e.f. August 29, 2008)	Yes	Yes	Yes	N.A.	N.A.
Dr. Vijay N. Satra	No	Yes	Yes	Yes	Yes
Mr. Vidyadhar D. Khadilkar (Appointed w.e.f. August 29, 2008)	N.A.	N.A.	N.A.	Yes	Yes
Mr. Vicky M. Kundaliya	Yes	Yes	Yes	Yes	Yes

Note: The Audit Committee was reconstituted in the Board Meeting held on August 29, 2008, by appointing Mr. Vidyadhar D. Khadilkar, in place of Mr. K. Jawahar Mahi as Member of the Audit Committee. The Audit Committee was again reconstituted in the Board Meeting held on March 20, 2009, by appointing Mr. Rajan P. Shah, in place of Dr. Vijay N. Satra as Member of the Audit Committee.

The Chairman of the Audit Committee was present at 25th Annual General Meeting held on September 29, 2008.

4. Subsidiaries

During the year under review, your Company has acquired interest by incorporating a Wholly Owned Subsidiary Company in Dubai, namely Satra International Realtors Limited.

Mr. Vidyadhar D. Khadilkar, Independent Director is appointed as Director in Satra Property Developers Private Limited, a material non listed Indian Wholly Owned Subsidiary Company, as required by provision of the listing agreement.

The Audit Committee of the Company reviews inter-alia the financial statements etc. of the Subsidiary Companies as stipulated under Clause 49 of the Listing agreement. The minutes of the Board Meetings of Unlisted Subsidiary Companies have been placed at the Board Meetings of the Company and other relevant provisions of the said Clause 49 of the Listing Agreement are duly complied with, to the extent applicable.

5. Remuneration Committee

- **Brief description of terms of reference:**

The Remuneration / Compensation Committee has been constituted to review and recommend the remuneration payable to the executive directors of the Company based on their performance and defined assessment criteria.

Brief terms of reference of the Remuneration / Compensation Committee include:

- a. Determine the Company's policy on specific remuneration packages for the Company's Managing / Whole time / Executive Directors including any pension and any compensation, payment.
- b. Determining and / or recommending to the Board of Directors, the remuneration packages of the Company's Managing/Whole time / Executives, including all elements of the remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees, etc.);
- c. Decide the Commission payable to Managing / Whole time Directors.
- d. Periodically review suggest revision of the total remuneration package of the managing / Whole time Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines, etc.
- e. Implementing, supervising and administering the present and future Employee Stock Option Scheme(s), if any;
- f. Any other matter duly specified under the applicable provisions of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

- **Composition of the Committee**

The Remuneration / Compensation Committee of the Company is constituted in conformity with the Clause 49 of the Listing Agreement read with Schedule XIII and other applicable provisions of the Companies Act, 1956.

The composition of the Remuneration / Compensation Committee is as follows:

Name of Directors	From	Position	Category
Mr. Vidyadhar D. Khadilkar	May 26, 07	Chairman	Non Executive & Independent Director
Mr. Vinayak D. Khadilkar	May 26, 07	Member	Non Executive & Independent Director
Mr. K. Jawahar Mahi	May 26, 07	Member	Non Executive & Independent Director

- **Meetings and Attendance during the year**

During the financial year under review, the Remuneration / Compensation Committee did not meet.

The Chairman of the Remuneration Committee was present at the 25th Annual General Meeting of the Company held on September 29, 2008.

- **Remuneration Policy**

The Remuneration policy of the Company is based upon well defined criteria such as success and performance of its managerial persons and the Company, industry benchmarks, the profile of the incumbent, the responsibilities shouldered etc. Through its remuneration policy, the Company endeavors to attract, retain, develop and motivate its high skilled and dedicated workforce.

The Non-Executive Directors did not draw any remuneration (other than sitting fees) from the Company during the financial year under review.

a. Details of remuneration paid to Managing & Executive Directors during the year 2008-2009 is given below:

(Amount in Rs.)

Particulars	Mr. Praful N. Satra	Mr. Rajan P. Shah	Dr. Vijay N. Satra (resigned w.e.f. March 20, 2009)
Salary	24,00,000/-	12,00,000/-	11,00,000/-
Perquisites	NIL	NIL	NIL
Commission	2,61,264/-	NIL	NIL
Total	26,61,264/-	12,00,000/-	11,00,000/-

- Commission is determined on the basis of the Net Profits of the Company for the particular Financial year, subject to the ceiling as stipulated in Sections 198 & 309 of the Companies Act, 1956.
- Commission payable to Managing Director is subject to approval of the Audited Annual Accounts for the Financial Year 2008-2009 by the members at the 26th Annual General Meeting.
- Appointment, terms, conditions and payment of remuneration to the Managing Director / Whole time Director / Executive is governed by the resolutions passed by the Remuneration / Compensation Committee, Board of Directors and Members of the Company, where necessary. The remuneration structure comprises salary, incentive allowances, perquisites and allowance, contribution to provident fund and superannuation, as per the Company's policy.
- The Company does not have any Employee Stock Option Scheme.
- The Company has entered into one pecuniary transaction with one of its Non-Executive Director for sale of shop in one of its project and has received an advance against the same. Since the transaction is not material, the said transaction does not affect the independence of the Director of the Company.

b. Criteria for making payment to Non-Executive Directors:

Non-Executive Directors of the Company were paid sitting fees per meeting during the financial year under review subject to applicable taxes, levies, etc., if any. For attending:

- Meeting of the Board of Directors;
- Meeting of the Audit Committee;
- Meeting of the Shareholders Grievance Committee;
- Meeting of the Remuneration Committee, if any.
- Meeting of the Investment Committee;
- Meeting of the Borrowing Committee;
- Meeting of the Rights Issue Committee.

c. Details of sitting fees paid to the Non-Executive Directors for the financial year 2008-2009.

(Amt. in Rs.)

Name of Directors	Sitting Fees
Mrs. Minaxi P. Satra	90,000
Mr. Vidyadhar D. Khadilkar	1,90,000
Mr. Vinayak D. Khadilkar	1,75,000
Mr. K Jawahar Mahi	1,45,000
Mr. Pisupati Subrahmanyam	90,000

6. Shareholders Grievance Committee

I. Constitution and Terms of Reference of the Committee:

The Company has always valued its investors and stakeholders relationships in order to ensure the proper and speedy redressal of Shareholders'/investors' complaints, the Shareholders'/Investors' Committee was constituted. The constitution and terms of reference of the Shareholders'/Investors' Grievance Committee is in conformity with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchange. The Shareholders'/Investors' Grievance Committee is empowered to look into redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends and other miscellaneous complaints. The Committee also ensures implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Shareholders'/Investors' Committee is headed by a Non-Executive Director and comprises of the following Directors:

Name	From	To	Position	Category
Mr. K. Jawahar Mahi	May 26, 07	-	Chairman	Non Executive & Independent Director
Mr. Vidyadhar D. Khadilkar	May 26, 07	-	Member	Non Executive & Independent Director
Mr. Rajan P. Shah	May 26, 07	-	Member	Executive Director
Mr. Vicky M. Kundaliya	May 26, 07	-	Secretary	Company Secretary & Compliance Officer

II. Name and Designation of Compliance officer:

Mr. Vicky M. Kundaliya – Company Secretary is the Compliance Officer of the Company.

III. Shareholders Complaints:

Nature of Complaints	Received	Cleared	Pending
Non receipt of Share Certificates duly transferred	3	3	NIL
Non receipt of Dividend Warrants	5	5	NIL
Non-receipt of Annual Report	3	3	NIL
Letters from SEBI	NIL	NIL	NIL
Letters from Stock Exchanges	3	3	NIL
Correspondence construed as Complaint	NIL	NIL	NIL
Total	14	14	NIL

IV. Meetings and attendance during the year:

During the financial year under review, the Shareholders'/Investors' Grievances Committee met Four times, i.e. on April 26, 2008, July 31, 2008, October, 27, 2008 and January 31, 2009. All the Members of the said Committee attended all the Committee meetings.

7. General Body Meetings:

a) Details of venue, date and time of the last three Annual General Meetings (AGM) held:

Financial Year	AGM No.	Venue	Day and Date	Time
2007– 08	25 th	Prime Party Hall, Shafi Mansion, Irla Society Road, Vile Parle (W), Mumbai – 400056.	Monday, September 29, 08	5.00 P.M.
2006 – 07	24 th		Tuesday, September 11, 07	5.00 P.M.
2005 – 06	23 rd		Monday, June 12, 06	4.00 P.M.

b) Special Resolutions passed at the last three AGMs:

Special Resolutions passed in the previous three Annual General Meetings are as follows:

At the 25th AGM held on September 29, 2008

- No Special Resolution was passed and only Ordinary Resolutions were passed.

At the 24th AGM held on September 11, 2007

- Increase in the Sitting Fees payable to Non-Executive and Independent Director for Attending Meetings
- Increase in the limit of Remuneration payable to Executive Directors of the Company.

At the 23rd AGM held on June 12, 2006

- No Special Resolution was passed and only Ordinary Resolutions were passed.

c) **Passing of Resolutions by Postal Ballot:**

Pursuant to Section 192A of the Companies Act, 1956 and Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the Company has passed the Resolutions through Postal Ballot as per the details mentioned below:

Date of Report by the Scrutinizer	Date of Declaration of Results / Date of Approval of Members	Name of the Scrutinizer	Resolution passed through Postal Ballot
June 19, 08	June 19, 08	Mr. Hemanshu L. Kapadia of M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries	<ol style="list-style-type: none"> 1. To invest in Satra Properties Limited (proposed) or any other name as may be approved by concerned authorities, the proposed Wholly Owned Subsidiary Company to be incorporated in Dubai in excess of the limits prescribed in Section 372A of the Companies Act, 1956. – Special Resolution 2. To invest in Satra Property Development Private Limited in excess of the limits prescribed in Section 372A of the Companies Act, 1956. – Special Resolution 3. To appoint Dr. Vijay N. Satra, as Whole-Time Director of the Company. – Special Resolution
January 13, 09	January 14, 09	Mr. Hemanshu L. Kapadia of M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries	<ol style="list-style-type: none"> 1. To accord Power to the Board of Directors to sell, lease or dispose of the whole or substantially the whole of the Undertaking as prescribed under Section 293(1)(a) of the Companies Act, 1956. – Ordinary Resolution

Date of Resolution	No. of Resolution	No. of Votes			% of Votes		
		In Favour	Against	Invalid	In Favour	Against	Invalid
19.06.08	01	12,21,16,045	1,855	2,01,891	99.8323	0.0016	0.1651
	02	12,21,15,810	2,075	2,01,906	99.8322	0.0017	0.1651
	03	12,21,14,445	2,225	2,03,121	99.8310	0.0019	0.1661
14.01.09	01	13,17,86,599	7,290	1,999	99.9930	0.0055	0.0015

The procedure prescribed under Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 has been followed for the Postal Ballot conducted during the year for the resolutions mentioned above. The results of the Postal Ballot were announced by the Chairperson of the Company at the Registered Office of the Company. Thus, all the aforesaid Resolutions have been passed by overwhelming majority of members who cast their vote. Resolutions, if required, shall be passed by Postal Ballot during the financial year 2009-2010, as per the prescribed procedure.

8. Disclosures:

- a. **Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**
During the year under review, there was no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large.
- b. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years:**
There has been no non-compliance of any legal requirements nor have there been any strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- c. **Whistle Blower policy and affirmation that no personnel has been denied access to the audit Committee:**
The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. However, a formal Whistle Blower policy is not in place.
- d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of the clause:**
The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement entered with the Stock Exchanges. Compliance/Non- Compliance of the non- mandatory requirements of this clause has been detailed hereof.

9. Means of Communication:

- I. **Quarterly / Half Yearly / Annual results:**
Quarterly / Half Yearly / Annual results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the provisions of the Listing agreement and are published in the newspapers. The Company has also displayed the results as specified under Clause 41 of the Listing Agreement on the Company's website www.satraproperties.in
- II. **Newspapers wherein results are normally published:**
Free Press Journal (English) and Navshakti (Marathi, the regional language).
- III. **Any Website, where displayed and whether Website also displays official news releases:**
The Company has its Official Website namely www.satraproperties.in, which is providing all the project related and general information about the Company. The Company is regular in submitting all the relevant information with the BSE. To have an easy access to all such information by the Shareholders/Investors, etc., the Company has made arrangements by making direct link from the Company's website to BSE website with company's code, so that our shareholders can have latest updates submitted to the Stock Exchange.
- IV. **Whether presentations made to institutional investors or to the analysts:**
No specific presentation has been made to institutional investors or to the analysts.

10. General Shareholders Information:

1. **26th Annual General Meeting**

Day, Date	:	Tuesday, September 29, 2009 at 5 p.m.
Venue	:	Prime Party Hall Safi Mansion, Irla Society Road, Vile Parle (West), Mumbai – 400056.
2. **Financial Year** : April 1, 2008 to March 31, 2009.
3. **Date of Book Closure** : The Company's Register of Members and Share Transfer Books will remain closed from September 22, 2009 to September 29, 2009 (both days inclusive).
4. **Listing on Stock Exchanges** : Bombay Stock Exchange Limited
Floor, 25, P. J. Towers,
Dalal Street, Mumbai – 01.

The Company has paid the Listing fees for the year 2009-2010 to the aforesaid Stock Exchanges.

5. **Stock Code** : Equity Shares - 508996.
Preference Shares - 700124.

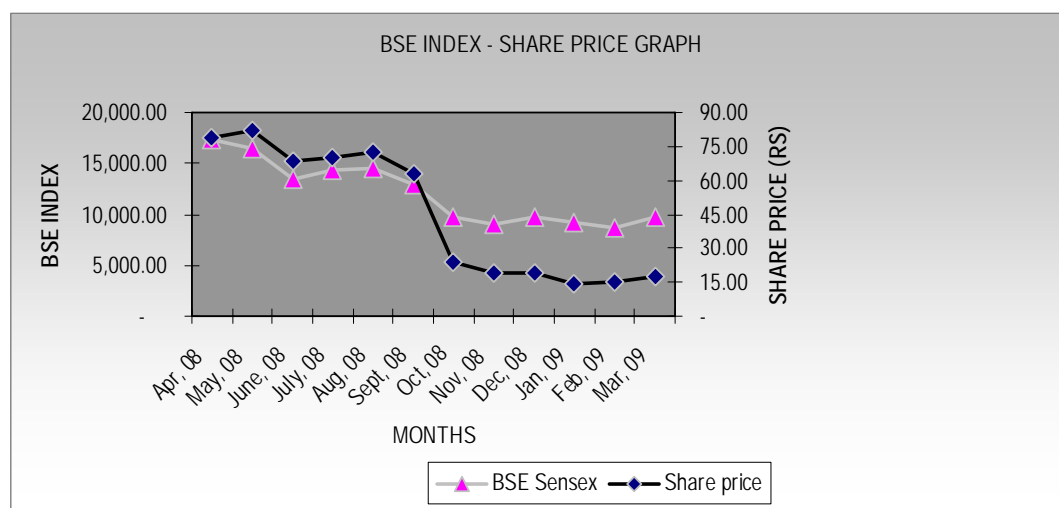
6. ISIN Number : Equity Shares - INE086E01021.
Preference Shares - INE086E04017.
7. CIN Number : L65910MH1983PLC030083.
8. Registration Number : 030083
9. Market Price Data : High, Low during each month in last financial year

The performance of the equity shares of the Company on the Bombay Stock Exchange Limited (BSE) depicting the liquidity of the Company's equity Shares for the financial year ended March 31, 2009, on the said exchange is given hereunder:

Months	High - Rs.	Low - Rs.	Volume - Nos.
April, 2008	92.00	70.25	23,58,963
May, 2008	88.00	75.75	13,44,566
June, 2008	84.45	64.25	17,19,606
July, 2008	87.00	62.20	23,63,254
August, 2008	74.90	67.60	20,13,867
September, 2008	79.50	57.50	46,02,220
October, 2008	64.00	19.10	16,35,859
November, 2008	26.00	18.80	4,24,703
December, 2008	21.35	17.00	4,61,803
January, 2009	21.35	14.00	1,95,652
February, 2009	16.74	12.46	2,23,400
March, 2009	18.25	11.00	6,31,847

11. Stock Performance:

Your Company's Closing Share Price movement during the Financial Year 2008-2009 on BSE vis-à-vis respective indices:



12. Registrar and Share Transfer Agent:

Share Transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent:

Adroit Corporate Services Private Limited
Unit: Satra Properties (India) Limited
19/20 Jaferbhoy Industrial Estate, Makwana Road,
Marol Naka, Andheri (East), Mumbai – 400059.
Time: 9.30 a.m. to 5.30 P.M. (From Monday to Saturday)
Tel: +91 - (022) – 28594060 / 6060, Fax: +91 (022) 28503748
Email: adroits@vsnl.net / Website: www.adroitcorporate.com

13. Share Transfer System:

Pursuant to the provisions of the Listing Agreement entered into with the Stock Exchanges, the Board of Directors of the Company, in order to expedite the process of share transfers, has delegated the power of share transfer to the R&TA. Securities lodged for transfer are normally processed within the stipulated time as specified in the Listing agreement and other applicable provisions of the Companies Act, 1956.

14. Distribution of Shareholding as on March 31, 2009.

Number of Shares held (F. V.of Rs. 2/- each)	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 - 500	3090	78.97	4,52,184	0.29
501 - 1,000	347	8.87	2,55,677	0.16
1,001 - 2,000	183	4.68	2,67,627	0.17
2,001 - 3,000	48	1.23	1,34,256	0.09
3,001 - 4,000	20	0.51	72,008	0.05
4,001 - 5,000	28	0.71	1,33,361	0.09
5,001 - 10,000	46	1.17	3,15,821	0.20
10,001 - above	151	3.86	15,37,27,066	98.95
Total	3,913	100.00	15,53,58,000	100.00

15. Dematerialisation of Shares And Liquidity

As per the directions of SEBI, Equity Shares of the Company can be traded by all the investors only in dematerialised form.

The details of Equity Shares dematerialised and those held in Physical Form as on March 31, 2009 are given hereunder:

Particulars of Shares	Shares of Rs. 2/- each		Shareholders	
	Number	% of Total	Number	% of Total
Dematerialised Form				
- NSDL	10,19,43,455	65.62	2,231	57.01
- CDSL	53,90,820	3.47	1,603	40.97
Sub-total	10,73,34,275	69.09	3,834	97.98
Physical Form	4,80,23,725	30.91	79	2.02
Total	15,53,58,000	100.00	3,913	100.00

Considering the advantages of dealing in securities in dematerialised / electronic form, Members still holding shares in physical form are requested to dematerialise their shares at the earliest. For further information / clarification / assistance in this regard, please contact M/s. Adroit Corporate Services Private Limited, Registrar and Share Transfer Agent.

16. Capital Built - Up

The Equity Capital Built – Up of the Company up to March 31, 2009 is as follows:

Sr. No.	Particulars	Date of Allotment	No. of Shares
1	Subscribers to Memorandum of Association & Articles of Association	30/05/83	7,000
2	Public Issue	18/07/83	24,93,000
3	Allotment on Preferential Basis	22/01/06	2,41,500
4	Allotment on Preferential Basis	28/03/07	1,77,250
5	Sub-Division of Shares from F. V. of Rs. 10/- each to Rs. 2/- each	14/07/07	1,45,93,750
6	Shares issued pursuant to the Order of the Hon'ble High Court, Bombay approving the Scheme of Amalgamation of Om Housing Company Private Limited with the Company.	19/09/07	3,71,92,250
7	Bonus Shares issued in the ratio of 2:1 (i.e. Two new Equity Shares issued against One existing Equity Shares.)	29/01/08	10,35,72,000
	Total Equity Shares of F. V. of Rs. 2/- each.		15,53,58,000

The 8% Cumulative Redeemable Preference Capital Built – Up of the Company up to March 31, 2009 is as follows:

Sr. No.	Particulars	Date of Allotment	No. of Shares
1	Shares issued pursuant to the Order of the Hon'ble High Court, Bombay approving the Scheme of Amalgamation of Om Housing Company Private Limited with the Company.	19/09/07	74,00,000
	Total Preference Shares of F.V. Rs. 10/- each.		74,00,000

17. Outstanding ADRs / GDRs

As on March 31, 2009, the Company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

18. Site Address:

The Company does not have any manufacturing facility. Hence, the locations of the plant could not be given. The Company is in the business of Real Estate & Development & Construction Activities. The locations of the various sites presently under construction are as under:

Sr. No.	Name of the Proposed Projects	Projects Location	Type of Projects
1	Satra Plaza	Vashi, Navi Mumbai	Commercial Offices cum Shopping Center
2	Satra Park	Borivali, Mumbai	Residential cum Shopping Center
3	Dreams The Mall	Bhandup, Mumbai	Shopping Mall
4	Satra Galleria	Calicut, Kerala	Mall cum Hotel
5	Satra Galleria	Jodhpur, Rajasthan	Mall cum Hotel
6	Prime Down Town	Hughes Road, Mumbai	Residential

19. Address for Correspondence

Any clarification/grievances/queries/suggestions pertaining to Share transfer/ Demat can be addressed to the Company's Registrar and Share Transfer Agent on their following address:

ADROIT CORPORATE SERVICES PRIVATE LIMITED

Unit: Satra Properties (India) Limited

19/20 Jaferbhoy Industrial Estate, Makwana Road,

Marol Naka, Andheri (East), Mumbai – 400059

Tel: +91 - (022) – 28594060 / 28596060 Fax : +91 (022) 28503748

Email: adroits@vsnl.net / Website: www.adroitcorporate.com

20. Non -Mandatory Requirements:

1. The Board:

The Company does not defray any secretarial expenses of the Chairman's office. Independent Directors may have a tenure not exceeding in the aggregate, a period of nine years, on the Board of the Company. The Company ensures that all the persons being appointed as Independent Director of the Company has requisite qualifications, experience and expertise enabling them to effectively contribute towards the growth of the Company and aids the Company to achieve new heights of success in the Real Estate, Development and Construction Industry.

2. Remuneration Committee:

As stated earlier, the Company has constituted Remuneration/ Compensation Committee to review and recommend the remuneration of the Managing Director / Whole time Director / Executive Director based on his/her performance and defined assessment criteria. Details regarding composition and scope of the Remuneration/Compensation Committee are given in the earlier part of this report.

3. Shareholder Rights:

The Company's quarterly and half-yearly results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members.

4. Audit Qualifications:

The Qualifications in the Audit Report for the financial year under review has been discussed in the Director's Report

5. Training of Board Members:

No training is provided to the Board Members as on date of this Report.

6. Mechanism for evaluating non-executive Board Members:

No mechanism is in place on the date of this Report.

7. Whistle Blower Policy:

Company has adopted the Code of Conduct for Board of Directors and Senior Management. However, as of the date of this Report, the Company has not adopted any formal Whistle Blower Policy.

DECLARATION BY CHAIRMAN CUM MANAGING DIRECTOR UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

I, Praful N. Satra, Chairman cum Managing Director of **Satra Properties (India) Limited** hereby affirm and declare, to the best of my knowledge and belief, and on behalf of the Board of Directors of the Company and Senior Management personnel, that:

- ❖ The Board of Directors has laid down a code of conduct for all the Board Members and Senior Management of the Company ["the Code"];
- ❖ The Code of Conduct has been posted on the website of the Company;
- ❖ All the Directors and Senior Management personnel have affirmed their compliance and adherence to the provisions of the Code of Conduct.

Praful N. Satra
Chairman cum Managing Director
Mumbai, July 31, 2009

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members

SATRA PROPERTIES (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by SATRA PROPERTIES (INDIA) LIMITED (" the Company) for the financial year ended March 31st, 2009, as stipulated in Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited (BSE).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Clause 49. It is neither an audit nor an expression of opinion on financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We further state that such compliance is neither as assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Hemanshu Kapadia & Associates
Company Secretaries**

**Hemanshu Kapadia
Proprietor
C.P. No. 2285
Mumbai, July 31, 2009**

C.E.O. / C.F.O. CERTIFICATION:

To,
The Board of Directors
Satra Properties (India) Limited
Dev Plaza, 2nd Floor,
Opp. Andheri Fire Station,
S. V. Road, Andheri (west), Mumbai – 400 058

We, Praful N. Satra, Chairman cum Managing Director and Bhavesh V. Sanghavi, Chief Financial Officer of Satra Properties (India) Limited, to the best of our Knowledge and belief certify that : -

- A. We have reviewed financial statement and the cash flow statement for the year ended March 31, 2009 and that to the best of our knowledge and belief:
- i. these statement do not contain any materially untrue statements or omit any material fact or contain statement that might be misleading;
 - ii. these statements together present true & fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct..
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:-
- i. Significant changes in internal control financial reporting during the year;
 - ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which have become aware and that the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Praful N. Satra
Chairman cum Managing Director
Mumbai, July 31, 2009

Bhavesh Sanghavi
Chief Financial officer

AUDITORS' REPORT

To the Members of
SATRA PROPERTIES (INDIA) LIMITED

We have audited the attached Balance Sheet of Satra Properties (India) Limited ('the Company') as at 31 March 2009, the Profit and Loss account and the Cash Flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

- 1) As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) Further to our comments in the Annexure referred to above, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Profit and Loss account and the Cash Flow statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, *except as stated in paragraph (f) below*, the Balance Sheet, the Profit and Loss account and the Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
 - e. on the basis of the written representations received from the directors of the Company as on 31 March 2009 and taken on record by the Board of Directors, we report that

none of the directors is disqualified as on 31 March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

- f. *As more fully explained in Schedule 41 to the financial statements, construction work-in-progress of a project includes construction cost of Rs 157,974,510 arising out of a significant change in the structural plan of the project, resulting in over-statement of the construction work-in-progress as at 31 March 2009. In accordance with the provisions of Accounting Standard - 2, "Inventories", such construction costs should have been charged to the profit and loss account. Had the aforementioned construction costs been charged to the profit and loss account, construction cost for the year would have been higher by Rs 157,974,510, construction work-in-progress would have been lower by Rs 157,974,510, the profit for the year after tax of Rs 16,763,127 would be converted into a loss after tax of Rs 108,002,505 and the reserves and surplus as at 31 March 2009 would have been lower by Rs 124,765,632; and*
- g. in our opinion, and to the best of our information and according to the explanations given to us, *subject to the effect of the matter stated in paragraph (f) above*, the said accounts 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:
 - i in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2009;
 - ii in the case of the Profit and Loss account, of the profit of the Company for the year ended on that date; and
 - iii in the case of the Cash Flow statement, of the cash flows of the Company for the year ended on that date.

For M/s Bhuta Shah & Co.
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 29 June, 2009

For B S R & Associates
Chartered Accountants

Bhavesh Dupelia
Partner
Membership No. 042070
Mumbai, 29 June, 2009

ANNEXURE TO THE AUDITORS' REPORT – 31ST MARCH 2009

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, the Company has physically verified certain fixed assets during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been dealt with in the books of account.
- (iii) (a) The Company has granted loans to a company covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs 298,517,483 and the year-end balance of such loans was Rs 298,517,483. The Company has not granted any loans, secured or unsecured to firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to companies listed in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.
- (c) The loans granted to companies covered in the register maintained under Section 301 of the Act do not have stipulations with regard to the repayment of principal and interest amounts. Accordingly, we are unable to comment on the regularity of repayment of principal and interest.
- (d) The loans granted to companies covered in the register maintained under Section 301 of the Act do not have stipulations with regard to the repayment of principal and interest amounts. Accordingly, we are unable to comment whether there is any overdue amount of more than Rupees one lakh in respect of such loans.
- (e) The Company has taken unsecured loans from five companies and two other parties covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs 373,463,587 and the year-end balance of such loans was Rs 143,338,131.
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies and other parties listed in the register maintained under Section 301 of the Act, are not, prima facie, prejudicial to the interest of the Company.
- (g) The loans taken from companies and other parties covered in the register maintained under Section 301 of the Act do not have stipulations with regard to the repayment of principal and interest amounts. Accordingly, we are unable to comment on the regularity of repayment of principal and interest.

- (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 inventories, fixed assets, sale of commercial/residential premises and trading in development rights. The activities of the Company currently do not involve sale of goods and services. Accordingly, paragraph 4 (iv) of the Order with respect to sale of goods and services is not applicable to the Company. We have not observed any major weakness in the internal control system during the course of the audit.
- (v)
 - (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company *does not have an internal audit function*.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Act for any of the activities carried out by the Company.
- (ix)
 - (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 Provident Fund, Wealth Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. 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 Cess, Income Tax and Sales Tax have not been regularly deposited during the year by the Company with the appropriate authorities and there have been serious delays in several cases. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Custom Duty, Excise Duty, Service Tax and Investor Education and Protection Fund.

There were no dues on account of Cess under Section 441A of the Act since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

According to the information and explanations given to us, *except Rs 144,000 on account of Sales Tax and Rs 178,477,466 on account of Income Tax*, no undisputed amounts payable in respect of Provident Fund, Wealth Tax, Income Tax, Sales Tax, Cess and other material statutory dues were in arrears as at 31 March 2009 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Wealth Tax, Sales Tax, Cess, Excise duty and Customs duty which have not been deposited with the appropriate authorities on account of any disputes.

According to the information and explanations given to us, the following dues of Income-tax have not been deposited by the Company on account of disputes:

<u>Name of the Statute</u>	<u>Nature of the Dues</u>	<u>Amount (Rs.)</u>	<u>Period to which the amount relates</u>	<u>Forum where dispute is pending</u>
Income Tax Act, 1961	Income tax	17,455,266	A.Y. 2007-08	Commissioner of Income Tax (Appeals)

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, *the Company has defaulted in repayment of dues to its bankers and financial institutions as set out in Appendix 1 to the Auditors' report.* According to the information and explanations given to us, the Company has applied for restructuring of these loans. The Company did not have any outstanding debentures during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given a corporate guarantee aggregating to Rs 600,000,000 for a loan taken by its subsidiary company from a bank is not prejudicial to the interest of the Company. The Company has not given any guarantee for loans taken by others from any financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to companies, firms and parties covered in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued any debentures. Accordingly, paragraph 4(xix) of the Order is not applicable to the Company.
- (xx) The Company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For M/s Bhuta Shah & Co.
Chartered Accountants

For B S R & Associates
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 29 June, 2009

Bhavesh Dupelia
Partner
Membership No. 042070
Mumbai, 29 June, 2009

Appendix 1 to the Auditors' Report – 31 March 2009

Name of the bank	Amount due on	Date of payment	Number of days delay	Amount (Rs.)
Indian Bank	1 May 2008	2 May 2008	1	5,257,786
Indian Bank	1 June 2008	3 June 2008	2	5,382,916
Indian Bank	1 September 2008	10 September 2008	9	3,348,215
Indian Bank	1 September 2008	4 October 2008	33	500,000
Indian Bank	1 September 2008	1 December 2008	91	2,216,785
Indian Bank	1 October 2008	1 December 2008	61	183,215
Indian Bank	1 October 2008	30 December 2008	90	5,881,785
Indian Bank	1 November 2008	30 December 2008	59	4,118,215
Indian Bank	1 November 2008	27 January 2009	87	1,946,785
Indian Bank	1 December 2008	27 January 2009	57	4,118,135
Indian Bank	1 December 2008	31 March 2009	120	1,934,117
Indian Bank	1 January 2009	31 March 2009	89	6,065,000
Indian Bank	1 February 2009	31 March 2009	58	300,883
Indian Bank	1 February 2009	17 June 2009	136	5,764,117
Indian Bank	1 March 2009	17 June 2009	108	6,065,000
HUDCO	30 November 2008	24 December 2008	24	23,702,941
Yes Bank	31 May 2008	28 June 2008	28	1,735,337
Yes Bank	30 June 2008	10 July 2008	10	4,358,310
Yes Bank	31 July 2008	28 August 2008	28	4,881,787
Yes Bank	31 August 2008	15 September 2008	15	5,108,779
Yes Bank	30 September 2008	15 October 2008	15	5,009,064
Yes Bank	31 October 2008	3 November 2008	3	3,421,337
Yes Bank	31 October 2008	7 November 2008	7	1,806,314
Yes Bank	30 November 2008	4 December 2008	4	5,095,890
Yes Bank	31 December 2008	19 January 2009	19	5,134,246
Yes Bank	31 January 2009	29 April 2009	88	5,095,890
Yes Bank	28 February 2009	29 May 2009	90	4,602,740
Yes Bank	31 March 2009	29 June 2009	90	5,095,890
Syndicate Bank	30 April 2008	2 May 2008	2	99,782
Syndicate Bank	31 May 2008	7 July 2008	37	99,782
Syndicate Bank	31 July 2008	30 August 2008	30	101,367
Syndicate Bank	31 August 2008	2 September 2008	2	498,876
Syndicate Bank	31 August 2008	9 September 2008	9	2,534,487
Syndicate Bank	31 August 2008	18 September 2008	18	97,054
Syndicate Bank	30 September 2008	22 October 2008	22	2,249,081
Syndicate Bank	31 October 2008	3 November 2008	3	120,821
Syndicate Bank	30 November 2008	13 December 2008	13	2,524,839
Syndicate Bank	30 November 2008	31 December 2008	31	101,753
Syndicate Bank	31 December 2008	6 January 2009	6	339,683
Syndicate Bank	31 December 2008	10 February 2009	41	336,887
Syndicate Bank	31 December 2008	13 February 2009	44	14,024
Syndicate Bank	31 December 2008	31 March 2009	90	2,202,203
Syndicate Bank	6 January 2009	31 March 2009	84	6,946
Syndicate Bank	31 January 2009	31 March 2009	59	1,486,792
Syndicate Bank	31 January 2009	18 June 2009	137	2,205,589
Syndicate Bank	2 February 2009	18 June 2009	135	3,887
Syndicate Bank	10 February 2009	18 June 2009	128	4,830
Syndicate Bank	13 February 2009	18 June 2009	125	14,593
Syndicate Bank	28 February 2009	18 June 2009	110	269,920
Syndicate Bank	28 February 2009	18 June 2009	110	2,498,821
Syndicate Bank	28 February 2009	Unpaid till date		780,596
Syndicate Bank	31 March 2009	Unpaid till date		3,665,167

Balance Sheet as at 31 March 2009			
(Currency: Indian Rupees)			
	<i>Schedule</i>	2009	2008
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	3	384,716,000	384,716,000
Reserves and surplus	4	409,498,992	397,180,036
		794,214,992	781,896,036
Loan funds			
Secured loans	5	2,520,630,216	1,231,200,581
Unsecured loans	6	845,655,449	679,043,251
		3,366,285,665	1,910,243,832
TOTAL		4,160,500,657	2,692,139,868
APPLICATION OF FUNDS			
Fixed assets			
Gross block	7	56,558,765	50,486,886
Less: Accumulated depreciation / amortization		24,710,076	13,574,259
Net block		31,848,689	36,912,627
Capital work-in-progress		-	10,791
		31,848,689	36,923,418
Investments			
Deferred tax assets	8	597,969,890	586,967,158
	9	21,227,597	1,072,033
Current assets, loans and advances			
Inventories	10	2,777,693,865	2,331,357,762
Sundry debtors	11	674,881,391	560,055,397
Cash and bank balances	12	5,552,528	45,093,830
Loans and advances	13	1,580,384,331	1,192,945,200
		5,038,512,115	4,129,452,189
Less: Current liabilities and provisions			
Current liabilities	14	1,309,405,016	1,846,422,867
Provisions	15	219,652,618	215,852,063
		1,529,057,634	2,062,274,930
Net current assets		3,509,454,481	2,067,177,259
Miscellaneous expenditure	16	-	-
<i>(to the extent not written off or adjusted)</i>			
TOTAL		4,160,500,657	2,692,139,868
Significant accounting policies			
Schedules to the financial statements	23-45		

The schedules referred to above are an integral part of the balance sheet.
As per our report attached.

For **B S R & Associates**
Chartered Accountants

For **M/s Bhuta Shah & Co**
Chartered Accountants

For and on behalf of the Board of Directors

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 29 June 2009

S. J. Parmar
Partner
Membership No: 103424
Mumbai, 29 June 2009

Vicky M. Kundaliya
Company Secretary
Mumbai, 29 June 2009

Rajan P. Shah
Executive Director

Praful N. Satra
*Chairman and
Managing Director*

Profit and Loss account for the year ended 31 March 2009			
(Currency: Indian Rupees)			
	<i>Schedule</i>	2009	2008
Income			
Sales	17	1,058,800,501	1,942,327,089
Other income	18	161,467,988	129,398,612
TOTAL		1,220,268,489	2,071,725,701
Expenditure			
Construction and purchase cost	19	771,423,585	1,314,769,839
Personnel expenses	20	16,590,865	34,748,353
Administrative and other expenses	21	41,449,548	68,286,869
Financial expenses	22	331,441,566	86,495,194
Depreciation / amortization	7	10,028,367	8,416,950
TOTAL		1,170,933,931	1,512,717,205
Net profit before tax		49,334,558	559,008,496
Less : Provision for current tax			
- current year		50,991,398	188,338,000
- prior year charge / (credit)		1,246,247	(5,338,744)
Deferred tax (credit)		(20,155,564)	(1,450,782)
Fringe benefit tax			
- current year		438,639	-
- prior year charge		50,711	137,824
Net profit after tax for the year		16,763,127	377,322,198
Add : Balance brought forward from previous year		267,216,711	57,407,743
Add : Net profit after tax for the period 1 April 2006 to 31 March 2007 on account of amalgamation of erstwhile Om Housing Company Private Limited (refer schedule 32)		-	18,992,514
Profit available for appropriation		283,979,838	453,722,455
Appropriation			
Transferred to general reserve		-	150,000,000
Dividend on preference shares		5,920,000	12,748,274
Tax on dividend on preference shares		1,006,104	2,166,569
Dividend on equity shares		-	15,535,800
Tax on dividend on equity shares / credit availed on dividend distribution tax paid by the subsidiary company		(2,481,933)	2,640,309
Interim dividend paid on equity shares		-	2,918,750
Tax on interim dividend paid on equity shares		-	496,042
Balance carried forward to Balance sheet		279,535,667	267,216,711
		283,979,838	453,722,455
Basic and Diluted Earnings per share (face value of Rs 2 per share)	23	0.06	2.38
Significant accounting policies	2		
Schedules to the financial statements	23 - 45		

The schedules referred to above are an integral part of the profit and loss account.

As per our report attached.

For **B S R & Associates** For **M/s Bhuta Shah & Co**
Chartered Accountants *Chartered Accountants*

For and on behalf of the Board of Directors

Bhavesh Dhupelia
Partner

S. J. Parmar
Partner

Vicky M. Kundaliya
Company Secretary

Rajan P. Shah
Executive Director

Praful N. Satra
*Chairman and
Managing Director*

Membership No: 042070
Mumbai, 29 June 2009

Membership No: 103424
Mumbai, 29 June 2009

Mumbai, 29 June 2009

Cash Flow Statement for the year ended 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
<i>Cash flows from operating activities :</i>		
Profit before tax	49,334,558	559,008,496
<i>Adjusted for:</i>		
Depreciation / amortisation	10,028,367	8,416,950
Miscellaneous expenditure written off	-	537,385
(Profit) / Loss on sale of investments	(850,279)	9,013,111
Share in loss / (profit) of partnership firm	1,531	(56,856,893)
Assets written off	1,731,009	-
Dividend income	(14,603,900)	(14,603,900)
Income tax refund	-	(9,411)
Interest on income tax refund	-	(12,056)
Interest income	(113,853,809)	(28,682,588)
Financial expenses	331,441,566	86,495,194
	213,894,485	4,297,792
<i>Operating profit before working capital changes</i>	263,229,043	563,306,288
(Increase) / decrease in working capital		
Inventories	(262,244,008)	(894,312,241)
Sundry debtors	(114,825,994)	(33,898,374)
Loans and advances	(292,709,567)	(58,951,504)
Current liabilities and provisions	(541,044,570)	517,886,147
	(1,210,824,139)	(469,275,972)
Cash generated (used in) / from operations	(947,595,096)	94,030,316
Taxes paid (net of refund)	(25,175,979)	(19,399,221)
Net cash generated (used in) / from operating activities	(972,771,075)	74,631,095
Cash flows from investing activities :		
Purchase of fixed assets including capital work in progress	(7,905,849)	(16,517,281)
Investments made	(37,400)	(2,525,368)
Investment in subsidiary and associates	(11,711,600)	(633,754,557)
Investment in partnership firm	(18,025,000)	-
Proceeds from sale of investments	1,596,548	17,582,842
Return of capital from partnership firm	14,525,000	69,043,107
Profit on trading in securities	-	1,589,829
Dividend received	14,603,900	14,603,900
Share in profit from partnership firm	-	56,856,893
Interest received	22,550,212	28,682,588
Net cash (used in) / from investing activities	15,595,811	(464,438,047)

Cash Flow Statement for the year ended 31 March 2009
(Currency: Indian Rupees)

	2009	2008
Cash flows from financing activities :		
Proceeds from long term borrowings	1,306,942,345	396,412,000
Repayment of long term borrowings	(17,512,710)	(89,440,121)
Proceeds from short term borrowings(net)	166,612,197	125,926,052
Dividend and dividend distribution tax paid	(28,312,456)	-
Interim dividend and dividend distribution tax on interim dividend paid	-	(6,464,399)
Share issue expenses adjusted in securities premium account	-	(1,549,055)
Financial expenses	(510,095,414)	(79,842,176)
Net cash generated from financing activities	917,633,962	345,042,301
Net (decrease) / increase in Cash and cash equivalents	(39,541,302)	(44,764,651)
Cash and cash equivalents, beginning of year	45,093,830	24,452,663
Add : Cash and cash equivalents acquired on amalgamation (refer schedule 32)	-	65,405,818
Cash and cash equivalents, end of year	5,552,528	45,093,830
Cash and cash equivalents, end of year comprise of :		
Cash on hand	1,535,524	2,494,573
Cheques on hand	-	1,800,000
With scheduled banks		
- in current account	3,986,504	40,768,757
- in deposit account	30,500	30,500
	5,552,528	45,093,830

Note: Cash and cash equivalents include restricted cash of Rs 278,494 (2008: Rs 282,511)
As per our report attached

For **B S R & Associates**
Chartered Accountants

For **M/s Bhuta Shah & Co**
Chartered Accountants

For and on behalf of the Board of Directors

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 29 June 2009

S. J. Parmar
Partner
Membership No: 103424
Mumbai, 29 June 2009

Vicky M. Kundaliya
Company Secretary
Mumbai, 29 June 2009

Rajan P. Shah
Executive Director

Praful N. Satra
*Chairman and
Managing Director*

SCHEDULES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2009

(Currency: Indian Rupee)

1 Background

The Company was incorporated on 30 May 1983 as Express Leasing Limited. The name of the Company was changed to Satra Properties (India) Limited on 13 June 2006. The Company is engaged in the business of real estate development and trading in properties and transferable development rights.

During the previous year, the Company has implemented the scheme of amalgamation of the erstwhile Om Housing Company Private Limited with the Company as approved by the Honourable High Court of Bombay on 16 April 2007 (Refer schedule 32).

2 Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Fixed assets and depreciation/amortization

Fixed assets are stated at cost less accumulated depreciation / amortization and impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Depreciation on fixed assets except leasehold improvements is provided on written down value method in the manner and rates prescribed in Schedule XIV to the Act. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

Assets costing less than Rs 5,000 are fully depreciated in the year of acquisition.

Leasehold improvements are amortized over the primary period of lease.

Capital work-in-progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire fixed assets on or before the balance sheet date.

2.4 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 profit and loss account. 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.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupee)

2.5 Investments

Long term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary in value of investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

2.6 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.

2.7 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. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.8 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, 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 recognised as an expense in the profit and loss account 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.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupee)

When the calculation results in a benefit to the Company, the recognised 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 profit and loss account.

2.9 Revenue recognition

Revenue is recognised 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 recognised 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 recognised on proportionate basis as the acts are performed, i.e., on the percentage of completion basis.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of 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, 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.

Interest income is recognised on time proportion basis.

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

2.10 Taxation

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

The deferred tax charge or credit 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.

Provision for Fringe Benefit Tax (FBT) is made on the basis of applicable FBT on the taxable value of specified expenses of the Company as prescribed under the Income Tax Act 1961.

2.11 Foreign currency transactions

Foreign exchange 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 profit and loss account 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 profit and loss account.

2.12 Operating lease

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

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupee)

2.13 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.

2.14 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.

2.15 Share issue expenses

Expenses incurred on issue of shares are charged to the securities premium account to the extent available.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) as at 31 March 2009		
(Currency : Indian Rupees)		
	2009	2008
3 SHARE CAPITAL		
Authorised capital:		
210,000,000 (2008: 210,000,000) equity shares of Rs 2 each	420,000,000	420,000,000
8,000,000 (2008: 8,000,000) 8% cumulative redeemable preference shares of Rs 10 each	80,000,000	80,000,000
	500,000,000	500,000,000
Issued, subscribed and paid up:		
155,358,000 (2008: 155,358,000) equity shares of Rs 2 each, fully paid up	310,716,000	310,716,000
7,400,000 (2008: 7,400,000) 8% cumulative redeemable preference shares of Rs 10 each, fully paid up	74,000,000	74,000,000
Note :		
Of the above :		
(i) 37,192,250 (2008: 37,192,250) equity shares of Rs 2 each and 7,400,000 (2008: 7,400,000) 8% cumulative redeemable preference shares of Rs 10 each were issued in 2008 pursuant to the order of the Honourable High Court, Mumbai, approving the scheme of amalgamation of Om Housing Company Private Limited with the Company, for consideration other than cash. (Refer schedule 32)		
(ii) 103,572,000 (2008: 103,572,000) equity shares of Rs 2 each have been issued as fully paid up by way of bonus equity shares in the ratio of 2:1 i.e 2 bonus equity shares for every 1 existing equity share held, after capitalisation of general reserve and securities premium account.		
(iii) Pursuant to the approval of the shareholders through postal ballot, each equity share of the Company face value Rs 10 each fully paid-up has been split into 5 equity shares of Rs 2 each fully paid up. The record date for the sub-division was 14 July 2007.		
(iv) The 8% cumulative redeemable preference shares are redeemable at par on 3 February 2011.		
	384,716,000	384,716,000
4 RESERVES AND SURPLUS		
Securities premium account		
Balance as per last balance sheet	-	160,555,000
Less: Share issue expenses	-	3,690,448
Less: Utilised for issue of bonus shares	-	156,864,552
	-	-
General reserve		
Balance as per last balance sheet	108,166,888	8,515,782
Add: Transferred from profit and loss account	-	150,000,000
Less: Transitional adjustment as per Accounting Standard 15 towards provision for employee benefits, net of taxes (Refer schedule 29)	-	69,446
Less: Utilised for issue of bonus shares	-	50,279,448
	108,166,888	108,166,888
Reserve on amalgamation		
Balance as per last balance sheet	21,796,437	-
Add: Transferred on amalgamation of erstwhile Om Housing Company Private Limited (Refer schedule 32)	-	21,796,437
	21,796,437	21,796,437
Profit and loss account	279,535,667	267,216,711
	409,498,992	397,180,036

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
5 SECURED LOANS		
From banks		
Term loan from Indian Bank	354,764,535	367,421,235
Term loan from Syndicate Bank	344,150,174	243,751,307
Term loan from Yes Bank	415,001,009	-
Vehicle loans	2,233,841	2,907,779
From others		
Term loan from Housing and Urban Development Corporation Limited (HUDCO)	799,913,887	610,000,000
Term loan from SICOM Investment and Finance Limited	600,000,000	-
Vehicle loan	4,566,770	7,120,260
Note :		
(i) Term loan from Indian Bank is secured against equitable mortgage of certain shops by way of lease rental discounting in the project Dreams the Mall, Borivali (West)		
(ii) Term loan from Syndicate Bank is secured against equitable mortgage of Jodhpur project properties and all present and future construction and development work thereon.		
(iii) Term loan from Yes Bank is secured against land situated at Calicut		
(iv) Term loan from HUDCO is secured against equitable mortgage of Vashi project properties and all present and future construction and development work thereon.		
(v) Term loan from SICOM Investment and Finance Limited is secured against development right on freehold land at Hughes Road and Escrow of receivables in respect of the said property		
(vi) All the above term loans are secured by personal guarantees of promoter Directors of the Company.		
(vii) Vehicle loans are secured by hypothecation of the respective vehicles purchased.		
	2,520,630,216	1,231,200,581
6 UNSECURED LOANS		
Inter corporate loans		
From subsidiary	-	5,653,693
From others	634,516,927	582,463,312
Loans from directors	41,717,115	37,701,246
Loans from shareholders*	-	53,225,000
Bank Overdraft	169,421,407	-
	845,655,449	679,043,251
Note :		
1. All of the above loans are repayable on demand.		
2. *Loans taken from shareholders of erstwhile Om Housing Company Private Limited transferred on amalgamation, repaid during the year.		

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) as at 31 March 2009

(Currency: Indian Rupees)

7 FIXED ASSETS

	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	As at 1 April 2008	Transferred on amalgamation (refer schedule 32)	Additions	Deletions/ Disposals	As at 31 March 2009	As at 1 April 2008	Transferred on amalgamation (refer schedule 32)	For the year	On Deletions/ Disposals	As at 31 March 2009	2009	2008
Leasehold improvements	22,087,807	-	1,844,761	1,844,761	22,087,807	7,123,407	-	5,415,762	113,752	12,425,417	9,662,390	14,964,400
Plant and machinery	3,501,585	-	2,446,762	-	5,948,347	264,393	-	942,788	-	1,207,181	4,741,166	3,237,192
Computer	2,821,966	-	975,297	-	3,797,263	1,346,677	-	811,485	-	2,158,162	1,639,101	1,475,289
Furniture and fittings	1,533,128	-	262,165	-	1,795,293	681,459	-	76,807	-	758,266	1,037,027	851,669
Office equipment	4,079,502	-	326,883	-	4,406,385	688,591	-	122,769	-	811,360	3,595,025	3,390,911
Temporary structures	135,725	-	11,900	-	147,625	135,725	-	11,900	-	147,625	-	-
Vehicles	11,500,673	-	2,048,872	-	13,549,545	872,492	-	3,158,562	-	4,031,054	9,518,491	10,628,181
Trucks	4,826,500	-	-	-	4,826,500	2,461,515	-	709,496	-	3,171,011	1,655,489	2,364,985
Total	50,486,886	-	7,916,640	1,844,761	56,558,765	13,574,259	-	11,249,569	113,752	24,710,076	31,848,689	36,912,627
2008	28,326,621	4,826,500	17,333,765	-	50,486,886	2,888,633	1,447,950	9,237,676	-	13,574,259	36,912,627	

Notes:

(i) Depreciation for the year includes Rs 1,221,202 (2008: Rs 820,726) transferred to inventory.

(ii) Depreciation for the year includes Rs Nil (2008: Rs 342,381) which pertains to earlier years.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) as at 31 March 2009

(Currency: Indian Rupees)

	2009	2008
8 INVESTMENTS		
Long term		
Trade investments (quoted)		
Nil (2008: 19,529) equity shares of Asian Tea Export Limited of Rs 10 each fully paid up	-	746,268
Trade investments (unquoted)		
In subsidiaries		
10,000 (2008: 10,000) equity shares of Satra Buildcon Private Limited of Rs 10 each, fully paid up	100,000	100,000
10,000 (2008: 10,000) equity shares of Satra Estate Development Private Limited of Rs 10 each, fully paid up	100,000	100,000
10,000 (2008: 10,000) equity shares of Satra Infrastructure and Land Developers Private Limited of Rs 10 each, fully paid up	100,000	100,000
10,000 (2008: 10,000) equity shares of Satra Lifestyles Private Limited of Rs 10 each, fully paid up	100,000	100,000
14,603,900 (2008: 14,603,900) equity shares of Satra Property Developers Private Limited of Rs 10 each, fully paid up	585,616,450	585,616,450
100 (2008: Nil) equity shares of Satra International Realtors Limited, UAE of AED 10,000 each, fully paid up	11,711,600	-
In associates		
15,944 (2008: 15,944) equity shares of Shravan Developers Private Limited of Rs 10 each, fully paid up*	159,440	159,440
2,000 (2008: 2,000) equity shares of C. Bhansali Developers Private Limited of Rs 10 each, fully paid up	20,000	20,000
Other investments (unquoted)		
624 (2008: 250*) equity shares of Cosmos Co-operative Bank Limited of Rs 100 each, fully paid up	62,400	25,000
*The Company acquired these investments pursuant to amalgamation of erstwhile Om Housing Company Private Limited.		
Also refer schedule 38 for details of investments bought and sold during the year		
	597,969,890	586,967,158
Aggregate amount of unquoted investments	597,969,890	586,220,890
Aggregate cost of quoted investments	-	746,268
Aggregate market value of quoted investments	-	628,834
9 DEFERRED TAX ASSETS		
Deferred tax assets		
- Difference between book depreciation and depreciation as per Income Tax Act, 1961	3,162,426	932,168
- On provision allowable on a payment basis under the Income Tax Act, 1961	18,065,171	139,865
	21,227,597	1,072,033
10 INVENTORIES		
Material at site	14,056,952	7,478,658
Construction work-in-progress	2,763,636,913	2,323,879,104
	2,777,693,865	2,331,357,762

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) as at 31 March 2009

(Currency: Indian Rupees)

	2009	2008
11 SUNDRY DEBTORS <i>(unsecured and considered good)</i>		
Debts outstanding for a period exceeding six months	502,594,994	211,325,675
Other debts *	172,286,397	348,729,722
* includes Rs Nil (2008: Rs 4,800,000) due from the Managing Director. Maximum amount outstanding during the year Rs 4,800,000 (2008: Rs 69,800,000)		
	674,881,391	560,055,397
12 CASH AND BANK BALANCES		
Cash on hand	1,535,524	2,494,573
Cheques on hand	-	1,800,000
With scheduled banks		
- in current accounts	3,986,504	40,768,757
- in deposit account	30,500	30,500
	5,552,528	45,093,830
13 LOANS AND ADVANCES <i>(Unsecured and considered good)</i>		
Advances recoverable in cash or in kind or for value to be received [refer Schedule 44 (i) and (ii)]	455,102,639	416,379,702
Advance tax and tax deducted at source	688,908	761,410
Advance given to subsidiary companies [refer Schedule 44 (ii)]	668,378,356	-
Advance paid for property and transferable development rights	420,815,250	764,234,047
Prepaid expenses	3,385,618	5,233,644
Deposits*	32,013,560	6,336,397
* includes Rs 2,150,000 (2008: Rs 2,150,000) rent deposit given to the Managing Director. Maximum amount outstanding during the year Rs 2,150,000 (2008: Rs 2,150,000).		
	1,580,384,331	1,192,945,200
14 CURRENT LIABILITIES		
Advance received against property and transferable development rights	1,156,532,996	1,651,056,143
Sundry creditors:		
- Dues of micro, small and medium enterprises (Refer Schedule 31)	-	-
- Others	117,801,293	155,246,837
Other liabilities	23,922,170	33,184,358
Investor education and protection fund - Unclaimed dividend *	278,494	282,511
Interest accrued but not due	10,870,063	6,653,018
	1,309,405,016	1,846,422,867
* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.		

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
15 PROVISIONS		
Provision for taxation [net of advance tax and tax deducted at source Rs 30,722,357 (2008:Rs.6,006,561)]	209,477,047	182,331,439
Provision for fringe benefit tax [net of advance tax Rs 156,444 (2008: Rs 163,245)]	351,089	18,183
Provision for gratuity	581,815	411,489
Provision for wealth tax	20,000	-
Dividend on preference shares	5,920,000	12,748,274
Tax on dividend on preference shares	3,302,667	2,166,569
Proposed dividend on equity shares	-	15,535,800
Tax on proposed dividend on equity shares	-	2,640,309
	219,652,618	215,852,063
16 MISCELLANEOUS EXPENDITURE <i>(to the extent not written off or adjusted)</i>		
Balance as per last balance sheet	-	1,905,060
Add: Transferred on amalgamation of erstwhile Om Housing Company Private Limited (refer schedule 32)	-	773,721
Less: written-off during the year	-	537,385
Less: adjusted in securities premium account	-	2,141,396
	-	-

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
17 SALES		
Revenue from construction projects	521,886,325	658,219,179
Sale of traded properties	-	536,300,000
Sale of traded transferable development rights	536,914,176	747,807,910
	1,058,800,501	1,942,327,089
18 OTHER INCOME		
Income from investments		
Trade investments		
Dividend from subsidiary	14,603,900	14,603,900
Share in profit of partnership firm	-	56,856,893
Interest received from partnership firm	-	2,185,427
	14,603,900	73,646,220
Other investments		
Profit on sale of investments (net)	850,279	-
	850,279	-
Interest income [tax deducted at source Rs 14,617,611 (2008: Rs 6,002,932)]	113,853,809	26,497,161
Income from awards/compensation/forfeiture	30,000,000	27,200,000
Income tax refund	-	9,411
Interest on income tax refund	-	12,056
Miscellaneous income	2,160,000	2,033,764
	146,013,809	55,752,392
	161,467,988	129,398,612
19 CONSTRUCTION AND PURCHASE COST		
Opening stock		
Construction work-in-progress	2,323,879,104	491,736,883
Material at site	7,478,658	3,757,300
Transfer from Om Housing Company Private Limited on amalgamation (Refer schedule 32)	-	940,730,612
	(A) 2,331,357,762	1,436,224,795
Incurred during the year		
Development rights / land cost	10,411,202	457,047,468
Professional and legal fees	16,579,130	17,665,815
Civil, electrical and contracting	546,755,912	665,868,358
Administrative and other expenses	9,071,199	5,888,936
Borrowing costs	182,870,893	118,980,302
	(B) 765,688,336	1,265,450,879

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
Less: Closing stock		
Material at site	14,056,952	7,478,658
Construction work-in-progress	2,763,636,913	2,323,879,104
(C)	2,777,693,865	2,331,357,762
Cost of construction (D= A+B-C)	319,352,233	370,317,912
Purchase of traded transferable development rights	(E) 452,071,352	641,566,800
Purchase of traded property	(F) -	302,885,127
Cost of purchase (G=E+F)	452,071,352	944,451,927
Construction and purchase cost (D+G)	771,423,585	1,314,769,839
20 PERSONNEL EXPENSES		
Salaries, wages and bonus	14,996,498	33,575,439
Contributions to provident and other funds	1,344,019	765,060
Staff welfare expenses	80,022	101,570
Gratuity	170,326	306,284
	16,590,865	34,748,353
21 ADMINISTRATIVE AND OTHER EXPENSES		
Advertisement	5,189,522	8,359,883
Brokerage	625,239	17,426,060
Electricity	1,444,770	871,166
Rent	16,270,055	14,228,700
Telephone expenses	774,275	791,849
Postage and Telegram	235,540	180,560
Repair and maintainance		
- machinery	141,847	71,588
- others	560,314	711,778
Insurance	457,769	158,048
Rates and taxes	350,762	2,726,722
Loss on sale of investments (net)	-	9,013,111
Share in loss of partnership firm	1,531	-
Auditors' remuneration (refer schedule 34)	2,400,206	1,417,104
Directors' sitting fees	690,000	349,750
Travelling expenses	842,546	1,658,374
Printing and stationery	1,350,565	1,369,676
Profession and legal fees	3,169,150	7,282,850
Miscellaneous expenditure written-off [including for earlier years Rs. Nil (2008: Rs 537,385)]	-	537,385
Assets written off	1,731,009	-
Miscellaneous expenses	5,214,448	1,132,265
	41,449,548	68,286,869

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
22 FINANCIAL EXPENSES		
Interest on term loans	343,042,163	117,676,477
Interest on other loans *	116,351,037	80,202,812
* includes Rs. 4,106,209 (2008: Rs 4,014,299) interest paid/payable to managing director		
Finance and bank charges	54,919,259	7,596,207
	514,312,459	205,475,496
Less: borrowing costs transferred to construction work in progress	182,870,893	118,980,302
	331,441,566	86,495,194

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

23. Earning per share

Particulars	2009	2008
Net profit after tax	16,763,127	377,322,198
Preference dividend (including taxes thereon)	6,926,104	6,926,104
Net profit after tax attributable to equity shareholders (A)	9,837,023	370,396,094
Number of equity shares at the beginning of the year*	155,358,000	*118,165,750
Equity shares issued during the year	-	**37,192,250
Number of equity shares outstanding at the end of the year	155,358,000	155,358,000
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (B)	155,358,000	155,358,000
Basic and diluted earnings (in rupees) per share of face value Rs. 2 (A)/(B)	0.06	2.38

* Pursuant to sub-division of equity shares and issue of bonus shares during the previous year, the number of shares outstanding during the year ended 31 March 2008 has been adjusted to reflect the change as prescribed by Accounting Standard 20 – Earnings per share.

** 37,192,250 equity share of face value Rs 2 each have been issued during 2008 as consideration to the shareholders of erstwhile Om Housing Company Private Limited in an amalgamation in the nature of merger and have been included in the calculation of weighted average number of equity shares from the beginning of 2008. (refer schedule 32).

24. Contingencies and commitments

	2009	2008
Corporate guarantee given on behalf of a subsidiary – Amount drawn [The Company's exposure on the corporate guarantee of Rs 600,000,000 is restricted to the actual amount of loan taken by the subsidiary company outstanding as at the year-end]	240,000,000	600,000,000
Income Tax matters under dispute	16,455,266	-

25. Capital commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for Rs Nil (2008: Rs Nil)

26. 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 only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17, for the property development segment.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

27. Managerial remuneration

Personnel expenses include managerial remuneration for directors as set out below:

	2009	2008
Salary	4,700,000	2,565,000
Commission to managing director	261,264	26,800,322
	4,961,264	29,365,322

The gratuity liability is determined for all employees by an independent actuarial valuation. The specific amount of gratuity for the directors cannot be ascertained separately and accordingly the same has not been included above.

Computation of net profit under Section 349 of the Act:

	2009	2008
Profit before tax as per the profit and loss account	49,334,558	559,008,496
Add :		
Managing and other director's remuneration and commission	4,961,264	29,365,322
Director's sitting fees	690,000	349,750
Loss on sale of investment (net)	-	9,013,111
Loss on discarding of assets	1,731,010	-
Provision for Wealth Tax	20,000	-
Depreciation as provided in the books	10,028,367	8,416,950
	66,765,199	606,153,629
Less:		
Depreciation as computed under Sec 350 of the Act	10,028,367	8,416,950
Profit on sale of investment (net)	850,280	-
Profit before tax as per Section 349 of the Act	55,886,552	597,736,679
Maximum remuneration paid / payable to directors @ 10% on the above	5,080,595	54,339,698
Restricted to	4,961,264	29,365,322

28. Leases

Operating lease

- a) The Company has taken a commercial property on non-cancellable operating lease. The future minimum lease payments in respect of lease property as on 31 March 2009 is as follows:

Lease Payments	2009	2008
Not later than one year	14,000,000	12,900,000
Later than one year but not later than 5 years	16,590,000	30,590,000
Later than 5 years	-	-
Payment of lease rentals during the year	12,900,000	12,900,000

- b) The lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period. There are no exceptional/restrictive covenants in the lease agreements.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

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

- i) Effective 1 April 2007, the Company adopted Accounting Standard 15 (revised 2005) on "Employee Benefits" as prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards. Pursuant to the adoption, the transitional obligations as required by the standard amounting to Rs 69,446 (net of taxes Rs 35,759) have been adjusted to the general reserve in the previous year.

ii) 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.

		2009	2008
I	Change in the defined benefit obligation		
	Liability at the beginning of the year	411,490	105,205
	Interest cost	32,919	8,416
	Current service cost	345,197	130,269
	Benefit paid	-	-
	Actuarial (gain) / loss on obligations	(207,790)	167,599
	Liability at the end of the period	581,815	411,490
II	Amount recognised in the balance sheet		
	Liability at the end of the year	581,815	411,490
	Fair value of plan assets at the end of the year	-	-
	Difference	581,815	411,490
	Amount recognised in the balance sheet	581,815	411,490
III	Expenses recognised in the profit and loss account		
	Current service cost	345,197	130,269
	Interest cost	32,919	8,416
	Expected return on plan assets	-	-
	Net actuarial (gain) / loss to be recognised	(207,790)	167,599
	Expense recognised in the profit and loss account	170,326	306,284
IV	Balance sheet reconciliation		
	Opening net liability	411,490	105,205
	Expense as above	170,326	306,284
	Employers contribution paid	-	-
	Amount recognised in the balance sheet	581,815	411,490
V	Actuarial assumptions :		
	Discount rate	7.75%	8.00%
	Salary escalation	6.00%	6.00%

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

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

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

30. Related party disclosures

A Parties where control exists:

- I.** Praful N Satra - Managing Director (also key managerial personnel)
Minaxi P Satra – Chairman upto 10 March 2009 (Relative of managing director)
- II. Subsidiaries**
Satra Buildcon Private Limited (w.e.f. 18 October 2007)
Satra Estate Development Private Limited (w.e.f. 23 October 2007)
Satra Infrastructure and Land Developers Private Limited (w.e.f. 19 October 2007)
Satra Lifestyles Private Limited (w.e.f. 19 October 2007)
Satra Property Developers Private Limited (w.e.f. 30 April 2007)
Satra International Realtors Limited (w.e.f. 17 June 2008)

B Other related parties with whom transactions have taken place during the year:

- I. Associates**
C. Bhansali Developers Private Limited (w.e.f 20 April 2007)
Shravan Developers Private Limited
Sun Beam Builders and Developers (w.e.f. 31 January 2007 and up to 7 March 2008)
Sweety Developers (w.e.f. 28 April 2008 upto 27 October 2008)
- II. Joint Venturers**
Prime Property Development Corporation Limited
Prime Down Town Estate Private Limited (Formerly known as Bharat Shah Estate Private Limited)
- III. Entities over which key managerial personnel or their relatives exercises significant influence:**
Prime Multi Tiles Trading Private Limited
Satra Infrastructure Development Private Limited
Satra Land Development Private Limited (w.e.f. 7 May 2007)
Satra Novelties Private Limited (w.e.f. 30 July 2007)
Satra Property Development Private Limited (w.e.f. 7 May 2007)
Savla Realtors and Developers Private Limited
Sweety Developers (w.e.f. 1 April 2006 to till 27th April 08 and w.e.f. 28 October 2008)
Prime Bond Industries
- IV. Key Managerial Personnel**
Vijay N Satra – Whole time Director (w.e.f. 1 February 2008 upto 20 March 2009) and relative of managing director
Rajan P Shah – Whole time Director

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

30 Related party disclosures (Continued)

Sr. No.	Nature of Transaction	Wholly Owned Subsidiaries		Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant Influence		Key Managerial Personnel and their relative		Total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
1	Loans taken / converted	-	-	70,500,000	-	118,090,352	101,550,000	-	35,124,333	188,590,352	136,674,333
2	Loans given / converted	1,773,288,874	80,320	-	529,373,196	-	272,646	-	-	1,773,288,874	529,726,162
3	Interest income	87,726,367	-	21,010,654	13,817,669	-	-	-	-	108,737,021	13,817,669
4	Dividend received	14,603,900	14,603,900	-	-	-	-	-	-	14,603,900	14,603,900
5	Share in Profit (loss) of Partnership Firm	-	-	(1531)	56,856,893	-	-	-	-	(1531)	56,856,893
6	Interest expense	-	2,797,164	9,398,957	-	1,504,980	1,835,766	4,524,150	4,406,230	15,428,087	9,039,160
7	Receiving of services	-	-	-	-	10,409,578	-	14,472,295	14,228,700	24,881,873	14,228,700
8	Purchase of goods	-	-	-	-	737,152	-	-	-	737,152	-
9	Sale of flat	-	-	-	-	-	-	-	71,800,000	-	71,800,000
10	Reimbursement received	-	-	142,703	3,398,325	-	-	-	-	142,703	3,398,325
11	Reimbursement paid	-	-	3,218,510	25,828,906	-	-	-	-	3,218,510	25,828,906
12	Issue of Shares on Amalgamation Equity	-	-	-	-	-	-	-	61,100,000	-	61,100,000
	Preference	-	-	-	-	-	-	-	70,000,000	-	70,000,000
13	Directors remuneration	-	-	-	-	-	-	4,961,264	29,365,322	4,961,264	29,365,322
14	Directors sitting fees	-	-	-	-	-	-	90,000	86,500	90,000	86,500
15	Advance received against property	-	-	-	-	-	10,100,000	-	-	-	10,100,000
16	Advance paid for property	-	-	262,514,548	85,000,000	-	-	-	-	262,514,548	85,000,000
17	Advances given	-	-	-	-	26,060,504	-	-	-	26,060,504	-
18	Investment made	11,711,600	400,000	25,025,000	45,712,120	-	-	-	436,008,000	36,736,600	482,120,120
19	Investment sold	-	-	25,025,000	125,900,000	-	-	-	-	25,025,000	125,900,000
20	Guarantee given on behalf of	-	600,000,000	-	-	-	-	-	-	-	600,000,000

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

30 Related party disclosures (Continued)

Sr. No.	Nature of Transaction	Wholly Owned Subsidiaries		Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant Influence		Key Managerial Personnel and their relative		Total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	Outstanding balance receivable/Deposits										
1	Loans outstanding	668,378,357	-	89,828,323	131,653,227	3,498,469	-	-	-	761,705,149	131,653,227
2	Sundry debtors	-	-	-	-	-	-	-	4,800,000	-	4,800,000
3	Deposits	-	-	-	-	-	-	2,150,000	2,150,000	2,150,000	2,150,000
4	Advance paid for property	-	-	104,000,000	100,000,000	-	-	-	-	104,000,000	100,000,000
5	Advance Given	-	-	73,804,090	-	16,050,411	-	-	-	89,854,501	-
	Outstanding balances payables										
1	Loans alongwith the net interest	-	5,653,693	90,167,768	-	11,453,248	79,167	41,717,115	37,701,246	143,338,131	43,434,106
2	Sundry creditors	-	3,490,200	1,075,807	7,286,990	-	-	6,128,893	-	7,204,700	10,777,190
3	Remuneration payable	-	-	-	-	-	-	1,052,064	18,092,635	1,052,064	18,092,635
4	Advance received against property	-	-	-	-	5,000,000	15,100,000	-	-	5,000,000	15,100,000
	Guarantees outstanding on behalf of	240,000,000	600,000,000	-	-	-	-	-	-	240,000,000	600,000,000

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009 (Currency: Indian Rupees)		
30	Related party disclosures (Continued)	
Sr. No.	Nature of Transaction	Total
		2009 2008
1	Loans taken / converted	
	Satra Infrastructure Development Private Limited	9,300,000 64,000,000
	Satra Land Development Private Limited	50,000 14,000,000
	BKC Developers Private Limited	70,500,000 -
	Satra Novelties Private Limited	1,700,000 15,050,000
	Satra Property Development Private Limited	107,040,352 8,500,000
	Praful N. Satra	- 31,958,919
2	Loans Given / converted	
	C.Bhansali Developers Private Limited	- 76,000,000
	Shravan Developers Private Limited	- 453,373,196
	Satra Property Developers Private Limited	1,525,000,474 -
	Satra International Realtors Limited	248,288,400 -
3	Interest Income	
	Sun-Beam Builders & Developers	- 2,185,427
	C.Bhansali Developers Private Limited	10,197,283 7,682,629
	Shravan Developers Private Limited.	10,813,371 3,949,613
	Satra Property Developers Private Limited	37,497,284 -
	Satra International Realtors Limited	50,229,083 -
4	Dividend Received	
	Satra Property Developers Private Limited	14,603,900 14,603,900
5	Share in Profit / (Loss) of Partnership Firm	
	Sun-Beam Builders & Developers	- 56,856,893
	Sweetie Developers	(1,531) -
6	Interest Expense	
	Satra Infrastructure Development Private Limited	327,002 1,100,610
	Satra Property Developers Private Limited	- 2,797,164
	BKC Developers Private Limited	9,398,957 -
	Praful N. Satra	4,106,209 4,014,299
7	Receiving of Services	
	Praful N. Satra	14,472,295 14,228,700
	Satra Property Development Private Limited	10,409,578 -
8	Purchase of Material	
	Prime Multi-tiles Trading Private Limited	701,792 -
	Prime Bond Industries	124,717 -

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009 (Currency: Indian Rupees)			
30 Related party disclosures (Continued)			
Sr. No.	Nature of Transaction	Total	
		2009	2008
9 Sale of Flats			
	Praful N. Satra	-	71,800,000
10 Reimbursement received			
	Prime Property Development Corporation Limited	142,703	3,398,325
11 Reimbursement paid			
	Prime Property Development Corporation Limited	3,218,510	25,828,906
12 Issue of Shares on Amalgamation			
I <i>Equity</i>			
	Praful N. Satra	-	43,550,000
	Minaxi P. Satra	-	17,550,000
II <i>Preference</i>			
	Praful N. Satra	-	45,000,000
	Minaxi P. Satra	-	25,000,000
13 Managerial Remuneration			
	Praful N. Satra	2,661,264	28,463,655
	Vijay N. Satra	1,100,000	200,000
	Rajan P. Shah	1,200,000	647,500
14 Directors sitting fees			
	Minaxi P. Satra	90,000	43,250
	Vijay N. Satra	-	43,250
15 Advance received against property			
	Savla Realtors & Developers Private Limited	-	10,100,000
16 Advance paid for property			
	Shravan Developers Private Limited	258,514,548	-
	Prime Down Town Estate Private Limited	-	85,000,000
17 Advance given			
	Satra Property Development Private Limited	26,060,504	-
18 Investments made			
	Sun-Beam Builders & Developers	-	45,532,680
	Minaxi P. Satra	-	165,104,000
	Praful N. Satra	-	270,904,000
	Satra International Realtors Limited	11,711,600	-
	Sweety Developers (Firm)	25,025,000	-
19 Investment sold			
	Sun-Beam Builders & Developers	-	125,900,000
	Sweety Developers (Firm)	25,025,000	-

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

30 Related party disclosures <i>(Continued)</i>			
Sr. No.	Nature of Transaction	Total	
		2009	2008
	Outstanding Balances Receivable / Deposits		
1	Loans alongwith the net interest		
	C.Bhansali Developers Private Limited	89,828,323	81,941,744
	Shravan Developers Private Limited	-	49,711,483
	Satra Property Developers Private Limited	369,860,874	-
	Satra International Realtors Limited	298,517,483	-
2	Sundry Debtors		
	Praful N. Satra	-	4,800,000
3	Deposits		
	Praful N. Satra	2,150,000	2,150,000
4	Advances paid for property / TDR		
	Bharat Shah Estates Private Limited	100,000,000	100,000,000
5	Advance given		
	Satra Property Development Private Limited	16,050,411	-
	Shravan Developers Private Limited	73,804,090	-
	Outstanding Balances Payables		
1	Loans alongwith the net interest		
	Satra Property Developers Private Limited	-	5,574,526
	BKC Developers Private Limited	90,167,768	-
	Praful N. Satra	37,859,374	34,218,397
2	Sundry Creditors		
	Satra Property Developers Private Limited	-	3,490,200
	Prime Property Development Corporation Limited	1,075,807	7,286,990
	Praful N. Satra	6,128,893	-
3	Remuneration Payable		
	Praful N. Satra	631,264	17,835,890
	Vijay N. Satra	166,000	179,445
	Rajan P. Shah	254,800	77,300
4	Advance received against property		
	Savla Realtors & Developers Private Limited	5,000,000	15,100,000

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

31. 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 disclosure 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.

	2009	2008
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-

32. Amalgamation of Om Housing Company Private Limited with the Company

In accordance with the scheme of amalgamation ('the scheme') of the erstwhile Om Housing Company Private Limited with the Company as approved by the Honourable High Court of Bombay on 16 April 2007 and certified copy received on 22 August 2007, all the assets and liabilities of the erstwhile Om Housing Company Private Limited have been transferred to and vested in the Company effective date 1 April 2006. Accordingly, the scheme had been given effect to in the financial statements for the year ended 31 March 2008.

The amalgamation has been recorded for under the 'pooling of interests' method as prescribed by Accounting Standard – 14 on "Accounting for Amalgamations" issued by the Central Government. Accordingly, all assets, liabilities and reserves of the erstwhile Om Housing Company Private Limited at the effective date 1 April 2006 have been taken over at their respective book values.

The net profit of the erstwhile Om Housing Company Private Limited for the year ended 31 March 2007 comprised of:

Particulars	Amount
Sales	-
Other income	31,693,795
Total revenue	31,693,795
Personnel cost	50,000
Interest expenses	228,121
Other costs	1,422,131
Profit before tax	29,993,543
Current tax	11,000,000
Fringe benefit tax	1,029
Net profit after tax	18,992,514

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

Pursuant to the amalgamation of Om Housing Company Private Limited with the Company, 37,192,250 equity shares of Rs 2 each and 7,400,000 preference shares of Rs 10 each were issued and allotted to the shareholders of erstwhile Om Housing Company Private Limited on 19 September 2007.

The net surplus of Rs 21,796,437 being the difference between the issued share capital of erstwhile Om Housing Company Private Limited and the value of shares issued by the Company to the shareholders of erstwhile Om Housing Company Private Limited has been transferred to the Amalgamation Reserve Account.

33. Quantitative information

The activities of the Company are not capable of being expressed in any generic unit and hence, it is not possible to give the quantitative details required under paragraphs 3, 4C and 4D of Part II of Schedule VI to the Act.

34. Auditors' Remuneration

	2009	2008
Statutory audit fees	1,870,336	800,565
Taxation matters	55,150	64,607
Other services*	974,720	505,620
Out of pocket expenses	-	46,312
	2,900,206	1,417,104

* includes payment of Rs 500,000 (2008: Rs Nil) to statutory auditors for other services, which has been capitalised to construction work-in-progress.

35. Expenditure in foreign currency

	2009	2008
Foreign travelling	-	163,200
Construction material	-	3,439,438
Professional fees	-	661,494
	-	4,254,132

36. Earnings in foreign currency – Rs Nil (2008: Rs Nil)

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

37. 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
		2009	2008	2009
1	Satra Buildcon Private Limited	-	-	20,080
2	Satra Estate Development Private Limited	-	-	20,080
3	Satra Infrastructure and Land Developers Private Limited	-	-	20,080
4	Satra Lifestyles Private Limited	-	-	20,080
5	Satra International Realtors Limited	298,517,483	-	-
6	Satra Property Developers Private Limited	369,860,874	-	-
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
		2009	2008	2009
1	C Bhansali Developers Private Limited	93,828,323	81,941,744	93,828,323
2	Shravan Developers Private Limited	73,804,090	49,711,483	228,800,775
iii. Particulars of loans and advances where there is no repayment schedule:				
Name of the Company		Balance as at		Maximum Outstanding during the year
		2009	2008	2009
1	Zamkudi Garments Private Limited	-	42,590	42,590
2	Arjun Realtors Private Limited	18,352,313	16,793,723	18,352,313
3	Cine Line Exports Private Limited	11,221,180	10,270,051	11,221,180
4	Harsh Kaushal Developers	-	-	113,458,305
5	Orchid Hotels Private Limited	11,769,321	10,769,797	11,769,321
6	Sweety Developers	3,498,469	-	18,025,000

38. Details of investments bought and sold during the year

Name of the company	Purchased during the year		Sold during the year	
	Quantity (no's)	Value	Quantity (no's)	Value
Asian Tea Limited	-	-	19,529	1,596,548
Cosmos Co-operative Bank Limited	374	37400	-	-
Satra International Realtors Limited (UAE)	100	11,711,600	-	-
Sweety Developers		18,025,000		18,025,000

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

39. Investment in joint ventures

S. No.	Joint Venture	Location	Principal Activities	Ownership Interest
1	Prime Down Town	Hughes Road, Gamdevi, Mumbai	Development and construction of commercial cum residential complex	50%

Included in the financial statements is the Company's share of the asset, liabilities, income and expenditure of the significant joint venture (under jointly controlled operation) as follows:

Amount in respect to Prime down town Joint Venture Balance Sheet	2009	2008
Inventories	146,312,018	133,344,200
Cash and bank	-	513,915
Current liabilities and provision	128,706,799	136,804,282
Loans and advances	100,000,000	100,000,000

40. Out of the aggregate amount of Rs 141,800,000 raised during the year 2006-07 by way of preferential issue of equity shares including share premium, sum of Rs 123,600,000 had been utilised for acquisition of land at Calicut forming part of construction work in progress and Rs 18,200,000 had been invested on account of capital with partnership firm M/S Sun Beam Builders & Developers.

41. During the year, the Company has changed the structural plan of the Borivali Project from a commercial complex to a commercial cum residential complex to improve the overall profitability of the project. As a result, in order to facilitate the construction as per the revised plan, certain existing structures at the site have been demolished subsequent to the year end. The estimated construction cost incurred by the Company on the demolished portion amount to Rs 157,974,510 and the same continues to be included in construction work-in-progress. Management has revised its estimated cost to complete the revised commercial cum residential project and believes that the overall margins of the revised project will be adequate to recover the construction cost of demolished area incurred during the year. Hence the construction cost of demolished area amounting to Rs 157,974,510 continues to be included in the construction work-in-progress as at 31 March 2009 and has not been charged to the Profit and Loss account during the year.

42. The promoters' shareholding in the Company as at 31 March 2009 is 77.86% which is in excess of the limits prescribed under clause 6.8.3.2(m) - Explanation I & II of SEBI (DIP) Guidelines, 2000 by the Securities Exchange Board of India. The Company has made an application to Bombay Stock Exchange Limited for extension of time for diluting 2.86% of Promoters stake for which reply is awaited.

43. Transfer Pricing

The Company's management has developed a system of maintenance of information and documents as required by the Transfer Pricing Legislation under Section 92 to section 92F of the Income Tax Act, 1961. The Company's management is of the opinion that its international transactions are at arm's length so the aforesaid legislation will not have an impact on the financial statements, particularly on the amount of the Tax expense and that of Provision for Taxation.

SCHEDULES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

44. i. Loans and advances includes Rs 3,498,469 (2008: Rs.Nil) due from M/s. Sweety Developers which is a firm under the same management as per Section 370(1B) of the Act, maximum amount during the year Rs 18,025,000 (2008: Rs Nil).
- ii. Loans and advances includes Rs 839,509,238 (2008: Rs 131,653,227) due from companies / firm in which director is a director or member as under:

Name of the Company / Firm	Balance as at	
	2009	2008
Satra International Realtors Limited	298,517,483	Nil
Satra Property Developers Private Limited	369,860,874	Nil
C.Bhansali Developers Private Limited	93,828,323	81,941,744
Shravan Developers Private Limited	73,804,090	49,711,483
M/s. Sweety Developers	3,498,469	Nil

45. Prior year comparatives

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

For and on behalf of the Board of Directors

Praful N. Satra
Chairman And
Managing Director
Mumbai
29 June 2009

Rajan P. Shah
Executive Director

Vicky M. Kundaliya
Company Secretary

DIRECTORS' REPORT

To
The Members,
SATRA PROPERTY DEVELOPERS PRIVATE LIMITED

Your Directors are pleased to present the 9th Annual Report and the Audited Accounts for the Financial Year ended March 31, 2009.

1) FINANCIAL HIGHLIGHTS:

The Financial Performance of the Company for the Financial Year ended March 31, 2009 is summarized below:

(Rs. In Lacs)		
FINANCIAL HIGHLIGHTS		
Particulars	Current Year	Previous Year
Profit / (Loss) before taxation	230.94	1,792.10
Less: Provision for taxation		
- Current Year	131.88	643.08
- Earlier Years	1.85	8.65
Deferred tax	(0.65)	0.04
Fringe Benefit Tax		
- Current Year	0.43	0.07
- Earlier Years	-----	-----
Net Profit After Taxation	97.43	1140.26
Add / (Less): Profit/(Loss) b/f from previous years	1,051.31	81.91
Less: Appropriations		
Transfer to General Reserve	-----	-----
Proposed Dividend	-----	146.04
Tax on Proposed Dividend	-----	24.82
Balance Profit / (Loss) c/f to Balance Sheet	1148.74	1,051.31

2) DIVIDEND :

During the year under review, the Company earned a Net Profit after Tax of Rs. 97.43 Lacs. However, in view of the recent financial and economic conditions, it would be wise to plough back profits earned during the year for expansion and funding of projects, so your directors have not recommended any dividend for the financial year 2008-2009.

3) WHOLLY OWNED SUBSIDIARY COMPANY:

Your company is a wholly owned subsidiary of **SATRA PROPERTIES (INDIA) LIMITED** and accordingly the provisions of Companies Act, 1956, applicable to the Public Company will become applicable to your Company.

Further in this regard your Company has constituted Audit Committee in Compliance with section 292A of the Companies Act, 1956. Mr. Rajan P. Shah, Director of the Company and Member of the Audit Committee has tendered his resignation from the Company. The Board of Directors in its meeting held on 10th March, 2009 has reconstituted its Audit Committee, which is as follows:

Sr. No.	Name	Designation	Position in Committee
1	Mr. Vidyadhar D. Khadilkar	Independent Director	Chairman
2	Mrs. Minaxi P. Satra	Non-Executive Director	Member
3	Mr. Chandrakant M. Kothari	Whole-time Director	Member

4) OPERATIONS:

During the year under review, there was overall recession in economy, the real estate industry in particular. Due to subdued demand in various segments of real estate, there was a decrease in demand which resulted in lower sales turnover at Rs. 8.58 Crores and Net Profit before tax of Rs. 2.31 Crores. Further, adverse conditions have resulted in delay in realization of sales proceeds and have affected the cash flow of the Company.

Status of various projects of the Company:

(A) DREAMS THE MALL BHANDUP, MUMBAI

During the year, your Company has successfully completed the Project in Joint development with HDIL. The 8 Lacs sq. ft. project located at the junction of LBS Marg and Bhandup Railway Station, comprises of retail, multiplex with ample parking spaces. Your Company is confident of encashing the value of unsold units in the said project in the current year and thereby achieving the targeted revenue and profit thereon.

(B) PROPOSED PROJECT AT GHATKOPAR, MUMBAI

Your Company is in the process of implementing of project at Ghatkopar, Mumbai under Slum Rehabilitation Scheme. The proposed residential project shall encompass 6 Ultra luxury residential towers of 22 storeys with landscape gardens, swimming pool and gymnasium. The project is proposed to have a saleable area of about 8 Lacs sq. fts. The said project is expected to commence by September, 2009 Quarter.

5) MAJOR EVENTS DURING THE YEAR:

INVESTMENT IN SPECIAL PURPOSE COMPANY (SPC)

Your Company has invested in Deepmala Infrastructure Private Limited (SPC) by acquiring 26% stake in the said Company. The said SPC has awarded 15 acres of land from Government of Madhya Pradesh and Madhya Pradesh Housing Board for development at South TT Nagar, Bhopal.

6) DIRECTORS:

Mr. Praful N. Satra and Mr. Rajan P. Shah, Non-Executive Directors of the Company, resigned w.e.f. 10th March, 2009. (During the Financial Year 2008-2009) Mr. Praful N. Satra and Mr. Rajan P. Shah were again appointed as additional Directors of the Company w.e.f. 2nd April, 2009 and 22nd June, 2009 respectively. Mr. Vidyadhar D. Khadilkar, Director of your Company retires in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

7) FIXED DEPOSITS:

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956.

8) INSURANCE:

The assets of the company have been adequately insured, wherever necessary.

9) DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) That the Directors have prepared the accounts for the year ended 31st March, 2009 on a going concern basis.

10) AUDITORS' REPORT:

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

11) AUDITORS:

M/s Bhuta Shah & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them informing, that their appointment if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Board recommends their reappointment.

12) PERSONNEL:

The Company is professionally managed and has very cordial relationship with all its employees. Highly qualified personnel from the field of engineering, finance and administration assist the top-level management. Your Directors wish to place on record their deep appreciation of the dedicated and efficient services rendered by them.

The Company has no employees drawing the remuneration more than the specified limit prescribed under Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 during the year under review.

13) PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO:

The Company has no foreign exchange earnings and outgo during the year. Since the Company does not have any manufacturing activities, the other particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

14) APPRECIATION:

The Board of Directors express their deep gratitude for the co-operation and support extended to the Company by its Customers, Bankers and various Government agencies. Your Directors also place on record the commitment and involvement of the employees at all levels and looks forward to their continued co-operation

For and on behalf of the Board of Directors

Mr. Chandrakant Kothari
Director

Mrs. Minaxi Satra
Director

Mumbai
22nd June 2009

AUDITORS' REPORT

To the Members of
SATRA PROPERTY DEVELOPERS PRIVATE LIMITED

1. We have audited the attached Balance Sheet of **SATRA PROPERTY DEVELOPERS PRIVATE LIMITED** as at 31st March 2009 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order to the extent applicable.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

(i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

(ii) 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 the books;

(iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

(iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

(v) on the basis of the written representations received from the Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956; and

(vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956, 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 31st March 2009;

(b) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date; and

(c) in the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For and on behalf of Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar
Partner

Membership No. 103424

Mumbai, 22nd June, 2009

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the members of SATRA PROPERTY DEVELOPERS PRIVATE LIMITED on the accounts for the year ended 31st March, 2009.

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) The Company has a program for physical verification of fixed assets at periodical intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its business. According to the explanation given to us, no material discrepancies have been noticed on such verification.
(c) The Company has not disposed off any fixed assets during the year, which may affect the going concern status of the company.
- (ii) (a) The management has conducted physical verification of inventory comprising of units constructed at reasonable intervals.
(b) In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to information and explanation given to us, the Company's inventory, comprising of number of units (shops) constructed, is maintaining proper records of inventory. No discrepancies have been noticed on verification between the physical stocks and the book records.
- (iii) (a) According to information and explanation given to us, the Company has granted unsecured loans to three companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 837,704,815/- and outstanding amount at the end of the year is Rs. 501,933,273/-.
(b) In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions on which the loans have been given are not, prima facie, prejudicial to the interest of the Company.
(c) The principal amounts, are repayable on demand and there is no repayment schedule. The interest, where applicable, is receivable on demand.
(d) In respect of the said loans, the same are receivable on demand and therefore the question of overdue amount does not arise. In respect of interest, where applicable, there are no overdue amounts.
(e) According to the information and explanation given to us, the company has taken loans from three companies and two directors covered in register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 74,22,38,376/- and outstanding amount at the end of the year is Rs. 41,96,06,442/-.
(f) In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions on which the above loans have been taken are not prima-facie prejudicial to the interest of the Company.
(g) The principal amounts, are receivable on demand and there is no repayment schedule. The interest, where applicable, is payable on demand.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and sale of commercial /residential premises and trading in development rights. The activities of company currently do not involve sale of goods and services. Accordingly, paragraph 4(iv) of the Order with respect to sale of goods and services is not applicable to the company. During the course of our audit no major weakness has been observed in the internal controls.
- (v) (a) In our opinion and according to information and explanation given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 or any other relevant provisions of the act and the Rules framed there under.
- (vii) In our opinion and according to information and explanation given to us, the Company has ***no formal internal audit department***, but has adequate internal control procedures and checks commensurate with the size and nature of business of the Company.
- (viii) In our opinion and according to information and explanation given to us, maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) According to the information and explanation given to us and according to the books and records produced before us and

examined by us, the Company is generally regular in depositing undisputed statutory dues except Income Tax payable for the A.Y. 2008-09 amounting to Rs.3,25,51,632/- outstanding for a period of more than six months. As informed to us the provisions of Provident Fund, Investor Education and Protection Fund, Employees State Insurance Act are not applicable to the Company.

- (b) According to the information and explanation given to us, there are no dues of Sales tax, Wealth tax, Service tax, Customs Duty, Excise duty and Cess which have not been deposited on account of any dispute except on account of Income Tax as follows:

Name of Statute	Nature of Dues	Amount Rupees	Period to which amount relate	Forum where disputes is pending
Income Tax	Tax and interest as per notice of demand	1,67,47,639	A.Y.2007-08	The Hon'ble Commissioner of Income Tax (Appeal)
Income Tax	Tax and interest as per notice of demand	32,58,876	A.Y.2006-07	The Hon'ble Commissioner of Income Tax (Appeal)

- (x) According to information and explanation given to us, the Company does not have any accumulated losses as at the end of the year. The Company has not incurred cash losses during the current year and immediately preceding financial year.
- (xi) According to information and explanation given to us, the Company has made default in repayment of term loan with the Allahabad Bank as per point no. 14 of notes to accounts schedule 20 of the financial statements. The application for re- schedulment of term loan has been accepted by the bank and the repayment of term loan has been extended to be repaid from may 2009 onwards.
- (xii) According to the information and explanation given to us the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to information and explanation given to us and considering the nature of the business carried down during the year, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanation given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in marketable securities. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The marketable securities have been held by the Company in its own name.
- (xv) In our opinion and according to information and explanations given to us, terms and conditions on which the company has given a guarantee for loan taken by holding company from banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) According to the information and explanation given to us and the records examined, the term loan taken by the company have been applied for the purpose for which they were raised.
- (xvii) On the basis of information and explanation given to us and on the basis of overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures and hence, the clause 4(xix) of the Order is not applicable to the company.
- (xx) The Company has not raised any money by public issue and hence, the clause 4(xx) of the Order is not applicable to the company.
- (xxi) During the course of our examination of the books of account and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year.

For M/s. Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar
Partner
Membership No 103424
Mumbai, 22nd June 2009

SATRA PROPERTY DEVELOPERS PRIVATE LIMITED			
Balance Sheet as at 31st March 2009			
(Currency: Indian Rupees)			
	<i>Schedule</i>	2009	2008
SOURCES OF FUNDS:			
SHAREHOLDERS' FUNDS			
Share capital	1	146,039,000	146,039,000
Reserves and surplus	2	341,641,187	331,897,891
LOAN FUNDS			
Secured loans	3	244,129,835	483,585,292
Unsecured loans	4	439,479,510	22,755,908
Deferred tax liability (net)	5	4,625	69,928
TOTAL		1,171,294,157	984,348,019
APPLICATION OF FUNDS			
Fixed assets	6		
Gross block		21,114,714	19,065,842
Less: Accumulated depreciation		8,377,764	6,124,981
Net block		12,736,950	12,940,861
Investments	7	158,020	106,370
Current assets, loans and advances			
Inventories	8	410,339,349	347,836,364
Sundry debtors	9	80,868,861	334,083,960
Cash and bank balances	10	7,509,619	28,582,075
Loans and advances	11	869,030,851	458,618,551
		1,367,748,680	1,169,120,950
Less : Current liabilities and provisions	12	209,349,493	197,820,162
Net current assets		1,158,399,187	971,300,788
TOTAL		1,171,294,157	984,348,019
Significant accounting policy and notes to accounts	20		
The schedules referred to above are an integral part of the Balance Sheet.			

As per our report attached.

For M/s. Bhuta Shah & Co.
Chartered Accountants

For Satra Property Developers Private Limited

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 22nd June 2009

Chandrakant M. Kothari
Director

Minaxi P. Satra
Director

Manan Y. Udani
Company Secretary

Mumbai, 22nd June 2009

SATRA PROPERTY DEVELOPERS PRIVATE LIMITED			
Profit and Loss account for the year ended 31 March 2009			
(Currency: Indian Rupees)			
	<i>Schedule</i>	2009	2008
Income			
Sales and services	13	85,806,786	387,727,349
Other income	14	53,104,038	16,841,493
		138,910,824	404,568,842
Expenditure			
Construction and purchase cost	15	12,152,812	155,691,979
Personnel expenses	16	3,476,522	2,652,507
Administrative expenses	17	8,960,157	4,207,266
Selling and distribution expenses	18	1,515,751	11,716,521
Financial expenses	19	87,459,213	48,929,495
Depreciation	6	2,252,784	2,161,517
		115,817,239	225,359,285
Net Profit before Tax		23,093,585	179,209,557
Less: Provision for Tax			
- current year		13,187,896	64,308,495
- earlier year		184,791	864,709
Deferred tax		(65,303)	3,736
Fringe benefit tax			
- current year		42,905	6,595
Net Profit after Tax		9,743,296	114,026,022
Add: Profit brought forward from previous year		105,130,814	8,190,625
Profit available for Appropriation		114,874,110	122,216,647
Less : Appropriation			
Transferred to General Reserve		-	-
Proposed dividend		-	14,603,900
Tax on proposed dividend		-	2,481,933
Balance carried forward to Balance Sheet		114,874,110	105,130,814
Earning Per Share (face value of Rs. 10 per share)		0.67	7.81
Significant accounting policy and notes to accounts	20		
The schedules referred to above are an integral part of the Profit & Loss Account			

As per our report attached.

For M/s. Bhuta Shah & Co.
Chartered Accountants

For Satra Property Developers Private Limited

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 22nd June 2009

Chandrakant M. Kothari
Director
Mumbai, 22nd June 2009

Minaxi P. Satra
Director

Manan Y. Udani
Company Secretary

SATRA PROPERTY DEVELOPERS PRIVATE LIMITED
Cash Flow Statement for the year ended 31st March 2009

(Currency: Indian Rupees)

	2009	2008
<i>Cash flows from operating activities :</i>		
Profit before tax	23,093,585	179,209,557
<i>Adjusted for:</i>		
Depreciation	2,252,783	2,161,517
Loss on sale of security	5,084,178	(501,240)
Interest income	(52,945,485)	(15,826,410)
Dividend income	(150,000)	-
Financial expenses	87,459,213	48,929,495
	41,700,689	34,763,362
Operating profit before working capital changes	64,794,274	213,972,919
Increase / Decrease in Working Capital		
Inventories	(62,502,984)	59,007,309
Sundry debtors	253,215,099	(18,278,511)
Loans and advances	(354,420,669)	(391,486,028)
Current liabilities and provisions	27,426,563	56,823,851
	(136,281,991)	(293,933,379)
Cash generated from operations	(71,487,717)	(79,960,460)
Taxes paid	(17,019,515)	(31,351,809)
Net cash from operating activities	(88,507,232)	(111,312,269)
Cash flows from investing activities :		
Purchase of fixed assets	(2,048,872)	(37,034)
Purchase of investments	(12,139,865)	(71,370)
Proceeds from sale of investments	7,004,728	-
Profit on trading in securities	(691)	501,240
Dividend received	150,000	-
Interest received	1,746,377	15,826,410
Net cash used in investing activities	(5,288,323)	16,219,246
Cash flows from financing activities :		
Proceeds from long term borrowings	1,295,000	598,100,000
Repayment of long term borrowings	(245,628,387)	(440,703,847)
Net Proceeds from short term borrowings	383,259,566	(114,421,449)
Dividend and dividend distribution tax paid	(17,085,833)	(17,085,833)
Financial expenses	(49,117,247)	(43,444,203)
Net cash generated from financing activities	72,723,099	(17,555,332)
Net increase / (decrease) in cash and cash equivalents	(21,072,456)	(112,648,355)
Cash and cash equivalents, beginning of year	28,582,075	141,230,431
Cash and cash equivalents, end of year	7,509,619	28,582,075

Note: Prior year figures have been reclassified, restated wherever necessary to conform to the current year's presentation.

As per our report attached.

For M/s. Bhuta Shah & Co.

Chartered Accountants

For Satra Property Developers Private Limited

S.J. Parmar

Partner

Membership No. 103424

Mumbai, 22nd June 2009

Chandrakant M. Kothari

Director

Mumbai, 22nd June 2009

Minaxi P. Satra

Director

Manan Y. Udani

Company Secretary

Schedules to the financial statements as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
SCHEDULE - 1 : SHARE CAPITAL		
Authorised capital:		
15,000,000 (P Y : 15,000,000) equity shares of Rs. 10 each	150,000,000	150,000,000
	150,000,000	150,000,000
Issued, subscribed and paid up:		
14,603,900 (P Y : 14,603,900) equity shares of Rs.10 each fully paid up	146,039,000	146,039,000
	146,039,000	146,039,000
Note :		
(1) Of the above 778,000 shares were issued on preferential basis at a premium of Rs.30/- per share during the F.Y. 2006-07.		
(2) Of the above 6,750,000 shares were issued on Preferential basis at a premium of Rs.30/- per share during the F.Y. 2005-06.		
SCHEDULE - 2 : RESERVES AND SURPLUS		
Share Premium		
Balance as per last Balance Sheet	225,840,000	225,840,000
Add : Received during the year	-	-
	225,840,000	225,840,000
General Reserve		
Balance as per last Balance Sheet	927,077	993,411
Add: Transferred from Profit and Loss account	-	-
Less: Adjustment of provision for employee benefits, net of taxes	-	66,334
	927,077	927,077
Profit and Loss Account	114,874,110	105,130,814
	341,641,187	331,897,891
SCHEDULE - 3 : SECURED LOANS		
Term Loans from Banks		
The Allahabad Bank	242,977,930	483,585,292
Vehicle Loan		
The Cosmos Co-operative Bank	1,151,905	-
	244,129,835	483,585,292
Note :		
(1) Term loan from Allahabad Bank is secured by way of first charge on receivables of the sold and unsold portion of 'Dreams the Mall', Bhandup project, collateral registered mortgage of the unsold area of the said mall and personal guarantee of the directors Mrs Minaxi Satra and Mr. Praful Satra and corporate guarantee of Satra Properties (India) Limited.		
(2) Vehicle loans are secured by hypothecation of the respective vehicle purchased.		

Schedules to the financial statements (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
SCHEDULE - 4 : UNSECURED LOANS		
Inter corporate loans	432,307,932	-
Loan from a director	7,171,578	22,755,908
Note : The above loans are repayable on demand.		
	439,479,510	22,755,908
SCHEDULE - 5 : DEFERRED TAX LIABILITY (NET)		
Deferred tax liability		
- On depreciation	78,508	109,676
- On provision for employee benefits allowable on a payment basis under the Income Tax Act, 1961	(73,883)	(39,748)
Net deferred tax (asset) / liability	4,625	69,928
SCHEDULE - 7 : INVESTMENTS (At Cost)		
<u>Long term</u>		
<u>Non Trade investments (Quoted)</u>		
NIL (P Y : 15) equity shares of Reliance Power Limited of Rs.10 each fully paid up	-	6,750
718 (P Y : 718) Equity shares of SEL Manufacturing Company Limited of Rs.10 each fully paid up	64,620	64,620
A	64,620	71,370
<u>Other Investments (Non Quoted)</u>		
324(P Y : NIL) equity Shares of Cosmos Co-operative Bank Limited of Rs 100 Each fully Paid	32,400	-
B	32,400	-
<u>Trade Investments (Non Quoted)</u>		
3,500 (P Y : 3,500) equity shares of BKC Developers Private Limited of Rs. 10/- each fully paid up	35,000	35,000
2,600(P Y : NIL) equity Shares of Deepmala Infrastructure Private Limited of Rs.10 each fully paid up)	26,000	-
C	61,000	35,000
(A+B+C)	158,020	106,370
Aggregate amount of Unquoted Investment	93,400	35,000
Aggregate amount of Quoted Investment	64,620	71,370
Aggregate Market Value of Quoted Investment	45,234	234,164
SCHEDULE - 8 : INVENTORIES		
Construction work in progress	8,571,958	347,834,104
Stock in trade	401,767,391	-
Stock of shares	-	2,260
	410,339,349	347,836,364

Schedules to the financial statements (continued) as at 31 March 2009

(Currency: Indian Rupees)

SCHEDULE : 6 FIXED ASSETS

Particular	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2008	Additions	Deletions/ disposals	As at 31.03.2009	As at 01.04.2008	For the Period	As at 31.03.2009	2009	2008
						Total			
Computer & Printer	162,019	-	-	162,019	109,092	21,170	130,262	31,757	52,927
Office Equipment	119,756	-	-	119,756	34,797	11,818	46,615	73,141	84,959
Plant & Machinery	17,309,303	-	-	17,309,303	5,322,436	1,667,372	6,989,808	10,319,495	11,986,867
Telephone & Fax Machine	68,647	-	-	68,647	15,714	7,364	23,078	45,569	52,933
Furniture & Fixture	1,406,117	-	-	1,406,117	642,942	138,136	781,078	625,039	763,175
Motor Car	-	2,048,872	-	2,048,872	-	406,923	406,923	1,641,949	-
Total	19,065,842	2,048,872	-	21,114,714	6,124,981	2,252,783	8,377,764	12,736,950	12,940,861
Previous Year Total	19,028,808	37,034	-	19,065,842	3,963,464	2,161,517	6,124,981	12,940,861	15,065,344

Schedules to the financial statements (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
SCHEDULE - 9 : SUNDRY DEBTORS		
(unsecured - considered good)		
Debts outstanding for a period exceeding six months*	51,851,189	264,953,949
Others	29,017,672	69,130,011
	80,868,861	334,083,960
* previous year includes Rs.3,490,200 due from holding company realised during the year. Maximum outstanding during the Year Rs. 3,490,200 (P.Y. Rs.3,490,200)		
SCHEDULE - 10 : CASH AND BANK BALANCES		
Cash on hand	1,194,011	582,596
With scheduled banks		
- in current account	287,483	17,999,479
- in deposit account	6,028,125	10,000,000
	7,509,619	28,582,075
SCHEDULE - 11 : LOANS AND ADVANCES		
(Unsecured and considered good unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received*	776,681,472	438,263,606
Advance paid for property	89,700,000	19,700,000
Advance tax/ tax deducted at source (net of provision)	2,163,983	-
Prepaid expenses	445,590	615,139
Deposits	39,806	39,806
*include Rs.644,433,273 (P Y: Rs.308,391,430) advances given to companies in which director is director or member.		
	869,030,851	458,618,551
SCHEDULE 12 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Advance received against units	30,312,507	9,288,516
Other liabilities	18,457,633	321,500
Sundry creditors	124,248,928	133,454,376
Proposed dividend	-	14,603,900
Dividend tax	-	2,481,933
A	173,019,068	160,150,225
PROVISIONS		
For taxation A.Y 2008-09 [net of tax payments of Rs.31,756,863 (P Y : 26,756,863)]	35,915,361	37,551,632
For taxation AY 2005-06	138,108	-
For taxation AY 2004-05	20,053	-
For taxation AY 2002-03	26,630	-
For fringe benefit tax [net of tax payments of Rs: 31,365 (P Y : 5,230)]	12,905	1,365
For gratuity	217,368	116,940
B	36,330,425	37,669,937
(A +B)	209,349,493	197,820,162

SATRA PROPERTY DEVELOPERS PRIVATE LIMITED		
Schedules to the financial statements (continued) for the year ended 31st March 2009		
(Currency: Indian Rupees)		
	2009	2008
SCHEDULE 13 : SALES AND SERVICES		
Sales-construction project	80,456,786	386,933,478
Other Project Income	4,950,000	-
RMC Plant hire charges	-	793,871
[tax deducted at source Rs. NIL(P Y :Rs.145,655)]		
Compensation Received	400,000	-
	85,806,786	387,727,349
SCHEDULE 14 :OTHER INCOME		
Interest income on fixed deposit	451,320	2,114,022
[tax deducted at source Rs.116,158/- (P Y : Rs.503,979)]		
Miscellaneous income	8,553	16,905
Interest income on loan	52,494,165	13,712,388
[tax deducted at source Rs.11,895,178/- (P Y : Rs.3,107,229)]		
Dividend income	150,000	-
Profit on sale of investment	-	501,240
Brokerage income	-	496,938
	53,104,038	16,841,493
SCHEDULE 15 :CONSTRUCTION AND PURCHASE COST		
Opening Stock		
Work in progress (A)	347,834,104	406,602,162
Professional and legal fees	1,053,934	1,794,928
Civil, electrical and contracting	70,521,572	92,647,000
Administrative and other expenses	37,551	59,083
Borrowing cost	-	2,422,910
Compensation paid	3,045,000	-
	74,658,057	96,923,921
Less: Closing Stock		
Work in progress	8,571,958	347,834,104
Stock in trade	401,767,391	-
	410,339,349	347,834,104
Cost of construction (A+B-C)	12,152,812	155,691,979
SCHEDULE 16 :PERSONNEL EXPENSES		
Salaries	2,752,102	2,349,592
Directors' remuneration	600,000	250,000
Staff welfare expenses	23,992	36,466
Gratuity	100,428	16,449
	3,476,522	2,652,507

SATRA PROPERTY DEVELOPERS PRIVATE LIMITED		
Schedules to the financial statements (continued) for the year ended 31st March 2009		
	(Currency: Indian Rupees)	
	2009	2008
SCHEDULE 17 : ADMINISTRATIVE EXPENSES		
Insurance	659,756	950,542
Conveyance	32,908	23,258
Travelling expenses	46,715	-
Profession and legal fees	1,408,915	1,234,439
Printing and stationery	473,934	323,953
Telephone, Postage and courier	74,512	49,344
Stamp duty	-	1,000,000
Stamping and legal fees	647,400	20,380
Donation	190,000	215,500
Balance written off	-	41,387
Computer expenses	1,175	15,000
Loss on sale of investment	5,084,177	-
<u>Auditor's remuneration</u>		
- Statutory audit fees	165,450	168,780
- Taxation matter	55,150	56,180
- Others	-	25,281
Securities transection tax	23,733	1,925
Miscellaneous expenses	96,332	81,297
	8,960,157	4,207,266
SCHEDULE 18 :SELLING AND DISTRIBUTION EXPENSES		
Advertisement expenses	1,149,467	2,807,106
Brokerage for sales	324,142	6,402,914
Telephone expenses	42,142	36,901
Exibhition expenses	-	2,469,600
	1,515,751	11,716,521
SCHEDULE 19 :FINANCIAL EXPENSES		
Interest on ICICI bank laon	-	38,275
Interest on unsecured loan	44,671,495	7,341,872
Interest on car loan	113,236	-
Interest on term loan	42,331,412	40,737,536
Finance and bank charges	343,070	811,812
	87,459,213	48,929,495

Schedules to the financial statements (continued) for the year ended 31st March 2009
(Currency: Indian Rupees)

SCHEDULE 20:

1) Background:

The Company was incorporated on 1st May 2000 as Henry Hill Impex Private Limited. The name of the Company was changed to Satra Property Developers Private Limited on 17th September 2004. The Company is engaged in the business of real estate and construction industry.

SIGNIFICANT ACCOUNTING POLICIES:

2) Accounting Convention:

The financial statements are prepared and presented under the historical cost convention in accordance with Generally Accepted Accounting Principles in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

3) Use of Estimates:

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

4) Fixed Assets:

Fixed assets are recorded at cost of acquisition inclusive of relevant levies. They are stated at historical cost less accumulated depreciation.

5) Depreciation:

Depreciation on fixed assets is provided on written down value method at the rate prescribed in Schedule XIV to the Companies Act, 1956. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

6) Impairment of Asset:

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the assets or recoverable amount of cash generating unit to which asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. 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.

7) Investments:

Long Term Investments are stated at cost. A provision for diminution, if any, in the value of each long term investment is made to recognized a decline, other than of a temporary nature. Current investments are stated at the lower of cost and fair value.

8) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost is determined on the first in first out 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. Construction work-in-progress includes cost of land, premium for development rights, interest and expenses incidental to the projects undertaken by the Company. Inventories of finished units / stock in trade, if any, are valued at cost or estimated net realizable value whichever is lower.

Schedules to the financial statements (continued) for the year ended 31st March 2009

(Currency: Indian Rupees)

9) Revenue Recognition:

- The company follows the Percentage of Completion Method of Accounting to recognize revenue in respect of civil construction projects / development of real estates. The revenue is recognized on completion of project above stipulated percentage.

The stage of completion under Percentage of Completion method is measured on the basis of percentage that actual cost incurred on real estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected cost, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

- As the long-term projects necessarily extend beyond one year, revision in costs and revenues estimated during the course of the construction project are reflected in the accounting period in which the facts requiring the revision become known. Incomplete project are carried as construction work-in-progress.
- Determination of revenues under the Percentage of Completion Method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion. The auditors have relied upon such estimates.
- Revenue on account of contract variations, claims and incentives are recognized upon determination or settlement of the contract.
- Interest income is recognized on time proportion basis.
- Dividend income is recognized when the right to receive dividend is established.

10) Borrowing Cost:

Borrowing cost that is directly attributable to construction project/assets are allocated to the respective projects/assets. All other borrowing costs are treated as period cost and charged to profit and Loss Account in the year in which it is incurred.

11) Retirement Benefits:

- The provisions of the Provident Fund Act, 1952 are not applicable to the Company.
- The company has made provisions for gratuity payable as per Actuarial Valuation Report. The amount in respect of gratuity payable is in accordance with the payment of Gratuity Act, 1972.

12) Taxation:

- Provision for current tax is made, based on the tax payable under the Income Tax Act, 1962.
- Provision of fringe benefit tax has been recognized on the basis of harmonious contextual interpretation of the provision of Income Tax Act, 1961.
- Deferred tax on timing differences between taxable and accounting income is accounted for, using the tax rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed depreciation are recognized only when there is a reasonable certainty of their realization in future.

13) Provision and Contingent Liabilities:

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

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

14) Earnings per share (EPS):

The Basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity

Schedules to the financial statements (continued) for the year ended 31st March 2009

(Currency: Indian Rupees)

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.

NOTES TO ACCOUNTS

- The Company is operating in real estate and construction industry. Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Chartered Accountant of India is not applicable.
- ADDITIONAL INFORMATION PURSUANT TO SECTION 217(1) TO THE COMPANIES ACT, 1956.
The Licensed capacity, installed capacity and quantitative and value details in respect of material / construction are not relevant to the Company as the Company is engaged in the business of civil construction and real estate development.
- Contingent Liability as at Balance Sheet date where as follows:

Particular	31.03.2009	31.03.2008
Bank Guarantee given on behalf of Satra Properties (India) Limited	Rs 100 crores	Rs 100 crores
Income Tax	Rs 20,006,515	NIL

- Foreign Exchange Earnings and Outgoings during the year is Rs. Nil. (Previous year Rs. Nil).
- Break-up of expenditure incurred during the year on employees in respect of remuneration exceeding Rs.24 Lakhs per year or Rs.2 Lakhs or more per month or part of the month is Rs. Nil (Previous Year -Rs. Nil).
- There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- The previous year figures are regrouped, recast and reclassified wherever necessary to make them comparable with the figures of the Current Year.
- In the opinion of the directors, current assets, loans and advances have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. Sundry debtors, creditors and advances are subject to confirmation.

9. Earning Per Share

Particulars	31.03.2009	31.03.2008
Net Profit / (Loss) after Tax attributable to equity shareholders	9,743,296	114,026,022
Number of Equity Shares outstanding at the end of year	14,603,900	14,603,900
Weighted average number of Equity Shares outstanding during the year (based on date of issue of shares)	14,603,900	14,603,900
Basic and diluted earning (in rupees) per share of face value Rs.10/-	0.67	7.81

10. Disclosure pursuant to Accounting Standard – 15 (Revised) 'Employee Benefits' –

- 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.

I	Change in Benefit Obligation	2009	2008
	Liability at the beginning of the year	116,940	100,491
	Interest Cost	9,355	8,039
	Current Service Cost	72,386	76,848
	Benefit Paid	-	-
	Actuarial (gain) / loss on obligations	18,687	(68,349)
	Liability at the end of the period	217,368	116,940

Schedules to the financial statements (continued) for the year ended 31st March 2009
(Currency: Indian Rupees)

II	Fair Value of Plan Asset		
	Fair Value of Plan Asset at the beginning of the year	-	-
	Expected Return on Plan Assets	-	-
	Contributions	-	-
	Benefit Paid	-	-
	Actuarial (gain) / loss on obligations	-	-
	Fair Value of Plan Assets at the end of the year	(18,687)	68,349
III	Actual Return on Plan Assets		
	Expected Return on Plan Asset	-	-
	Actuarial gain / (loss) on Plan Assets	-	-
	Actuarial Return on Plan Asset	-	-
IV	Amount Recognised in the Balance Sheet		
	Liability at the end of the year	217,368	116,940
	Fair Value of Plan Assets at the end of the year	-	-
	Difference	217,368	116,940
	Amount Recognised in the Balance Sheet	217,368	116,940
V	Expenses Recognised in the Income Statement		
	Current Service Cost	72,386	76,848
	Interest Cost	9,355	8,039
	Expected Return on Plan Assets	-	-
	Net Actuarial (gain) / loss To be Recognised	18,687	(68,349)
	Expense Recognised in Profit & Loss	100,428	16,449
VI	Balance Sheet Reconciliation		
	Opening Net Liability	116,940	100,491
	Expense as above	100,428	16,449
	Employers Contribution paid	-	-
	Amount Recognised in the Balance Sheet	217,368	116,940
VII	Actuarial Assumptions :		
	Discount Rate	7.75%	8.00%
	Rate of Return on Plan Assets	7.75%	8.00%
	Salary Escalation	6.00%	6.00%

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.

11. Disclosure of Details of Joint Venture as per AS-27 for the Year Ended 31st March, 2009.

Description of Property

Sr No.	Joint Venture	Location	Principal Activities	Ownership Interest
1	Dreams The Mall	Bhandup	Development And Construction of Shopping Mall	49%

The Company's share of assets, liabilities, income and expenditure of the significant joint Venture are as follows:

Particulars	Up to 31.03.2009	Up to 31.03.2008
Inventories	401,767,391	340,353,631
Deposits	39,806	39,806
Debtors	80,398,031	329,822,930
Cash and Bank Balance	6,249,314	16,886,008
Current Liabilities and Provision	172,923,430	142,888,894
Loans (liability)	250,149,508	506,341,200
Income	1,331,477,187	1,251,020,401
Expenses	1,044,739,540	1,005,953,665

Schedules to the financial statements (continued) for the year ended 31st March 2009
(Currency: Indian Rupees)

12. Disclosure as per clause 32 of the listing agreement as it is subsidiary of listed company

(i) Details of Loans and Advances given to Holding Company

Name of Company	Balance as at 31 st March		Maximum Outstanding	
	2009	2008	2009	2008
Satra Properties (India) Limited	-	5,574,526	5,574,526	42,334,111

(ii) Particulars of Loans and Advances to Companies in which director(s) is a director or member

Name of Company	Balance as at 31 st March		Maximum Outstanding	
	2009	2008	2009	2008
BKC Developers Private Limited	1,270,654	160,316,904	160,316,904	160,316,904
Deepmala Infrastructure Pvt.Ltd.	500,662,619	-	6,718,13,385	-

13. Related Party Disclosure

I. Holding Company

- Satra Properties (India) Limited

II. Fellow Subsidiary

- Satra Buildcon Private Limited
- Satra Estate Development Private Limited
- Satra Infrastructure and Land Development Private Limited
- Satra Lifestyles Private Limited
- Satra International Realtors Limited (w.e.f. 17th June 2008)

III. Associates /Joint Venture

- C. Bhansali Developers Private Limited
- Shravan Developers Private Limited
- Sweety Developers (Partnership Firm) (from 28th April 2008 to 27th October 2008)
- Housing Development and Infrastructure Limited
- BKC Developers Private Limited
- Deepmala Infrastructure Private Limited (w.e.f 10th April 2008)

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

- Om Housing Co. Pvt. Ltd. (till 24th August 2007)
- Satra Property Development Private Limited
- Savla Realtors and Developers Private Limited
- Prime Bond Industries

V. Key Managerial Personnel

- Chandrakant M. Kothari Executive Director
- Minaxi P. Satra Non Executive Director
- Praful N. Satra Non Executive Director (till 10th March 2009) (Relative of Director)
- Rajan P. Shah Non Executive Director (till 10th March 2009)

Schedules to the financial statements (continued) for the year ended 31st March 2009

(Currency: Indian Rupees)

Disclosure of transactions between the company and related parties and the status of outstanding balances:

Sr. No.	Nature of Transaction	Holding Company		Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence		Key Managerial Personnel		Total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
1	Loans taken										
	Minaxi P.Satra	-	-	-	-	-	-	7,165,000	-	7,165,000	-
	Praful N. Satra	-	-	-	-	-	-	2,700,000	8,768,332	2,700,000	8,768,332
	Satra Property Development Private Limited	-	-	-	-	57,300,000	-	-	-	57,300,000	-
	Savla Realtors & Developers Private Limited	-	-	-	-	10,000,000	-	-	-	10,000,000	-
	Satra Properties (India) Limited	1,525,000,474	-	-	-	-	-	-	-	1,525,000,474	-
2	Loans Repaid (inclusive of net interest)										
	Minaxi P.Satra	-	-	-	-	-	-	3,177,417	10,000,000	3,177,417	10,000,000
	Praful N. Satra	-	-	-	-	-	-	22,663,314	25,629,000	22,663,314	25,629,000
	Satra Property Development Private Limited	-	-	-	-	26,810,000	-	-	-	26,810,000	-
	Satra Properties (India) Limited	118,140,000	-	-	-	-	-	-	-	118,140,000	-
3	Loans Given										
	Deepmala Infrastructure Private Limited	-	-	1,454,547,953	-	-	-	-	-	1,454,547,953	-
	BKC Developers Private Limited	-	-	100,000,000	140,000,000	-	-	-	-	100,000,000	140,000,000

Schedules to the financial statements (continued) for the year ended 31st March 2009 (Currency: Indian Rupees)											
4	Loans Refunded (inclusive of interest)										
	Deepmala Infrastructure Private Limited	-	-	992,500,000	-	-	-	-	-	992,500,000	-
	Satra Properties (India) Limited	5,574,526	38,922,910	-	-	-	-	-	-	5,574,526	38,922,910
	BKC Developers Private Limited	-	-	261,030,571	-	-	-	-	-	261,030,571	-
5	Interest Income										
	Deepmala Infrastructure Private Limited	-	-	49,928,454	-	-	-	-	-	49,928,454	-
	Satra Properties (India) Limited	-	2,797,164	-	-	-	-	-	-	-	2,797,164
	BKC Developers Private Limited	-	-	2,565,711	10,915,224	-	-	-	-	2,565,711	10,915,224
6	Proposed Dividend										
	Satra Properties(India) Limited	-	14,603,900	-	-	-	-	-	-	-	14,603,900
7	Interest Expense										
	Minaxi P. Satra	-	-	-	-	-	70,296	381,390	70,296	381,390	
	Praful N. Satra	-	-	-	-	-	366,107	2,448,154	366,107	2,448,154	
	Satra Property Development Private Limited	-	-	-	-	2,371,174	-	-	2,371,174	-	
	Savla Realtors & Develoeprs Private Limited	-	-	-	-	253,500	-	-	253,500	-	
	Satra Properties (India) Limited	37,497,284	-	-	-	-	-	-	37,497,284	-	
8	Re-imbursement booked										
	Housing Development & Infrastructure Limited	-	-	80,521,572	85,000,000	-	-	-	80,521,572	85,000,000	
9	Re-imbursement paid										
	Housing Development & Infrastructure Limited	-	-	90,000,000	50,000,000	-	-	-	90,000,000	50,000,000	

Schedules to the financial statements (continued) for the year ended 31st March 2009 (Currency: Indian Rupees)											
10	Directors Remuneration										
	Chandrakant M. Kothari	-	-	-	-	-	-	600,000	250,000	600,000	250,000
11	Advance Recd against Shops										
	Praful N. Satra	-	-	-	-	-	-	3,675,000	-	3,675,000	-
12	Advance Paid										
	Satra Property Development Private Limited	-	-	-	-	-	140,000,000	-	-	-	140,000,000
	Prime Bond Industries	-	-	-	-	-	2,500,000	-	-	-	2,500,000
13	Sale of Shops										
	Praful Satra	-	-	-	-	-	-	(3,672,000)	420,750	(3,672,000)	420,750
	Outstanding Balances Receivable:										
1	Loans alongwith the net interest										
	Satra Properties (India) Limited	-	5,574,526	-	-	-	-	-	-	-	5,574,526
	BKC Developers Private Limited			1,270,654	160,316,904	-	-	-	-	1,270,654	160,316,904
	Deepmala Infrastructure Private Limited			500,662,619	-	-	-	-	-	500,662,619	-
2	Sundry Debtors										
	Praful Satra - Sale of Shops	-	-	-	-	-	-	-	3,522,000	-	3,522,000
	Satra Properties (India) Limited	-	3,490,200	-	-	-	-	-	-	-	3,490,200
3	Advance Given for Contract										
	Satra Property Development Private Limited	-	-	-	-	140,000,000	140,000,000	-	-	140,000,000	140,000,000
	Prime Bond Industries	-	-	-	-	2,500,000	2,500,000	-	-	2,500,000	2,500,000

Schedules to the financial statements (continued) for the year ended 31st March 2009
(Currency: Indian Rupees)

	Outstanding Balances Payables:										
1	Loans alongwith the net interest										
	Minaxi Satra - Loan	-	-	-	-	-	-	7,171,578	3,120,940	7,171,578	3,120,940
	Praful Satra	-	-	-	-	-	-	-	19,634,969	-	19,634,969
	Satra Property Development Private Limited	-	-	-	-	32,372,711	-	-	-	32,372,711	-
	Savla Realtors & Developers Private Limited	-	-	-	-	10,201,279	-	-	-	10,201,279	-
	Satra Properties (India) Limited	369,860,874	-	-	-	-	-	-	-	369,860,874	-
2	Sundry Creditors										
	Housing Development & Infrastructure Limited	-	-	123,381,109	132,859,537	-	-	-	-	123,381,109	132,859,537
3	Advance Received against Shop Refundable										
	Praful Nanji Satra	-	-	-	-	-	-	3,825,000	-	3,825,000	-

Schedules to the financial statements (continued) for the year ended 31st March 2009

(Currency: Indian Rupees)

Summary of related parties transaction

Sr. No.	Nature of Transaction	Holding Company		Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence		Key Managerial Personnel		Total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
1	Loans taken	1,525,000,474	-	-	-	67,300,000	-	9,865,000	8,768,332	1,602,165,474	8,768,332
2	Loans Repaid (inclusive of net interest)	118,140,000	-	-	-	26,810,000	-	25,840,731	35,629,000	170,790,731	35,629,000
3	Loans given	-	-	1,554,547,953	140,000,000	-	-	-	-	1,554,547,953	140,000,000
4	Loans Refunded(inclusive of net interest)	5,574,526	38,922,910	1,253,530,571	-	-	-	-	-	1,259,105,097	38,922,910
5	Interest Income	-	2,797,164	52,494,165	10,915,224	-	-	-	-	52,494,165	13,712,388
6	Proposed Dividend Paid	-	14,603,900	-	-	-	-	-	-	-	14,603,900
7	Interest Expense	37,497,284	-	-	-	2,624,674	-	436,403	2,829,544	40,558,361	2,829,544
8	Re-imbursement of Construction Charges Booked	-	-	80,521,572	85,000,000	-	-	-	-	80,521,572	85,000,000
9	Re-imbursement of Construction Charges Paid	-	-	90,000,000	50,000,000	-	-	-	-	90,000,000	50,000,000
10	Directors Remuneration	-	-	-	-	-	-	600,000	250,000	600,000	250,000
11	Advance Recd against Shops	-	-	-	-	-	-	3,675,000	-	3,675,000	-
12	Advance Paid	-	-	-	-	-	142,500,000	-	-	-	142,500,000
13	Sale of Shops	-	-	-	-	-	-	(3,672,000)	420,750	(3,672,000)	420,750
	Outstanding Bal.Receivable/Deposits										
1	Loans alongwith the net interest	-	5,574,526	501,933,273	160,316,904	-	-	-	-	501,933,273	165,891,430
2	Sundry Debtors	-	3,490,200	-	-	-	-	-	3,522,000	-	7,012,200
3	Advance given for Contract	-	-	-	-	142,500,000	142,500,000	-	-	142,500,000	142,500,000
	Outstanding Balances Payables										
1	Loans alongwith the net interest	369,860,874	-	-	-	42,573,990	-	7,171,578	22,755,909	419,606,442	22,755,909
2	Sundry Creditors	-	-	123,381,109	132,859,537	-	-	-	-	123,381,109	132,859,537
3	Advance Received against Shop refundable	-	-	-	-	-	-	3,825,000	-	3,825,000	-

Schedules to the financial statements (continued) for the year ended 31st March 2009
(Currency: Indian Rupees)

14. During the year there has been delay in repayment of monthly term loan installment to Allahabad Bank as tabulated herein below:

Month	Installment Amount	Due Date	Date of Payment		No. of Days Delay
April'08	4 Crores	27.04.2008	28.04.2008		1
May'08	4 Crores	27.05.2008	01.06.2008		5
June'08	4 Crores	27.06.2008	01.07.2008		4
July'08	4 Crores	27.07.2008	31.07.2008		4
August'08	4 Crores	27.08.2008	20.09.2008		24
			08.11.2008	2 Crores	42
September'08	4 Crores	27.09.2008	31.12.2008	2 Crores	96
October'08 to January'09	The bank has extended the repayment of installment w.e.f May'2009 vide letter dated 31.01.2009.				

In view of the overall precarious financial position especially in the real estate developing industry on application made by the company to restructure of the term loan. The bank has approved the same vide their letter dated 31.01.2009. As per revised terms the balance amount of term loan amounts to Rs.24 crores as on 31.10.2008 is to be repaid from may 2009 onwards as per tabulated herein below:

Month	Installment Amount
May'09	2 Crores
June'09	2 Crores
July'09	2 Crores
August'09	2 Crores
September'09	3 Crores
October'09	3 Crores
November'09	5 Crores
December'09	5 Crores

Details of investment bought and sold during the year:

Name of the company	Purchased during the year		Sold during the year	
	Quantity	Value	Quantity	Value
Deepmala Infrastructure Private Limited.	4,900	49,000	2300	23,000
Cosmos Co-operative bank Ltd.	324	32,400	-	-
Reliance Power Ltd.	9*	-	24	2,577
Apollo Tyre	300,550	12,043,477	300,550	6,964,163

*Bonus Share

For M/s. Bhuta Shah & Co.
Chartered Accountants

S.J. Parmar
Partner

Membership No. 103424
Mumbai, 22nd June 2009

For Satra Property Developers Private Limited

Chandrakant M. Kothari
Director

Minaxi P. Satra
Director

Manan Y. Udani
Company Secreatry

Mumbai, 22nd June 2009

Satra Property Developers Pvt. Ltd.

Balance Sheet Abstract and Company's General Business Profile

I Registration Details

Registration Number

1	2	6	2	6	0				
3	1	0	3	2	0	0	9		

Balance Sheet Date

State Code

1	1
---	---

II Capital Raised during the year (Amt in Rs Thousand)

Issue of Shares

						N	I	L
						N	I	L

Bonus Issue

Rights Issue

						N	I	L
						N	I	L

Private Placement

III Position of Mobilisation and Deployment of Funds (Amt. in Rs Thousands)

Total Liabilities

1	1	7	1	2	9	4	.	1	6
---	---	---	---	---	---	---	---	---	---

Total Assets

1	1	7	1	2	9	4	.	1	6
---	---	---	---	---	---	---	---	---	---

Sources of Funds

Paidup Capital

	1	4	6	0	3	9	.	0	0
	3	4	1	6	4	1	.	1	9
	2	4	4	1	2	9	.	8	4
	4	3	9	4	7	9	.	5	1
						4	.	6	3

Reserves & Surplus

Secured Loans

Unsecured Loan

Net Deferred Tax Assets

Application of Funds

Net Fixed Assets

Investments

Net Current Assets

Accumulated Losses

		1	2	7	3	6	.	9	5
				1	5	8	.	0	2
1	1	5	8	3	9	9	.	1	9
							N	I	L

IV Performance of the Company (Amt in Rs Thousands)

Turnover

	1	3	8	9	1	0	.	8	2
	1	1	5	8	1	7	.	2	4

Total Expenditure

Profit Before Tax

Profit after Tax

		2	3	0	9	3	.	5	9
			9	7	4	3	.	3	0

Earning per Share (in Rupees)

		0	.	6	7
--	--	---	---	---	---

Dividend Rate #

			N	I	L
--	--	--	---	---	---

V Generic Names of Three Principal Products/ Services of Company (as per monetary term)

Item Code No. (ITC)

						N	.	A
--	--	--	--	--	--	---	---	---

Product Description

													N	.	A
--	--	--	--	--	--	--	--	--	--	--	--	--	---	---	---

For Satra Property Developers Private Limited

Chandrakant M. Kothari

Director

Mumbai, 22nd June, 2009

Minaxi P. Satra

Director

Manan Y Udani

Company Secretary

[illegible]

DIRECTORS' REPORT

To
The Members,
SATRA ESTATE DEVELOPMENT PRIVATE LIMITED

Your Directors are pleased to present the 2nd Annual Report and the Audited Accounts for the Financial Year ended March 31, 2009.

1) **FINANCIAL HIGHLIGHTS:**

(Amt. in Rs.)

Particulars	Current Year	Previous Year
Profit / (Loss) before taxation	(12,057)	(22,125)
Less: Provision for Taxation	-----	-----
- Current Year	-----	-----
- Earlier Years	-----	-----
Deferred Tax	-----	-----
Fringe benefit Tax		
- Current Year	-----	-----
- Earlier Year	-----	-----
Net Profit After Taxation	(12,057)	(22,125)
Add / (Less) : Profit / (Loss) b/f from previous years	(22,125)	-----
Less: Appropriation		
Transfer to General Reserve	-----	-----
Proposed Dividend	-----	-----
Tax on Proposed Dividend	-----	-----
Balance Profit / (Loss) c/f Balance Sheet	(34,182)	(22,125)

2) **WHOLLY OWNED SUBSIDIARY COMPANY:**

Your company is a wholly owned subsidiary of **SATRA PROPERTIES (INDIA) LIMITED** and accordingly the provisions of Companies Act, 1956, applicable to the Public Company will become applicable to your company.

3) **OPERATIONS:**

Your Company has not yet commenced its operations.

4) **DIRECTORS:**

Since your Company is a Subsidiary of the Public Limited Company, according to the provisions of the Companies Act 1956, Mr. Praful N. Satra, Director of your Company retires in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

5) **FIXED DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act.

6) **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the accounts for the year ended 31st March, 2009 on a going concern basis.

7) **AUDITORS' REPORT:**

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

8) **AUDITORS:**

M/s Bhuta Shah & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them informing, that their appointment if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Board recommends their reappointment.

9) **PERSONNEL:**

The Company has no employees drawing the remuneration more than the specified limit prescribed under Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 during the year under review.

10) **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO:**

The Company has no foreign exchange earnings and outgo during the year. Since the Company does not have any manufacturing activities, the other particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

For and on Behalf of the Board of Directors

Praful N. Satra
Director

Mumbai, 4th June, 2009

Registered Office:
Dev Plaza, 2nd Floor,
Opp. Andheri Fire Station,
S. V. Road, Andheri (West),
Mumbai – 400058

AUDITORS' REPORT

To the members of
SATRA ESTATE DEVELOPMENT PRIVATE LIMITED

1) We have audited the attached Balance Sheet of **SATRA ESTATE DEVELOPMENT PRIVATE LIMITED** as at 31st March 2009 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3) As required by the Companies (Auditors' Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order to the extent applicable.

4) Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

- i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. 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 the books;
- iii. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- iv. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- v. on the basis of the written representations received from the Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956; and
- vi. in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956, 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 31st March 2009;
 - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar
Partner
Membership No. 103424

Mumbai: 4th June, 2009

Annexure to the Auditor Report

Annexure referred to in paragraph 3 of the Auditors' Report to the members of **SATRA ESTATE DEVELOPMENT PRIVATE LIMITED** on the accounts for the year ended 31st March, 2009.

1) The Company is engaged in the business of civil construction and dealing in real estate. Considering no business activity have been carried out during the year para number 4(i), (ii), (viii), (x), (xiii) and (xx) of the Order are not applicable in the present case.

2) According to the information and explanation given to us, the Company has not granted or taken loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clauses (b), (c), (d), (f) and (g) of para 4(iii) are not applicable.

3) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the year there were no purchase of inventory, fixed assets and sale of goods and services. During the course of our audit no major weakness has been observed in the internal controls.

4) According to the information and explanation provided by the management, there have been no contracts or arrangements during the year that need to be entered into the register maintained under section 301 of the Companies Act, 1956.

5) In our opinion and according to the information and explanation given to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.

6) The Company is not listed on any stock exchange or the paid-up capital and reserves as at the commencement of the financial year did not exceed Rupees fifty lakhs or did not have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned and accordingly clause (vii) of para 4 of the Order is not applicable for the current year.

7) (a) According to the information and explanation given to us, there were no outstanding undisputed statutory dues payable as at the last day of the financial year concern for a year of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there were no outstanding statutory dues payable on account of any dispute before any authorities.

8) According to information and explanations given to us, the Company has not borrowed funds from financial institution, banks or raised funds through issue of debentures.

9) According to the information and explanation given to us the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

10) According to information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other investments.

11) According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.

12) According to the information and explanation given to us and the records examined, the Company has not availed any term loan during the year.

13) According to the information and explanation given to us and the records examined, the Company has not availed any short term loan during the year.

14) During the year, the Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

15) The Company has not issued any debentures.

16) During the course of our examination of the books of account and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year.

**For M/s. Bhuta Shah & Co.
Chartered Accountants**

**S. J. Parmar
Partner
Membership No. 103424**

Mumbai, 4th June, 2009

SATRA ESTATE DEVELOPMENT PRIVATE LIMITED			
Balance Sheet as at 31st March, 2009			
(Currency: INR)			
Particulars	Schedule	31.03.09	31.03.08
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	100,000	100,000
TOTAL		100,000	100,000
APPLICATION OF FUNDS			
Current assets, Loans and Advances			
Cash and Bank Balance	2	76,848	89,111
		76,848	89,111
Less : Current Liabilities and Provisions	3	11,030	11,236
Net Current Assets		65,818	77,875
Miscellaneous Expenditure	4	-	-
Profit and Loss Account		34,182	22,125
TOTAL		100,000	100,000
Significant accounting policy and notes to accounts	6	-	-

The schedule referred to above are an integral part of balance sheet.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra
Director

Minaxi P. Satra
Director

Mumbai, 4th June, 2009

SATRA ESTATE DEVELOPMENT PRIVATE LIMITED

Profit and Loss account for the year ended 31 March 2009

(Currency: INR)

Particulars	Schedule	31.03.09	31.03.08
INCOME	-	-	-
	'A'	-	-
EXPENDITURE			
Administrative Expenses	5	12,057	22,125
	'B'	12,057	22,125
Net Profit / (Loss) Before Tax	(A - B)	(12,057)	(22,125)
Less: Provision for tax			
Current Tax		-	-
Net Profit / (Loss) after Tax		(12,057)	(22,125)
Add : Profit brought forward from previous year		(22,125)	-
Balance Profit /(Loss) Carried to Balance Sheet		(34,182)	(22,125)
Basic/ Diluted EPS		(1.21)	(2.21)

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra
Director

Minaxi P. Satra
Director

Mumbai, 4th June, 2009

SATRA ESTATE DEVELOPMENT PRIVATE LIMITED		
CASH FLOW STATEMENT for the year ended 31 March 2009		
(Currency: INR)		
Particulars	31.03.09	31.03.08
<u>Cash flow from Operating activities</u>		
Net profit/(Loss) before taxation	(12,057)	(22,125)
Adjustment for :		
Miscellaneous Expenditure W/off	-	10,080
Operating profit/(Loss) before working capital changes	(12,057)	(12,045)
Adjustment for Working Capital changes:		
Increase / (Decrease) in Current Liabilities	(206)	11,236
Net cash from Operating activities A	(12,263)	(809)
<u>Cash flows from Investing activities</u> B	-	-
<u>Cash flows from Financing activities</u>		
Proceeds from issuance of share capital	-	100,000
Expenses relating to Incorporation	-	(10,080)
Net Cash from Financing activities C	-	89,920
Net increase in cash and cash equivalents A+B+C	(12,263)	89,111
Cash and cash equivalents at the beginning of period	89,111	-
Cash and cash equivalents at the end of period	76,848	89,111

Note:

(1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra
Director
Minaxi P. Satra
Director

Mumbai, 4th June, 2009

SATRA ESTATE DEVELOPMENT PRIVATE LIMITED		
Schedules to the financial statements as at 31st March 2009		
	(Currency: INR)	
Particulars	31.03.09	31.03.08
<u>SCHEDULE - 1</u>		
SHARE CAPITAL		
Authorised Share Capital		
10,000 Equity Shares of Rs.10/- Each	100,000	100,000
Issued, Subscribed and Paid up Capital		
10,000 Equity Shares of Rs.10/- Each fully paid up	100,000	100,000
TOTAL	100,000	100,000
<u>SCHEDULE - 2</u>		
CASH AND BANK BALANCE		
Cash in hand	9,432	10,000
<u>Balance with Schedule Banks :</u>		
- in current accounts	67,416	-
TOTAL	76,848	79,111
<u>SCHEDULE - 3</u>		
CURRENT LIABILITIES AND PROVISIONS		
Bhuta Shah & Co.	11,030	11,236
TOTAL	11,030	11,236
<u>SCHEDULE - 4</u>		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Opening Balance	-	-
Add : Incurred During the Year	-	10,080
	-	10,080
Less : Written off during the year	-	10,080
TOTAL	-	-
<u>SCHEDULE - 5</u>		
ADMINISTRATIVE EXPENSES		
Bank Charges	459	686
Sundry Expenses	568	123
Preliminary Expenses	-	10,080
<u>Auditor's Remuneration</u>		
Statutory Audit Fees	11,030	-
TOTAL	12,057	22,125

Schedules to the financial Statement for the year ended 31st March, 2009

SCHEDULE 6:

1. Background:

The company was incorporated on October 23, 2007 as Satra Estate Development Private Limited. The company is engaged in the business of real estate and construction industry.

SIGNIFICANT ACCOUNTING POLICIES:

2. Accounting Convention:

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the accounting standards issued by The Institute of Chartered Accountants of India and the provisions of Companies Act, 1956.

3. Revenue Recognition:

The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

4. Taxation:

I. Tax on current income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961.

II. Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. Deferred tax assets are recognized to the extent there is virtual certainty that these assets can be realized in future.

5. Provision and Contingent Liabilities:

Contingent liabilities, if any, are disclosed after a careful evaluation of facts and legal aspects of the matter involved.

6. Miscellaneous expenditure

Preliminary expenses are written off in the period it was incurred.

NOTES TO ACCOUNTS:

1. The Company is engaged in real estate and construction industry. Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Chartered Accountant of India is not applicable.

The company has been incorporated on 23rd October 2007 and the accounts for the previous year pertains to the period 23-10-2007 to 31-03-2008(161 days) and hence, are not strictly comparable.

2. In the opinion of the Directors there were no contingent liabilities as at the Balance Sheet date.

3. Additional Information pursuant to the provisions of Para 3, 4, 4-A, 4-B, 4-C of Para 11 of Schedule VI of the Companies Act, 1956

	Particulars	Current Year Rupees
a)	<u>Information as to Capacity</u>	
	Licensed	Not
	Installed	Applicable
b)	<u>Information as to Foreign Currency</u>	
	Earnings in Foreign Currency	Nil
	Expenditure in Foreign Currency	Nil
c)	Break-up of expenditure incurred during the year on employees in respect of remuneration exceeding Rs. 24 Lakhs per year or Rs. 2 Lakhs or more per month or part of the month	None

4. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

5. 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.
6. The previous year figures are regrouped, recast and reclassified wherever necessary to make them comparable with the figures of the Current Year.

7. Basic and Diluted Earning Per Share :

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered.

Particulars	2008-09	2007-08
Net Profit after tax	(12,057)	(22,125)
Weighted average number of equity shares (Nos.)	10,000	10,000
Basic Earning Per Share (Rupees per share)	(1.21)	(2.21)
Diluted Earning Per Share (Rupees per share)	N. A.	N. A.

8. Related Party Disclosures:

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

- Particulars of Subsidiary / Associate Companies and Concerns:

	Name of Associate Companies / Concerns	Nature of Relationship
1	Satra Properties (India) Limited	Holding Company
2	Satra Property Developers Private Limited	Fellow Subsidiary Company
3	Satra Buildcon Private Limited	Fellow Subsidiary Company
4	Satra Infrastructure And Land Developers Private Limited	Fellow Subsidiary Company
5	Satra Lifestyles Private Limited	Fellow Subsidiary Company
6	Satra International Realtors Limited (w.e.f 17 th June 2008)	Fellow Subsidiary Company
7	C. Bhansali Developers Private Limited	Associate Company of Holding Company
8	Shravan Developers Private Limited	Associate Company of Holding Company
9	Sweetey Developers(w.e.f. 28 th April 2008 and up to 27 th October 2008)	Promoter Group Partnership Firm
10	BKC Developers Private Limited	Associate Company of Fellow Subsidiary Company
11	Deepmala Infrastructure Private Limited (w.e.f 10 th April 2008)	Associate Company of Fellow Subsidiary Company

- Key Management Personnel:

	Name of the Related Party	Nature of Relationship
1	Mr. Praful N. Satra	Director
2	Mrs. Minaxi P. Satra	Director
3	Mr. Rajan P. Shah	Director

Signature to schedule 1 to 6
As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

For Satra Estate Development Private Limited

Praful N. Satra
Director

Minaxi P. Satra
Director

Mumbai, 4th June, 2009

Satra Estate Development Private Limited

(Currency: INR)

Balance Sheet Abstract and Company's General Business Profile

I Registration Details

Registration Number

1	7	5	3	1	8
---	---	---	---	---	---

State Code

1	1
---	---

Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

II Capital Raised during the year (Amount in Rs Thousands)

Issue of Shares

			N	I	L
--	--	--	---	---	---

Rights Issue

			N	I	L
--	--	--	---	---	---

Bonus Issue

			N	I	L
--	--	--	---	---	---

Private Placement

			N	I	L
--	--	--	---	---	---

III Position of Mobilisation and Deployment of Funds (Amounts in Rs Thousands)

Total Liabilities

				1	0	0
--	--	--	--	---	---	---

Total Assets

				1	0	0
--	--	--	--	---	---	---

Sources of Funds

Paidup Capital

				1	0	0
--	--	--	--	---	---	---

Reserves & Surplus

				N	I	L
--	--	--	--	---	---	---

Secured Loans

				N	I	L
--	--	--	--	---	---	---

Unsecured Loans

				N	I	L
--	--	--	--	---	---	---

Application of Funds

Net Fixed Assets

				N	I	L
--	--	--	--	---	---	---

Investments

				N	I	L
--	--	--	--	---	---	---

Net Current Assets

		6	5	.	8	2
--	--	---	---	---	---	---

Accumulated Losses

		3	4	.	1	8
--	--	---	---	---	---	---

Net Deferred tax Asset

				N	I	L
--	--	--	--	---	---	---

IV Performance of the Company (Amount in Rs Thousands)

Turnover

				N	I	L
--	--	--	--	---	---	---

Total Expenditure

		1	2	.	0	6
--	--	---	---	---	---	---

Profit Before Tax

+/-

-

	1	2	.	0	6
--	---	---	---	---	---

Profit after Tax

-

	1	2	.	0	6
--	---	---	---	---	---

Earning per share (in Rupees)

-	1	.	2	1
---	---	---	---	---

Dividend Rate #

			N	I	L
--	--	--	---	---	---

V Generic Names of Three Principal Products / Services of Company (as per monetary term)

Item Code No. (ITC)

						N	.	A
--	--	--	--	--	--	---	---	---

Product Description

										N	.	A
--	--	--	--	--	--	--	--	--	--	---	---	---

For and on behalf of the Board of Directors

Praful N. Satra
Director

Mumbai, June 4, 2009.

Minaxi P. Satra
Director

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

DIRECTORS' REPORT

To
The Members,
SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED

Your Directors are pleased to present the 2nd Annual Report and the Audited Accounts for the Financial Year ended March 31, 2009.

1) **FINANCIAL HIGHLIGHTS:**

(Amt. in Rs.)		
Particulars	Current Year	Previous Year
Profit / (Loss) before taxation	(12,232)	(22,125)
Less: Provision for Taxation		
- Current Year	-----	-----
- Earlier Years	-----	-----
Deferred Tax	-----	-----
Fringe benefit Tax		
- Current Year	-----	-----
- Earlier Year	-----	-----
Net Profit After Taxation	(12,232)	(22,125)
Add / (Less) : Profit / (Loss) b/f from previous years	(22,125)	-----
Less: Appropriation		
Transfer to General Reserve	-----	-----
Proposed Dividend	-----	-----
Tax on Proposed Dividend	-----	-----
Balance Profit / (Loss) c/f Balance Sheet	(34,357)	(22,125)

2) **WHOLLY OWNED SUBSIDIARY COMPANY:**

Your company is a wholly owned subsidiary of **SATRA PROPERTIES (INDIA) LIMITED** and accordingly the provisions of Companies Act, 1956, applicable to the Public Company will become applicable to your company.

3) **OPERATIONS:**

Your Company has not yet commenced its operations.

4) **DIRECTORS:**

Since your Company is a Subsidiary of the Public Limited Company, according to the provisions of the Companies Act 1956, Mr. Praful N. Satra, Director of your Company retires in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

5) **FIXED DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act.

6) **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the accounts for the year ended 31st March, 2009 on a going concern basis.

7) **AUDITORS' REPORT:**

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

8) **AUDITORS:**

M/s Bhuta Shah & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them informing, that their appointment if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Board recommends their reappointment.

9) **PERSONNEL:**

The Company has no employees drawing the remuneration more than the specified limit prescribed under Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 during the year under review.

10) **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO:**

The Company has no foreign exchange earnings and outgo during the year. Since the Company does not have any manufacturing activities, the other particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

For and on Behalf of the Board of Directors

Praful N. Satra
Director

Mumbai, 4th June, 2009
Registered Office:
Dev Plaza, 2nd Floor,
Opp. Andheri Fire Station,
S. V. Road, Andheri (West),
Mumbai – 400058

AUDITORS' REPORT

To the members of
SATRA INFRASTRUCTURE & LAND DEVELOPERS PRIVATE LIMITED

1. We have audited the attached Balance Sheet of **SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED** as at 31st March 2009 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. 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 the books;
 - iii. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v. on the basis of the written representations received from the Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956; and
 - vi. in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956, 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 31st March 2009;
 - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the members of **SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED** on the accounts for the year ended 31st March, 2009.

1. The Company is engaged in the business of civil construction and dealing real estate. Considering no business activity have been carried out during the year para number 4(i), (ii), (viii), (x), (xiii) and (xx) of the Order are not applicable in the present case.
2. According to the information and explanation given to us, the Company has not granted or taken loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clauses (b), (c), (d), (f) and (g) of para 4(iii) are not applicable.
3. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the year there were no purchase of inventory, fixed assets and sale of goods and services. During the course of our audit no major weakness has been observed in the internal controls.
4. According to the information and explanation provided by the management, there have been no contracts or arrangements during the year that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanation given to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.
6. The Company is not listed on any stock exchange or the paid-up capital and reserves as at the commencement of the financial year did not exceed Rupees fifty lakhs or did not have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned and accordingly clause (vii) of para 4 of the Order is not applicable for the current year.
7. a) According to the information and explanation given to us, there were no outstanding undisputed statutory dues payable as at the last day of the financial year concern for a year of more than six months from the date they became payable.
b) According to the information and explanation given to us, there were no outstanding statutory dues payable on account of any dispute before any authorities.
8. According to information and explanations given to us, the Company has not borrowed funds from financial institution, banks or raised funds through issue of debentures.
9. According to the information and explanation given to us the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
10. According to information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other investments.
11. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
12. According to the information and explanation given to us and the records examined, the Company has not availed any term loan during the year.
13. According to the information and explanation given to us and the records examined, the Company has not availed any short term loan during the year.
14. During the year, the Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
15. The Company has not issued any debentures.
16. During the course of our examination of the books of account and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year.

For M/s Bhuta Shah & Co.
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED			
Balance Sheet as at 31st March, 2009			
(Currency: INR)			
Particulars	Schedule	31.03.09	31.03.08
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	100,000	100,000
TOTAL		100,000	100,000
APPLICATION OF FUNDS			
Current assets, Loans and Advances			
Cash and Bank Balance	2	76,673	89,111
		76,673	89,111
Less : Current Liabilities and Provisions	3	11,030	11,236
Net Current Assets		65,643	77,875
Miscellaneous Expenditure	4	-	-
Profit and Loss Account		34,357	22,125
TOTAL		100,000	100,000
Significant accounting policy and notes to accounts	6	-	-

The schedule referred to above are an integral part of balance sheet.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED			
Profit and Loss account for the year ended 31 March 2009			
(Currency: INR)			
Particulars	Schedule	31.03.09	31.03.08
INCOME	-	-	-
	'A'	-	-
EXPENDITURE			
Administrative Expenses	5	12,232	22,125
	'B'	12,232	22,125
Net Profit / (Loss) Before Tax	(A - B)	(12,232)	(22,125)
Less: Provision for tax			
Current Tax		-	-
Net Profit / (Loss) after Tax		(12,232)	(22,125)
Add : Profit brought forward from previous year		(22,125)	-
Balance Profit /(Loss) Carried to Balance Sheet		(34,357)	(22,125)
Basic/ Diluted EPS		(1.22)	(2.21)

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED		
CASH FLOW STATEMENT for the year ended 31 March 2009		
(Currency: INR)		
Particulars	31.03.09	31.03.08
Cash flow from Operating activities		
Net profit/(Loss) before taxation	(12,232)	(22,125)
Adjustment for :		
Miscellaneous Expenditure W/off	-	10,080
Operating profit/(Loss) before working capital changes	(12,232)	(12,045)
Adjustment for Working Capital changes:		
Increase / (Decrease) in Current Liabilities	(206)	11,236
Net cash from Operating activities A	(12,438)	(809)
Cash flows from Investing activities B	-	-
Cash flows from Financing activities		
Proceeds from issuance of share capital	-	100,000
Expenses relating to Incorporation	-	(10,080)
Net Cash from Financing activities C	-	89,920
Net increase in cash and cash equivalents A+B+C	(12,438)	89,111
Cash and cash equivalents at the beginning of period	89,111	-
Cash and cash equivalents at the end of period	76,673	89,111

Note:

(1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

SATRA INFRASTRUCTURE AND LAND DEVELOPERS PRIVATE LIMITED		
Schedules to the financial statements as at 31st March 2009		
(Currency: INR)		
Particulars	31.03.09	31.03.08
<u>SCHEDULE - 1</u>		
SHARE CAPITAL		
Authorised Share Capital		
10,000 Equity Shares of Rs.10/- Each	100,000	100,000
Issued, Subscribed and Paid up Capital		
10,000 Equity Shares of Rs.10/- Each fully paid up	100,000	100,000
TOTAL	100,000	100,000
<u>SCHEDULE - 2</u>		
CASH AND BANK BALANCE		
Cash in hand	9,432	10,000
<u>Balance with Schedule Banks :</u>		
- in current accounts	67,241	-
TOTAL	76,673	89,111
<u>SCHEDULE - 3</u>		
CURRENT LIABILITIES AND PROVISIONS		
Bhuta Shah & Co.	11,030	11,236
TOTAL	11,030	11,236
<u>SCHEDULE - 4</u>		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Opening Balance	-	-
Add : Incurred During the Year	-	10,080
	-	10,080
Less : Written off during the year	-	10,080
TOTAL	-	-
<u>SCHEDULE - 5</u>		
ADMINISTRATIVE EXPENSES		
Bank Charges	634	686
Sundry Expenses	568	123
Preliminary Expenses	-	10,080
<u>Auditor's Remuneration</u>		
Statutory Audit Fees	11,030	-
TOTAL	12,232	22,125

Schedules to the financial statement for the year ended 31st March 2009

SCHEDULE 6:

1. **Background:**
The company was incorporated on October 19, 2007 as Satra Infrastructure and Land Developers Private Limited. The company is engaged in the business of real estate and construction industry.
- SIGNIFICANT ACCOUNTING POLICIES:**
2. **Accounting Convention:**
The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the accounting standards issued by The Institute of Chartered Accountants of India and the provisions of Companies Act, 1956.
3. **Revenue Recognition:**
The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.
4. **Taxation:**
 - i. Tax on current income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961.
 - ii. Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. Deferred tax assets are recognized to the extent there is virtual certainty that these assets can be realized in future.
5. **Provision and Contingent Liabilities:**
Contingent liabilities, if any, are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
6. **Miscellaneous expenditure**
Preliminary expenses are written off in the period it was incurred.

NOTES TO ACCOUNTS:

1. The Company is engaged real estate and construction industry. Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Chartered Accountant of India is not applicable.
The company has been incorporated on 19th October 2007 and the accounts for the previous year pertains to the period 19-10-2007 to 31-03-2008(165 days) and hence, are not strictly comparable.
2. In the opinion of the Directors there were no contingent liabilities as at the Balance Sheet date.
3. Additional Information pursuant to the provisions of Para 3, 4, 4-A, 4-B, 4-C of Para 11 of Schedule VI of the Companies Act, 1956

	Particulars	Current Year Rupees
a)	Information as to Capacity Licensed Installed	Not Applicable
b)	Information as to Foreign Currency Earnings in Foreign Currency Expenditure in Foreign Currency	Nil Nil
c)	Break-up of expenditure incurred during the year on employees in respect of remuneration exceeding Rs. 24 Lakhs per year or Rs. 2 Lakhs or more per month or part of the month	None

4. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

5. 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.
6. The previous year figures are regrouped, recast and reclassified wherever necessary to make them comparable with the figures of the Current Year.

7. **Basic and Diluted Earning Per Share :**

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered.

Particulars	2008-09	2007-08
Net Profit after tax	(12,232)	(22,125)
Weighted average number of equity shares (Nos.)	10,000	10,000
Basic Earning Per Share (Rupees per share)	(1.22)	(2.21)
Diluted Earning Per Share (Rupees per share)	N. A.	N. A.

8. **Related Party Disclosures:**

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

a) Particulars of Subsidiary / Associate Companies and Concerns:

	Name of Associate Companies / Concerns	Nature of Relationship
1	Satra Properties (India) Limited	Holding Company
2	Satra Property Developers Private Limited	Fellow Subsidiary Company
3	Satra Estate Development Private Limited	Fellow Subsidiary Company
4	Satra Buildcon Private Limited	Fellow Subsidiary Company
5	Satra Lifestyles Private Limited	Fellow Subsidiary Company
6	Satra International Realtors Limited (w.e.f 17 th June 2008)	Fellow Subsidiary Company
7	C. Bhansali Developers Private Limited	Associate Company of Holding Company
8	Shravan Developers Private Limited	Associate Company of Holding Company
9	Sweetly Developers(w.e.f. 28 th April 2008 and up to 27 th October 2008)	Promoter Group Partnership Firm
10	BKC Developers Private Limited	Associate Company of Fellow Subsidiary Company
11	Deepmala Infrastructure Private Limited (w.e.f 10 th April 2008)	Associate Company of Fellow Subsidiary Company

b) Key Management Personnel:

	Name of the Related Party	Nature of Relationship
1	Mr. Praful N. Satra	Director
2	Mrs. Minaxi P. Satra	Director
3	Mr. Rajan P. Shah	Director

Signature to schedule 1 to 6

As per our report of even date

For M/s. Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai : 4th June, 2009

Praful N Satra
Director

Minaxi Satra
Director

Mumbai : 4th June, 2009

(Currency: INR)

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Mumbai, June 4, 2009.

Director

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DIRECTOR'S REPORT

To
The Members,
SATRA BUILDCON PRIVATE LIMITED

Your Directors are pleased to present the 2nd Annual Report and the Audited Accounts for the Financial Year ended March 31, 2009.

1) FINANCIAL HIGHLIGHTS:

(Amt. in Rs.)

Particulars	Current Year	Previous Year
Profit / (Loss) before taxation	(12,232)	(22,210)
Less: Provision for Taxation	-----	-----
- Current Year	-----	-----
- Earlier Years	-----	-----
Deferred Tax	-----	-----
Fringe benefit Tax	-----	-----
- Current Year	-----	-----
- Earlier Year	-----	-----
Net Profit After Taxation	(12,232)	(22,210)
Add / (Less) : Profit / (Loss) b/f from previous years	(22,210)	-----
Less: Appropriation	-----	-----
Transfer to General Reserve	-----	-----
Proposed Dividend	-----	-----
Tax on Proposed Dividend	-----	-----
Balance Profit / (Loss) c/f Balance Sheet	(34,442)	(22,210)

2) WHOLLY OWNED SUBSIDIARY COMPANY:

Your company is a wholly owned subsidiary of **SATRA PROPERTIES (INDIA) LIMITED** and accordingly the provisions of Companies Act, 1956, applicable to the Public Company will become applicable to your company.

3) OPERATIONS:

Your Company has not yet commenced its operations.

4) DIRECTORS:

Since your Company is a Subsidiary of the Public Limited Company, according to the provisions of the Companies Act 1956, Mr. Praful N. Satra, Director of your Company retires in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

5) FIXED DEPOSITS:

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act.

6) DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the accounts for the year ended 31st March, 2009 on a going concern basis.

7) **AUDITORS' REPORT:**

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

8) **AUDITORS:**

M/s Bhuta Shah & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them informing, that their appointment if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Board recommends their reappointment.

9) **PERSONNEL:**

The Company has no employees drawing the remuneration more than the specified limit prescribed under Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 during the year under review.

10) **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO:**

The Company has no foreign exchange earnings and outgo during the year. Since the Company does not have any manufacturing activities, the other particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

For and on Behalf of the Board of Directors

Praful N. Satra
Director

Mumbai, 4th June, 2009

Registered Office:
Dev Plaza, 2nd Floor,
Opp. Andheri Fire Station,
S. V. Road, Andheri (West),
Mumbai – 400058

AUDITOR'S REPORT

To the Members of
SATRA BUILDCON PRIVATE LIMITED

1) We have audited the attached Balance Sheet of **M/S SATRA BUILDCON PRIVATE LIMITED** as at 31st March 2009 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3) As required by the Companies (Auditors' Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order to the extent applicable.

4) Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

- we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- 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 the books;
- the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- on the basis of the written representations received from the Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956; and
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956, 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 31st March 2009;
 - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Bhuta Shah & Co.
Chartered Accountants**

**S. J. Parmar
Partner
Membership No. 103424
Mumbai: 4th June, 2009**

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the members of **SATRA BUILDCON PRIVATE LIMITED** on the accounts for the year ended 31st March, 2009.

1. The Company is engaged in the business of civil construction and dealing in real estate. Considering no business activity have been carried out during the year para number 4(i), (ii), (viii), (x), (xiii) and (xx) of the Order are not applicable in the present case.
2. According to the information and explanation given to us, the Company has not granted or taken loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clauses (b), (c), (d), (f) and (g) of para 4(iii) are not applicable.
3. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the year there were no purchase of inventory, fixed assets and sale of goods and services. During the course of our audit no major weakness has been observed in the internal controls.
4. According to the information and explanation provided by the management, there have been no contracts or arrangements during the year that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanation given to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.
6. The Company is not listed on any stock exchange or the paid-up capital and reserves as at the commencement of the financial year did not exceed Rupees fifty lakhs or did not have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned and accordingly clause (vii) of para 4 of the Order is not applicable for the current year.
7. (a) According to the information and explanation given to us, there were no outstanding undisputed statutory dues payable as at the last day of the financial year concern for a period of more than six months from the date they became payable.
(b) According to the information and explanation given to us, there were no outstanding statutory dues payable on account of any dispute before any authorities.
8. According to information and explanations given to us, the Company has not borrowed funds from financial institution, banks or raised funds through issue of debentures.
9. According to the information and explanation given to us the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
10. According to information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other investments.
11. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
12. According to the information and explanation given to us and the records examined, the Company has not availed any term loan during the year.
13. According to the information and explanation given to us and the records examined, the Company has not availed any short term loan during the year.
14. During the year, the Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
15. The Company has not issued any debentures.
16. During the course of our examination of the books of account and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year.

For M/s. Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar
Partner
Membership No 103424

SATRA BUILDCON PRIVATE LIMITED			
Balance Sheet as at 31st March, 2009			
(Currency: INR)			
Particulars	Schedule	31.03.09	31.03.08
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	100,000	100,000
TOTAL		100,000	100,000
APPLICATION OF FUNDS			
Current assets, Loans and Advances			
Cash and Bank Balance	2	76,588	89,026
		76,588	89,026
Less : Current Liabilities and Provisions	3	11,030	11,236
Net Current Assets		65,558	77,790
Miscellaneous Expenditure	4	-	-
Profit and Loss Account		34,442	22,210
TOTAL		100,000	100,000
Significant accounting policy and notes to accounts	6		

The schedule referred to above are an integral part of balance sheet.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra
Director
Minaxi P. Satra
Director

Mumbai, 4th June, 2009

SATRA BUILDCON PRIVATE LIMITED			
Profit and Loss account for the year ended 31 March 2009			
(Currency: INR)			
Particulars	Schedule	31.03.09	31.03.08
INCOME	-	-	-
	'A'	-	-
EXPENDITURE			
Administrative Expenses	5	12,232	22,210
	'B'	12,232	22,210
Net Profit / (Loss) Before Tax	(A - B)	(12,232)	(22,210)
Less: Provision for tax			
Current Tax		-	-
Net Profit / (Loss) after Tax		(12,232)	(22,210)
Add : Profit brought forward from previous year		(22,210)	-
Balance Profit /(Loss) Carried to Balance Sheet		(34,442)	(22,210)
Basic/ Diluted EPS		(1.22)	(2.22)

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

SATRA BUILDCON PRIVATE LIMITED		
CASH FLOW STATEMENT for the year ended 31 March 2009		
(Currency: INR)		
Particulars	2008-09	2007-08
Cash flow from Operating activities		
Net profit/(Loss) before taxation	(12,232)	(22,210)
Adjustment for :		
Miscellaneous Expenditure W/off	-	10,080
Operating profit/(Loss) before working capital changes	(12,232)	(12,130)
Adjustment for Working Capital changes:		
Increase / (Decrease) in Current Liabilities	(206)	11,236
Net cash from Operating activities	A	(12,438)
Cash flows from Investing activities	B	-
-		
Cash flows from Financing activities		
Proceeds from issuance of share capital	-	100,000
Expenses relating to Incorporation	-	(10,080)
Net Cash from Financing activities	C	89,920
Net increase in cash and cash equivalents	A+B+C	89,026
Cash and cash equivalents at the beginning of period	89,026	-
Cash and cash equivalents at the end of period	76,588	89,026

Note:

(1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra
Director

Minaxi P. Satra
Director

Mumbai, 4th June, 2009

SATRA BUILDCON PRIVATE LIMITED
Schedules to the financial statements as at 31st March 2009

(Currency: INR)

Particulars	31.03.09	31.03.08
<u>SCHEDULE - 1</u>		
SHARE CAPITAL		
<u>Authorised Share Capital</u>		
10,000 Equity Shares of Rs.10/- Each	100,000	100000
<u>Issued, Subscribed and Paid up Capital</u>		
10,000 Equity Shares of Rs.10/- Each fully paid up	100,000	100000
TOTAL	100,000	100,000
<u>SCHEDULE - 2</u>		
CASH AND BANK BALANCE		
Cash in hand	9,432	10,000
<u>Balance with Schedule Banks :</u>		
- in current accounts	67,156	-
TOTAL	76,588	79,026
<u>SCHEDULE - 3</u>		
CURRENT LIABILITIES AND PROVISIONS		
Bhuta Shah & Co.	11,030	11236
TOTAL	11,030	11,236
<u>SCHEDULE - 4</u>		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Opening Balance	-	-
Add : Incurred During the Year	-	10,080
	-	10,080
Less : Written off during the year	-	10,080
TOTAL	-	-
<u>SCHEDULE - 5</u>		
ADMINISTRATIVE EXPENSES		
Bank Charges	634	827
Sundry Expenses	568	67
Preliminary Expenses	-	10,080
<u>Auditor's Remuneration</u>		
Statutory Audit Fees	11,030	-
TOTAL	12,232	11,236

SATRA BUILDCON PRIVATE LIMITED

Schedules to the financial Statement for the year ended 31st March, 2009

SCHEDULE 6:

1) Background:

The company was incorporated on October 18, 2007 as Satra Buildcon Private Limited. The company is engaged in the business of real estate and construction industry.

SIGNIFICANT ACCOUNTING POLICIES:

2) Accounting Convention:

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the accounting standards issued by The Institute of Chartered Accountants of India and the provisions of Companies Act, 1956.

3) Revenue Recognition:

The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

4) Taxation:

i) Tax on current income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961.

ii) Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. Deferred tax assets are recognized to the extent there is virtual certainty that these assets can be realized in future.

5) Provision and Contingent Liabilities:

Contingent liabilities, if any, are disclosed after a careful evaluation of facts and legal aspects of the matter involved.

6) Miscellaneous expenditure

Preliminary expenses are written off in the period it was incurred.

NOTES TO ACCOUNTS:

1) The Company is engaged in real estate and construction industry. Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Chartered Accountant of India is not applicable. The company has been incorporated on 18th October 2007 and the accounts for the previous year pertains to the period 18-10-2007 to 31-03-2008(166 days) and hence, are not strictly comparable.

2) In the opinion of the Directors there were no contingent liabilities as at the Balance Sheet date.

3) Additional Information pursuant to the provisions of Para 3, 4, 4-A, 4-B, 4-C of Para 11 of Schedule VI of the Companies Act, 1956

	Particulars	Current Year Rupees
a)	<u>Information as to Capacity</u> Licensed Installed	Not Applicable Not Applicable
b)	<u>Information as to Foreign Currency</u> Earnings in Foreign Currency Expenditure in Foreign Currency	Nil Nil
c)	Break-up of expenditure incurred during the year on employees in respect of remuneration exceeding Rs. 24 Lakhs per year or Rs. 2 Lakhs or more per month or part of the month	None

4) There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

5) 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.

6) The previous year figures are regrouped, recast and reclassified wherever necessary to make them comparable with the figures of the Current Year.

7) Basic and Diluted Earning Per Share :

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered.

Particulars	2008-09	2007-08
Net Profit after tax	(12,232)	(22,210)
Weighted average number of equity shares (Nos.)	10,000	10,000
Basic Earning Per Share (Rupees per share)	(1.22)	(2.22)
Diluted Earning Per Share (Rupees per share)	N. A.	N. A.

8) Related Party Disclosures:

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

a) Particulars of Subsidiary / Associate Companies and Concerns:

	Name of Associate Companies / Concerns	Nature of Relationship
1	Satra Properties (India) Limited	Holding Company
2	Satra Property Developers Private Limited	Fellow Subsidiary Company
3	Satra Estate Development Private Limited	Fellow Subsidiary Company
4	Satra Infrastructure And Land Developers Private Limited	Fellow Subsidiary Company
5	Satra Lifestyles Private Limited	Fellow Subsidiary Company
6	Satra International Realtors Limited (w.e.f 17 th June 2008)	Fellow Subsidiary Company
7	C. Bhansali Developers Private Limited	Associate Company of Holding Company
8	Shravan Developers Private Limited	Associate Company of Holding Company
9	Sweetey Developers(w.e.f. 28 th April 2008 and up to 27 th October 2008)	Promoter Group Partnership Firm
10	BKC Developers Private Limited	Associate Company of Fellow Subsidiary Company
11	Deepmala Infrastructure Private Limited (w.e.f 10 th April 2008)	Associate Company of Fellow Subsidiary Company

b) Key Management Personnel:

	Name of the Related Party	Nature of Relationship
1	Mr. Praful N. Satra	Director
2	Mrs. Minaxi P. Satra	Director
3	Mr. Rajan P. Shah	Director

Signature to schedule 1 to 6

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

This image shows a blank sheet of white paper with horizontal dashed lines. The lines are evenly spaced and run across the width of the page, providing a guide for handwriting practice. There are no margins, text, or other markings on the paper.

DIRECTORS' REPORT

To
The Members,
SATRA LIFESTYLES PRIVATE LIMITED

Your Directors are pleased to present the 2nd Annual Report and the Audited Accounts for the Financial Year ended March 31, 2009.

1) **FINANCIAL HIGHLIGHTS:**

	(Amt. in Rs.)	
Particulars	Current Year	Previous Year
Profit / (Loss) before taxation	(12,288)	(22,136)
Less: Provision for Taxation		
- Current Year	-----	-----
- Earlier Years	-----	-----
Deferred Tax	-----	-----
Fringe benefit Tax		
- Current Year	-----	-----
- Earlier Year	-----	-----
Net Profit After Taxation	(12,288)	(22,136)
Add / (Less) : Profit / (Loss) b/f from previous years	(22,136)	-----
Less: Appropriation		
Transfer to General Reserve	-----	-----
Proposed Dividend	-----	-----
Tax on Proposed Dividend	-----	-----
Balance Profit / (Loss) c/f Balance Sheet	(34,424)	(22,136)

2) **WHOLLY OWNED SUBSIDIARY COMPANY:**

Your company is a wholly owned subsidiary of **SATRA PROPERTIES (INDIA) LIMITED** and accordingly the provisions of Companies Act, 1956, applicable to the Public Company will become applicable to your company.

3) **OPERATIONS:**

Your Company has not yet commenced its operations.

4) **DIRECTORS:**

Since your Company is a Subsidiary of the Public Limited Company, according to the provisions of the Companies Act 1956, Mr. Praful N. Satra, Director of your Company retires in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

5) **FIXED DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act.

6) **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures.

- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the accounts for the year ended 31st March, 2009 on a going concern basis.

7) **AUDITORS' REPORT:**

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

8) **AUDITORS:**

M/s Bhuta Shah & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them informing, that their appointment if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. The Board recommends their reappointment.

9) **PERSONNEL:**

The Company has no employees drawing the remuneration more than the specified limit prescribed under Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 during the year under review.

10) **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO:**

The Company has no foreign exchange earnings and outgo during the year. Since the Company does not have any manufacturing activities, the other particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

For and on Behalf of the Board of Directors

Praful N. Satra
Director

Mumbai, 4th June, 2009

Registered Office:
Dev Plaza, 2nd Floor,
Opp. Andheri Fire Station,
S. V. Road, Andheri (West),
Mumbai – 400058

AUDITORS' REPORT

To the Members of

Satra Lifestyles Private Limited

1. We have audited the attached Balance Sheet of **SATRA LIFESTYLES PRIVATE LIMITED** as at 31st March 2009 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order to the extent applicable.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

(i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

(ii) 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 the books;

(iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

(iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt

with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

(v) on the basis of the written representations received from the Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956; and

(vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956, 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 31st March 2009;

(b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and

(c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar

Partner

Membership No. 103424

Mumbai: 4th June, 2009

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the members of **SATRA LIFESTYLES PRIVATE LIMITED** on the accounts for the year ended 31st March, 2009.

1. The Company is engaged in the business of Lifestyles product. Considering no business activity have been carried out during the year para number 4(i), (ii), (viii), (x), (xiii) and (xx) of the Order are not applicable in the present case.
2. According to the information and explanation given to us, the Company has not granted or taken loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clauses (b), (c), (d), (f) and (g) of para 4(iii) are not applicable.
3. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the year there were no purchase of inventory, fixed assets and sale of goods and services. During the course of our audit no major weakness has been observed in the internal controls.
4. According to the information and explanation provided by the management, there have been no contracts or arrangements during the year that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanation given to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.
6. The Company is not listed on any stock exchange or the paid-up capital and reserves as at the commencement of the financial year did not exceed Rupees fifty lakhs or did not have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned and accordingly clause (vii) of para 4 of the Order is not applicable for the current year.
7. a) According to the information and explanation given to us, there were no outstanding undisputed statutory dues payable as at the last day of the financial year concern for a year of more than six months from the date they became payable.
b) According to the information and explanation given to us, there were no outstanding statutory dues payables on account of any dispute before any authorities.
8. According to information and explanations given to us, the Company has not borrowed funds from financial institution, banks or raised funds through issue of debentures.
9. According to the information and explanation given to us the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
10. According to information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other investments.
11. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
12. According to the information and explanation given to us and the records examined, the Company has not availed any term loan during the year.
13. According to the information and explanation given to us and the records examined, the Company has not availed any short term loan during the year.
14. During the year, the Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
15. The Company has not issued any debentures.
16. During the course of our examination of the books of account and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year.

For M/s Bhuta Shah & Co.
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

SATRA LIFESTYLES PRIVATE LIMITED			
Balance Sheet as at 31st March 2009			
(Currency: INR)			
Particulars	Schedule	31.03.09	31.03.08
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	100,000	100,000
LOAN FUNDS		-	
TOTAL		100,000	100,000
APPLICATION OF FUNDS			
Current assets, Loans and Advances			
Cash and Bank Balance	2	76,606	89,100
		76,606	89,100
Less : Current Liabilities and Provisions	3	11,030	11,236
Net Current Assets		65,576	77,864
Miscellaneous Expenditure	4	-	-
Profit and Loss Account		34,424	22,136
TOTAL		100,000	100,000
Significant accounting policy and notes to accounts	6		

The schedule referred to above are an integral part of balance sheet.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

SATRA LIFESTYLES PRIVATE LIMITED				
Profit and Loss account for the year ended 31 March 2009				
(Currency: INR)				
Particulars	Schedule	31.03.09	31.03.08	
INCOME		-	-	
	'A'	-	-	
EXPENDITURE				
Administrative Expenses	5	12,288	22,136	
	'B'	12,288	22,136	
Net Profit / (Loss) Before Tax	(A - B)	(12,288)	(22,136)	
Less: Provision for tax				
Current Tax		-	-	
Net Profit / (Loss) after Tax		(12,288)	(22,136)	
Add : Profit brought forward from previous year		(22,136)	-	
Balance Profit /(Loss) Carried to Balance Sheet		(34,424)	(22,136)	
Basic/ Diluted EPS		(1.23)	(2.21)	

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra Minaxi P. Satra
Director Director

Mumbai, 4th June, 2009

SATRA LIFESTYLES PRIVATE LIMITED		
CASH FLOW STATEMENT for the year ended 31 March 2009		
(Currency: INR)		
Particulars	31.03.09	31.03.08
<u>Cash flow from Operating activities</u>		
Net profit/(Loss) before taxation	(12,288)	(22,136)
Adjustment for :		
Miscellaneous Expenditure W/off	-	10,080
Operating profit/(Loss) before working capital changes	(12,288)	(12,056)
Adjustment for Working Capital changes:		
Increase / (Decrease) in Current Liabilities	(206)	11,236
Net cash from Operating activities A	(12,494)	(820)
<u>Cash flows from Investing activities</u> B	-	-
-		
<u>Cash flows from Financing activities</u>		
Proceeds from issuance of share capital	-	100,000
Expenses relating to Incorporation	-	(10,080)
Net Cash from Financing activities C	-	89,920
Net increase in cash and cash equivalents A+B+C	(12,494)	89,100
Cash and cash equivalents at the beginning of period	89,100	-
Cash and cash equivalents at the end of period	76,606	89,100

Note:

(1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI.

As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

Praful N. Satra
Director
Mumbai, 4th June, 2009

Minaxi P. Satra
Director

SATRA LIFESTYLES PRIVATE LIMITED		
Schedules to the financial statements as at 31st March 2009		
	(Currency: INR)	
Particulars	31.03.09	31.03.08
<u>SCHEDULE - 1</u>		
SHARE CAPITAL		
Authorised Share Capital		
10,000 Equity Shares of Rs.10/- Each	100,000	100,000
Issued, Subscribed and Paid up Capital		
10,000 Equity Shares of Rs.10/- Each fully paid up	100,000	100,000
TOTAL	100,000	100,000
<u>SCHEDULE - 2</u>		
CASH AND BANK BALANCE		
Cash in hand	9,432	10,000
<u>Balance with Schedule Banks :</u>		
- in current accounts	67,174	79,100
TOTAL	76,606	89,100
<u>SCHEDULE - 3</u>		
CURRENT LIABILITIES AND PROVISIONS		
Bhuta Shah & Co.	11,030	11,236
TOTAL	11,030	11,236
<u>SCHEDULE - 4</u>		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Opening Balance	-	-
Add : Incurred During the Year	-	10,080
	-	10,080
Less : Written off during the year	-	10,080
TOTAL	-	-
<u>SCHEDULE - 5</u>		
ADMINISTRATIVE EXPENSES		
Bank Charges	634	686
Sundry Expenses	624	134
Preliminary Expenses	-	10,080
<u>Auditor's Remuneration</u>		
Statutory Audit Fees	11,030	11,236
TOTAL	12,288	22,136

Schedules to the financial statement for the year ended 31st March, 2009

SCHEDULE 6:

1. Background:

The company was incorporated on October 19, 2007 as Satra Lifestyles Private Limited. The company is engaged in the business of life style product business.

SIGNIFICANT ACCOUNTING POLICIES:

2. Accounting Convention:

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the accounting standards issued by The Institute of Chartered Accountants of India and the provisions of Companies Act, 1956.

3. Revenue Recognition:

The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

4. Taxation:

- I. Tax on current income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961.
- II. Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. Deferred tax assets are recognized to the extent there is virtual certainty that these assets can be realized in future.

5. Provision and Contingent Liabilities:

Contingent liabilities, if any, are disclosed after a careful evaluation of facts and legal aspects of the matter involved.

6. Miscellaneous expenditure:

Preliminary expenses are written off in the period it was incurred.

NOTES TO ACCOUNTS:

1. The Company is engaged in the business of lifestyle products. Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Chartered Accountant of India is not applicable.
The company has been incorporated on 19th October 2007 and the accounts for the previous year pertains to the period 19-10-2007 to 31-03-2008(165 days) and hence, are not strictly comparable.
2. In the opinion of the Directors there were no contingent liabilities as at the Balance Sheet date.
3. Additional Information pursuant to the provisions of Para 3, 4, 4-A, 4-B, 4-C of Para 11 of Schedule VI of the Companies Act, 1956

	Particulars	Current Year Rupees
a)	<u>Information as to Capacity</u> Licensed Installed	Not Applicable
b)	<u>Information as to Foreign Currency</u> Earnings in Foreign Currency Expenditure in Foreign Currency	Nil Nil
c)	Break-up of expenditure incurred during the year on employees in respect of remuneration exceeding Rs. 24 Lakhs per year or Rs. 2 Lakhs or more per month or part of the month	None

4. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
5. 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.
6. The previous year figures are regrouped, recast and reclassified wherever necessary to make them comparable with the figures of the Current Year.
7. **Basic and Diluted Earning Per Share :**
For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered.

Particulars	2008-09	2007-08
Net Profit after tax	(12,288)	(22,136)
Weighted average number of equity shares (Nos.)	10,000	10,000
Basic Earning Per Share (Rupees per share)	(1.23)	(2.21)
Diluted Earning Per Share (Rupees per share)	N. A.	N. A.

8. **Related Party Disclosures:**

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

a) Particulars of Subsidiary / Associate Companies and Concerns:

	Name of Associate Companies / Concerns	Nature of Relationship
1	Satra Properties (India) Limited	Holding Company
2	Satra Property Developers Private Limited	Fellow Subsidiary Company
3	Satra Estate Development Private Limited	Fellow Subsidiary Company
4	Satra Infrastructure And Land Developers Private Limited	Fellow Subsidiary Company
5	Satra Buildcon Private Limited	Fellow Subsidiary Company
6	Satra International Realtors Limited (w.e.f 17th June 2008)	Fellow Subsidiary Company
7	C. Bhansali Developers Private Limited	Associate Company of Holding Company
8	Shravan Developers Private Limited	Associate Company of Holding Company
9	Sweetey Developers(w.e.f. 28th April 2008 and up to 27th October 2008)	Promoter Group Partnership Firm
10	BKC Developers Private Limited	Associate Company of Fellow Subsidiary Company
11	Deepmala Infrastructure Private Limited (w.e.f 10th April 2008)	Associate Company of Fellow Subsidiary Company

b) Key Management Personnel:

	Name of the Related Party	Nature of Relationship
1	Mr. Praful N. Satra	Director
2	Mrs. Minaxi P. Satra	Director
3	Mr. Rajan P. Shah	Director

Signature to schedule 1 to 6
As per our report of even date

For Bhuta Shah & Co.
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 4th June, 2009

For and on behalf of Board of Directors

Praful N. Satra
Director

Minaxi P. Satra
Director

Mumbai, 4th June, 2009

[illegible]

DIRECTORS' REPORT

THE DIRECTORS have pleasure in presenting their report and the audited financial statements for the period from June 17, 2008 (inception) to March 31, 2009.

BUSINESS OPERATIONS REVIEW:

The company started its operation in June 2008. The company earned a net profit of AED 3,693,053/- during the period from June 17, 2008 (inception) to March 31, 2009.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS:

The Company is committed to the management of risk to achieve sustainability of businesses and surpluses of funds. The risk management framework identifies, assesses, manages and reports risk on a consistent and reliable basis. The primary risks are those of credit, market (liquidity, interest rate, and foreign currency exchange rates) and operational risk.

The management recognises their responsibility for system of internal control and for reviewing its effectiveness.

GOING CONCERN:

The attached financial statements has been prepared on a going concern basis.

EVENTS AFTER THE BALANCE SHEET DATE:

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the Balance Sheet date i.e. March 31, 2009 and the date of this report which is likely to affect, substantially the result of the operations of the Company for the financial period then ended.

DEVELOPMENT PROPERTIES:

The movement in the Development properties is set out in Note 6 to the financial statements.

AUDITORS:

The Auditors, M/s. AL KTTBI & ASSOCIATES, Chartered Accountants, United Arab Emirates are willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting (AGM).

DIRECTORS' RESPONSIBILITIES:

The Company law required the Directors to prepare the financial statements for each financial period which gives a true and fair view of the state of affairs of the Company and of the net profit or loss for that period.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the relevant governing laws.

For and on behalf of the Board of Directors

Praful N. Satra
Director
Dubai, 25th June, 2009

Nitin M. Kothari
Director

AUDITORS' REPORT

To the Board of Directors of
SATRA INTERNATIONAL REALTORS LIMITED

1. We have performed the procedures agreed with you enumerated below with respect to translation and reformatting of the accompanying Balance Sheet of M/s Satra International Realtors Limited as at 31st March, 2009, the Profit and Loss Account and also the Cash Flow Statement of the Company for the period ended on that date. Our engagement was undertaken in accordance with the Auditing and Assurance Standard on Engagements to Perform Agreed-Upon Procedures regarding financial information, issued by The Institute of Chartered Accountants of India. In performing the procedures, we have relied upon the financial statements in Arab Emirates Dirhams ('AED') originally audited by the statutory auditors of the Company.
2. The financial statements in Rupee ('INR') currency have been prepared by the Company's management on the basis stated below and reformatted in accordance with the requirements of the Companies Act, 1956. The said financial statements have been approved by the Board of Directors.
 - a. All income and expenses at the average rate of exchange prevailing during the period.
 - b. Assets and Liabilities at the closing rate on the Balance Sheet date.
 - c. The resulting exchange difference loss is adjusted against Foreign Currency Transaction Gain occurring from loan transaction.
3. In relation to the financial statements prepared by the management, the following procedures were performed by us:
 - a. Reviewing the translation of the audited financial statements from AED into INR on the basis stated in the foregoing paragraph and;
 - b. Reviewing the reformatting of the audited financial statements as per the requirements of Companies Act, 1956
4. We report that the financial statements as audited in AED by the statutory auditors, have been translated in INR on the basis stated in paragraph 2 above and such translated financial statements are presented in accordance with the requirements of the Companies Act, 1956.
5. The above procedures do not constitute an audit and accordingly, we do not express any opinion on the financial statements.
6. This report is issued solely for the purpose of consolidation by the holding company, M/s Satra Properties (India) Limited and to comply with the provisions of the Companies Act, 1956.

For and on behalf of Bhuta Shah & Co.
Chartered Accountants

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 27th June, 2009

Balance Sheet as at 31st March, 2009				
			(Currency: INR)	(Currency: AED)
Particulars	Schedule		31.03.09	31.03.09
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	1		14,208,000	1,000,000
Reserve and Surplus	2		52,470,897	3,693,053
Loan Funds				
Unsecured Loan	3		369,557,482	26,010,521
TOTAL			436,236,379	30,703,574
APPLICATION OF FUNDS				
Current Assets, Loans and Advances				
Inventories	4		424,472,496	29,875,598
Cash and Bank Balance	5		2,242,804	157,855
Loans and Advances	6		9,627,639	677,621
			436,342,939	30,711,074
Less : Current Liabilities and Provisions	7		106,560	7,500
Net Current Assets			436,236,379	30,703,574
TOTAL			436,236,379	30,703,574
Significant accounting policies and notes to accounts	9			

The schedule referred to above are an integral part of the balance sheet.
As per our attached report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of
Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 27th June, 2009

Praful N. Satra Nitin M. Kothari
Director Director

Dubai, 25th June, 2009

Profit and Loss account for the period ended 31 March 2009			
		(Currency: INR)	(Currency: AED)
Particulars	Schedule	31.03.09	31.03.09
INCOME			
Foreign Exchange Fluctuation		52,902,486	3,726,128
	'A'	52,902,486	3,726,128
EXPENDITURE			
Administrative Expenses	8	431,589	33,075
	'B'	431,589	33,075
Net Profit / (Loss) Before Tax	(A - B)	52,470,897	3,693,053
Less: Provision for tax			
Current Tax		-	-
Net Profit / (Loss) after Tax		52,470,897	3,693,053
Add : Profit brought forward from previous year		-	-
Balance Profit /(Loss) Carried to Balance Sheet		52,470,897	3,693,053
Basic/ Diluted EPS		524,709	36,931
(Refer note 6 of notes to accounts of schedule 9)			

As per our attached report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 27th June, 2009

Praful N. Satra Nitin M. Kothari
Director Director

Dubai, 25th June, 2009

CASH FLOW STATEMENT for the period ended 31 March 2009		
	(Currency: INR)	(Currency: AED)
Particulars	31.03.09	31.03.09
Cash flow from Operating activities		
Net profit/(Loss) before taxation	52,470,897	3,693,053
Adjustment for :		
Net Foreign Exchange Fluctuation	(52,902,486)	(3,726,128)
Operating profit/(Loss) before working capital changes	(431,589)	(33,075)
Increase / Decrease in Working Capital		
Inventories	(374,243,413)	(26,340,330)
Loans and Advances	(9,627,639)	(677,621)
Current liabilities and provisions	106,560	7,500
Net cash from Operating activities	A	(384,196,082)
Cash flows from Investing activities	B	-
Cash flows from Financing activities		
Proceeds from issuance of share capital	14,208,000	1,000,000
Proceeds from long term borrowings	248,288,399	21,201,382
Proceeds from short term borrowings	71,040,000	5,000,000
Foreign Exchange Fluctuation	52,902,486	-
Net Cash from Financing activities	C	27,201,382
Net increase in cash and cash equivalents	A+B+C	157,856
Cash and cash equivalents at the beginning of period	-	-
Cash and cash equivalents at the end of period	2,242,804	157,856

Note:

(1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI.

As per our attached report of even date

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 27th June, 2009

Praful N. Satra
Director
Nitin M. Kothari
Director

Dubai, 25th June, 2009

Schedules to the financial statements as at 31st March 2009

	(Currency: INR)	(Currency: AED)
Particulars	31.03.09	31.03.09
SCHEDULE - 1		
SHARE CAPITAL		
Authorised Share Capital		
100 Equity Shares of AED10,000/- each	1,000,000	1,000,000
Issued, Subscribed and Paid up Capital		
100 Equity Shares of AED 10,000/- each fully paid up	14,208,000	1,000,000
TOTAL	14,208,000	1,000,000
SCHEDULE -2 : RESERVES AND SURPLUS		
Profit and Loss Account	52,470,897	3,693,053
TOTAL	52,470,897	3,693,053
SCHEDULE -3 : UNSECURED LOANS		
Satra Properties (India) Limited	298,517,482	21,010,521
Umesh Ashar	7,104,000	500,000
Sun City Electronics	7,104,000	500,000
Plizer Trading	56,832,000	4,000,000
TOTAL	369,557,482	26,010,521
SCHEDULE - 4 : INVENTORIES		
Land under development	424,472,496	29,875,598
TOTAL	424,472,496	29,875,598
SCHEDULE - 5 CASH AND BANK BALANCE		
Cash in hand	710,400	50,000
<u>Balance in current account with:</u>		
Bank of Baroda	1,532,404	107,855
TOTAL	2,242,804	157,855

Schedules to the financial statements as at 31st March 2009		
	(Currency: INR)	(Currency: AED)
Particulars	31.03.09	31.03.09
SCHEDULE - 6 : LOANS AND ADVANCES (Unsecured and considered good unless otherwise stated)		
Deposits paid for purchase of property	7,993,719	562,621
Advance paid to design consultant	1,633,920	115,000
TOTAL	9,627,639	677,621
SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS		
Provisions for expenses	106,560	7,500
TOTAL	106,560	7,500
SCHEDULE - 8 ADMINISTRATIVE EXPENSES		
Bank Charges	3,588	275
Legal and Professional Fees	195,732	15,000
License and registration cost	134,403	10,300
<u>Auditor's Remuneration</u>		
Statutory Audit Fees	97,866	7,500
TOTAL	431,589	33,075

SCHEDULE -9:

1. **Background:**

The Company is incorporated in Jebel Ali Free Zone under the Jebel Ali Free Zone Offshore Companies Regulations, 2003, Government of Dubai, on 17th June 2008 as Satra International Realtors Limited. This is an offshore company with a limited liability and operates in the United Arab Emirates under a trade license issued by the Jebel Ali Free Zone Authority Dubai. The Company is engaged in the business of real estate and construction industry.

SIGNIFICANT ACCOUNTING POLICIES:

2. **Basis of preparation:**

- i. The financial statements are prepared and presented under the historical cost convention in accordance with Generally Accepted Accounting Principles in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.
- ii. The local accounts are maintained in local and functional currency, which is Arab Emirates Dirhams ('AED'). The accounts are translated to Indian Rupees as follows -
 - a. All income and expenses are translated at the average rate of exchange prevailing during the year.
 - b. Assets and Liabilities are translated at the closing rate on the Balance Sheet date.
 - c. The resulting exchange difference loss is adjusted against Foreign Currency Transaction Gain occurring from loan transaction.

3. **Use of Estimates:**

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

4. **Inventories:**

Inventories are valued at lower of cost or net realizable value. Cost is determined on the first in first out 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. Construction work-in-progress includes cost of land, interest and expenses incidental to the projects undertaken by the Company.

5. **Revenue Recognition:**

The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

6. **Foreign Currency transaction:**

Foreign exchange 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 profit and loss account.

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 profit and loss account.

7. **Borrowing Cost:**

Borrowing cost that is directly attributable to construction project/assets are allocated to the respective projects/assets. All other borrowing costs are treated as period cost and charged to profit and Loss Account in the year in which it is incurred.

8. **Provision and Contingent Liabilities:**

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

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

9. Earnings per share (EPS):

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

NOTES TO ACCOUNTS

1. The Company is operating in real estate and construction industry. Since there is only one segment in which Company is operating, segment reporting as required under the Accounting Standard 17 on Segment Reporting issued by the Chartered Accountant of India is not applicable.

Satra International Realtors Ltd. (the Company), incorporated in Dubai-United Arab Emirates, is a wholly owned subsidiary of Satra Properties (India) Limited, incorporated in India, (the Holding Company). These accounts have been prepared and audited for the purpose of attachment to the accounts of the Holding Company to comply with the provisions of the Companies Act, 1956. The Company has been incorporated on 17th June 2008 and the accounts for the year are pertaining to the period 17-06-2008 to 31-03-2009 (288 days).

As it is the first year of the company previous year figures are not applicable.

2. ADDITIONAL INFORMATION PURSUANT TO SECTION 217(1) TO THE COMPANIES ACT, 1956.

The Licensed capacity, installed capacity and quantitative and value details in respect of material / construction are not relevant to the Company as the Company is engaged in the business of civil construction and real estate development.

3. Foreign Exchange Earnings and Outgoings during the year is Rs. Nil. (Previous year Rs. Nil).
4. Break-up of expenditure incurred during the year on employees in respect of remuneration exceeding Rs.24 Lakhs per year or Rs.2 Lakhs or more per month or part of the month is Rs. Nil (Previous Year -Rs. Nil).
5. In the opinion of the directors, current assets, loans and advances have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. Sundry debtors, creditors and advances are subject to confirmation.
6. **Earning Per Share**

Particulars	31.03.2009 (Rupees)	31.03.2009 (AED)
Net Profit / (Loss) after Tax attributable to equity shareholders	52,470,897	3,693,053
Weighted average number of Equity Shares outstanding during the year (based on date of issue of shares)	100	100
Nominal Value of Equity Share	AED 10,000	AED 10,000
Basic and diluted earning per share	524,709	36,931

7. Related Party Disclosure

I. Holding Company

1. Satra Properties (India) Limited

II. Fellow Subsidiaries

1. Satra Buildcon Private Limited
2. Satra Estate Development Private Limited
3. Satra Infrastructure and Land Developers Private Limited
4. Satra Lifestyles Private Limited
5. Satra Property Developers Private Limited

III. Associates /Joint Venture

1. C. Bhansali Developers Private Limited
2. Shravan Developers Private Limited
3. Sweetly Developers (Partnership Firm) (from 28th April 2008 to 27th October 2008)
4. BKC Developers Private Limited
5. Deepmala Infrastructure Private Limited (w.e.f 10th April 2008)

IV. Key Managerial Personnel

1. Praful N. Satra Non Executive Director (w.e.f. 17th June 2008)
2. Nitin M. Kothari Non Executive Director (w.e.f. 17th June 2008)
3. Pardeep Rochwani Non Executive Director (w.e.f. 17th June 2008)

Disclosure of Transactions between the Company and related parties:

Sr. No.	Name of the Related Party	Nature of Transaction	Amount (Rupees)	Amount (AED)
1.	Satra Properties (India) Limited	Loan taken	24,82,88,395	21,201,381
		Interest	5,02,29,083	3,535,268

8. The information contained in these financial statements for the period ended 31st March, 2009 disclosed in AED extracted from books of account locally maintained and converted into Indian Rupees as disclosed under 'Basis of preparation' stated above.

For Bhuta Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. J. Parmar
Partner
Membership No. 103424
Mumbai, 27th June, 2009

Praful N. Satra
Director
Nitin M. Kothari
Director

Dubai, 25th June, 2009

SATRA INTERNATIONAL REALTORS LIMITED

as at 31 March 2009

(Currency: Indian Rupee)

Balance sheet abstract and Company's general business profile

I Registration Details

Registration Number

1	1	1	5	4	6
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State Code

N	A
---	---

(Jebel Ali Free Zone Authority)

Balance Sheet Date

3	1	0	3	2	0	0	9
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II Capital Raised during the year (Amount in Rs Thousands)

Issue of Shares

	1	4	2	0	8
			N	I	L

Rights Issue

			N	I	L
			N	I	L

Bonus Issue

Private Placement

III Position of Mobilisation and Deployment of Funds (Amounts in Rs Thousands)

Total Liabilities

4	3	6	3	4	3
---	---	---	---	---	---

Total Assets

4	3	6	3	4	3
---	---	---	---	---	---

Sources of Funds

Application of Funds

Paidup Capital

		1	4	2	0	8
		5	2	4	7	1
				N	I	L

Net Fixed Assets

				N	I	L
				N	I	L

Reserves & Surplus

Investments

Secured Loans

				N	I	L
				N	I	L

Net Current Assets

	4	3	6	2	3	6
				N	I	L

Unsecured Loans

	3	6	9	5	5	7
				N	I	L

Accumulated Losses

				N	I	L
				N	I	L

Net Deferred tax Asset

				N	I	L
				N	I	L

IV Performance of the Company (Amount in Rs Thousands)

Turnover

		5	2	9	0	2
				4	3	2

Profit Before Tax

+/-

+

	5	2	4	7	1
	5	2	4	7	1

Total Expenditure

Profit after

+

	5	2	4	7	1
	5	2	4	7	1

Tax

Earning per share (in Rupees)

5	2	4	7	0	9
---	---	---	---	---	---

Dividend Rate

			N	I	L
			N	I	L

V Generic Names of Three Principal Products / Services of Company (as per monetary term)

Item Code No

						N	.	A
--	--	--	--	--	--	---	---	---

Product Description

												N	.	A
--	--	--	--	--	--	--	--	--	--	--	--	---	---	---

For and on behalf of the Board of Directors

Praful N. Satra

Nitin M. Kothari

Director

Director

Dubai, 25th June, 2009

AUDITORS' REPORT

To The Board of Directors of
SATRA PROPERTIES (INDIA) LIMITED

We have audited the attached consolidated balance sheet of Satra Properties (India) Limited ('the Company'), its subsidiaries and associates as listed in Schedule 1 to the consolidated financial statements (collectively referred to as 'the Group'), as at 31 March 2009, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements of the subsidiaries for the year ended 31 March 2009 have been audited by one of the joint auditors, M/s. Bhuta Shah & Co. The attached consolidated financial statements include assets of Rs 1,817,293,304 as at 31 March 2009, revenues of Rs 191,813,310 and cash outflows amounting to Rs 18,879,285 for the year ended on that date in respect of the aforementioned subsidiaries for the year ended on that date.

We have relied upon the unaudited financial statements of certain associates whose financial statements reflect Group's share of profit of Rs 496,833 for the year ended on 31 March 2009. These unaudited financial statements as approved by the respective Board of Directors of these companies have been furnished to us by the management, and our opinion, in so far as it relates to the amounts included in respect of the associates, is based solely on such unaudited financial statements.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard – 21 Consolidated Financial Statements and Accounting Standard 23 – Accounting for Investment in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27 prescribed in the Companies (Accounting

Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

As more fully explained in Schedule 37 to the consolidated financial statements, construction work-in-progress of a project includes construction cost of Rs 157,974,510 arising out of a significant change in the structural plan of the project, resulting in overstatement of the construction work-in-progress as at 31 March 2009. In accordance with the provisions of Accounting Standard – 2 "Inventories", such construction costs should have been charged to the profit and loss account. Had the aforementioned construction costs been charged to the profit and loss account, construction cost for the year would have been higher by Rs 157,974,510, construction work-in-progress would have been lower by Rs 157,974,510, the consolidated loss for the year after tax would have been higher by Rs 124,765,632 and the reserves and surplus as at 31 March 2009 would have been lower by Rs 124,765,632.

Based on our audit as aforesaid and on consideration of the unaudited financial statements approved by the respective Board of Directors of certain associates as mentioned above, *subject to the effect of the matter stated in the paragraph above*, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated balance sheet, of the consolidated state of affairs of the Group as at 31 March 2009;
- in the case of the consolidated profit and loss account, of the consolidated loss of the Group for the year ended on that date; and
- in the case of the consolidated cash flow statements, of the consolidated cash flows for the year ended on that date.

For M/s Bhuta Shah & Co.
Chartered Accountants

For B S R & Associates
Chartered Accountants

S.J. Parmar
Partner
Membership No. 103424
Mumbai, 29 June, 2009

Bhavesh Dupelia
Partner
Membership No. 042070
Mumbai, 29 June, 2009

Consolidated Balance Sheet as at 31 March 2009			
(Currency: Indian Rupees)			
	Schedule	2009	2008
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	3	384,716,000	384,716,000
Reserves and surplus	4	414,232,415	434,137,733
		798,948,415	818,853,733
Loan funds			
Secured loans	5	2,764,760,051	1,714,785,873
Unsecured loans	6	986,314,085	696,224,633
TOTAL		3,751,074,136	2,411,010,506
		4,550,022,551	3,229,864,239
APPLICATION OF FUNDS			
Fixed assets			
Goodwill on consolidation		162,749,536	162,749,536
Less : Amortisation		65,099,814	32,549,907
Net goodwill on consolidation		97,649,722	130,199,629
Gross block	7	77,673,479	69,552,728
Less: Accumulated depreciation / amortisation		33,087,840	19,699,240
Net block		44,585,639	49,853,488
Capital work-in-progress		-	10,791
		142,235,361	180,063,908
Investments			
Deferred tax assets	8	819,015	979,400
	9	21,222,972	1,002,105
Current assets, loans and advances			
Inventories	10	3,562,276,627	2,679,194,126
Sundry debtors	11	755,750,252	890,649,157
Cash and bank balances	12	15,611,666	74,032,254
Loans and advances	13	1,790,664,465	1,645,989,222
		6,124,303,010	5,289,864,759
Less: Current liabilities and provisions			
Current liabilities	14	1,482,574,764	1,986,042,000
Provisions	15	255,983,043	256,003,933
		1,738,557,807	2,242,045,933
Net current assets		4,385,745,203	3,047,818,826
Miscellaneous expenditure			
(to the extent not written off or adjusted)	16	-	-
TOTAL		4,550,022,551	3,229,864,239
Significant accounting policies			
Notes to accounts	2 23-41		

The schedules referred to above are an integral part of the balance sheet.
As per our report attached.

For B S R & Associates
Chartered Accountants

For M/s Bhuta Shah & Co
Chartered Accountants

For and on behalf of the Board of Directors

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 29 June 2009

S. J. Parmar
Partner
Membership No: 103424
Mumbai, 29 June 2009

Vicky M. Kundaliya
Company Secretary
Mumbai, 29 June 2009

Rajan P. Shah
Executive Director

Praful N. Satra
Chairman and
Managing Director

Consolidated Profit and Loss account for the year ended 31 March 2009

(Currency: Indian Rupees)

	Schedule	2009	2008
Income			
Sales	17	1,139,257,287	2,295,632,531
Other income	18	172,140,367	71,449,913
TOTAL		1,311,397,654	2,367,082,444
Expenditure			
Construction and purchase cost	19	783,576,397	1,463,275,165
Personnel expenses	20	20,067,387	37,219,095
Administrative and other expenses	21	51,555,577	83,414,201
Financial expenses	22	381,403,496	129,026,098
Depreciation / amortisation	7	12,281,150	10,399,737
Goodwill on consolidation amortised		32,549,907	32,549,907
TOTAL		1,281,433,914	1,755,884,203
Net profit before tax		29,963,740	611,198,241
Less : Provision for current tax			
- current year		64,179,294	245,046,495
- prior year charge / (credit)		1,431,038	(4,474,035)
Deferred tax (credit)		(20,220,867)	(1,448,398)
Fringe benefits tax			
- current year		481,544	144,007
- prior year charge		50,711	-
Net (loss) / profit after tax		(15,957,980)	371,930,172
Share of profit in associates		496,833	56,779,215
Minority interest		-	(11,881,225)
Net (loss) / profit after tax		(15,461,147)	416,828,162
Add : Profit brought forward from previous year		304,240,742	57,407,743
Add : Net Profit after tax for the period 1 April 2006 to 31 March 2007 on account of amalgamation of erstwhile Om Housing Company Private Limited (refer schedule 32)		-	18,992,514
Amount available for appropriation		288,779,595	493,228,419
Appropriation			
Transferred to general reserve		-	150,000,000
Dividend on preference shares		5,920,000	12,748,274
Tax on dividend on preference shares		1,006,104	2,166,569
Dividend on equity shares		-	15,535,800
Tax on dividend on equity shares / credit availed on dividend distribution tax paid by the subsidiary company		(2,481,933)	2,640,309
Interim dividend paid on equity shares		-	2,918,750
Tax on interim dividend paid on equity shares		-	496,042
Tax on dividend of subsidiary company		-	2,481,933
Balance carried forward to Balance sheet		284,335,424	304,240,742
		288,779,595	493,228,419
Basic and Diluted Earnings per share (face value of Rs 2 per share)	23	(0.14)	2.64
Significant accounting policies	2		
Notes to the accounts	23 - 41		

The schedules referred to above are an integral part of the balance sheet.
As per our report attached.

For B S R & Associates
Chartered Accountants

For M/s Bhuta Shah & Co
Chartered Accountants

For and on behalf of the Board of Directors

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, June 29, 2009

S. J. Parmar
Partner
Membership No: 103424
Mumbai, June 29, 2009

Vicky M. Kundaliya
Company Secretary
Mumbai, June 29, 2009

Rajan P. Shah
Executive Director

Praful N. Satra
Chairman and
Managing Director

Consolidated Cash Flow Statement for the year ended 31 March 2009

(Currency: Indian Rupees)

	2009	2008
Cash flows from operating activities :		
Profit before tax	29,963,740	611,198,241
<u>Adjusted for:</u>		
Depreciation/ amortisation	12,281,150	10,399,737
Micellaneous expenditure written off	-	577,705
(Profit) / Loss on sale of investments	4,233,899	9,013,111
Profit on trading of securities	-	(334,160)
Share in loss of partnership firm	1,531	-
Assets written off	1,731,009	-
Dividend income	(150,000)	-
Income tax refund	-	(9,411)
Interest income	(79,072,928)	(41,346,679)
Interest on income tax refund	-	(12,056)
Financial expenses	381,403,496	129,026,098
Share issue expenses adjusted in securities premium account	-	(1,549,055)
Goodwill amortised	32,549,907	32,549,907
Gain on Foreign exchange	(52,902,486)	-
	300,075,578	138,315,197
Operating profit before working capital changes	330,039,318	749,513,438
(Increase) / decrease in working capital		
Inventories	(698,990,405)	(831,105,343)
Sundry debtors	138,389,105	(57,472,067)
Loans and advances	(14,706,515)	(451,236,210)
Current liabilities and provisions	(513,512,271)	569,856,546
	(1,088,820,086)	(769,957,074)
Cash generated from / (used in) operations	(758,780,768)	(20,443,636)
Taxes paid (net of refund)	(42,195,494)	(50,623,649)
Net cash generated from / (used in) operating activities	(800,976,262)	(71,067,285)
Cash flows from investing activities :		
Purchase of fixed assets including capital work in progress	(9,954,721)	(16,553,398)
Investments made	(12,177,265)	(2,596,738)
Investment in subsidiary and associates	-	(633,354,557)
Investment in partnership firm	(18,025,000)	-
Proceeds from sale of investments	8,601,276	17,582,842
Return of capital from partnership firm	14,525,000	69,043,107
Profit/(loss) on trading in securities	(691)	1,923,989
Dividend received	150,000	-
Share in profit from partnership firm	-	56,856,893
Interest received	24,296,589	41,346,679
Net cash (used in) investing activities	7,415,188	(465,751,183)

Consolidated Cash Flow Statement for the year ended 31 March 2009

(Currency: Indian Rupees)

	2009	2008
Cash flows from financing activities :		
Proceeds from long term borrowings	1,284,131,259	994,512,000
Repayment of long term borrowings	(263,141,097)	(497,375,994)
Proceeds from short term borrowings(net)	256,332,432	20,225,576
Dividend and dividend distribution tax paid	(30,794,389)	(2,481,933)
Interim dividend and dividend distribution tax on interim dividend paid	-	(6,464,399)
Miscellaneous expenditure	-	(40,320)
Financial expenses	(511,387,719)	(116,887,788)
Net cash generated from financing activities	735,140,486	391,487,142
Net (decrease) / increase in Cash and cash equivalents	(58,420,588)	(145,331,326)
Cash and cash equivalents, beginning of year	74,032,254	24,452,663
Add : Cash and cash equivalents acquired on amalgamation (refer schedule 32)	-	65,405,818
Cash and cash equivalents acquired on take over of subsidiary	-	129,505,099
Cash and cash equivalents, end of year (refer schedule 12)	15,611,666	74,032,254
Cash and cash equivalents, end of year comprise of :		
Cash in hand	2,767,263	3,117,169
Cheques on hand	-	1,800,000
With scheduled banks		
- in current account	6,785,778	59,084,585
- in deposit account	6,058,625	10,030,500
	15,611,666	74,032,254

Note: Cash and cash equivalents include restricted cash of Rs 278,494 (2008: Rs 282,511)

As per our report attached

For **B S R & Associates**
Chartered Accountants

For **M/s Bhuta Shah & Co**
Chartered Accountants

For and on behalf of the Board of Directors

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai, 29 June 2009

S. J. Parmar
Partner
Membership No: 103424
Mumbai, 29 June 2009

Vicky M. Kundaliya
Company Secretary
Mumbai, 29 June 2009

Rajan P. Shah
Executive Director

Praful N. Satra
Chairman and
Managing Director

Schedules to the Consolidated Financial Statements for the year ended 31st March, 2009

(Currency INR)

1.1 Background

The Company was incorporated on 30 May 1983 as Express Leasing Limited. The name of the Company was changed to Satra Properties (India) Limited on 13 June 2006. The Company is engaged in the business of real estate development and trading in properties and transferable development rights.

During the previous year, the Company had implemented the scheme of amalgamation of the erstwhile Om Housing Company Private Limited with the Company as approved by the Honourable High Court of Bombay on 16 April 2007 (Refer schedule 32).

1.2 Principles of consolidation

The consolidated financial statements relate to Satra Properties (India) Limited (the 'Company') and all of its subsidiary companies and companies controlled, that is, companies over which the Company exercises control over ownership and voting power and associates (herein after collectively referred to as the "Group"). The consolidated financial statements have been prepared on the following bases:

- a. The financial statements of the Company, its Subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with the Accounting Standard – 21 "Consolidated Financial Statements" prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.
- b. In case of foreign subsidiaries, revenue items are consolidated at the average exchange rate prevailing during the period. All monetary assets and liabilities are converted at the exchange rate prevailing at the end of the year and non-monetary assets and liabilities at the exchange rate prevailing on the date of the transaction. Any exchange difference arising on consolidation of integral foreign operation is recognised in the profit and loss account.
- c. Investments in Subsidiaries are eliminated and differences between the costs of investment over the net assets on the date of the investment in Subsidiaries are recognised as goodwill or capital reserve, as the case may be.
- d. The difference between the proceeds from disposal of investment in a subsidiary or in a company, controlled by the Company, and the proportionate carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Account as the profit or loss on disposal of investment in Subsidiaries.
- e. Investment in Associates, where the Company directly or indirectly through Subsidiaries holds 20% or more of equity, are accounted for using equity method in accordance with Accounting Standard – 23 "Accounting for investments in associates in consolidated financial statements". The Company accounts for its share in the change of the net assets of the associates, post acquisition after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Profit and loss account to the extent such change is attributable to the Associates' Profit and loss Account, based on available information. The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- f. If, under the equity method, the Company's share of losses of an associate equals or exceeds the carrying amount of the investment, the Company discontinues recognising its share of further losses and the investment is reported at nil value. Additional losses are provided for to the extent that the Company has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Company has guaranteed or to which the Company is otherwise

Schedules to the Consolidated Financial Statements(continued) for the year ended 31st March, 2009
(Currency INR)

committed. If the associate subsequently reports profits, the Company resumes including its share of those profits only after its share of the profits equals the share of net losses that have not been recognised.

- g. Goodwill on consolidation is amortised over a period of 5 years from the date of acquisition/investment.
- h. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's stand alone financial statements.

The list of Subsidiary Companies which are included in consolidated financial statements are as under:

Name of the Company	Country of Incorporation	% holding 2009
Satra Property Developers Private Limited	India	100%
Satra Buildcon Private Limited	India	100%
Satra Lifestyles Private Limited	India	100%
Satra Estate Development Private Limited	India	100%
Satra Infrastructure and Land Developers Private Limited	India	100%
Satra International Realtors Limited	United Arab Emirates	100%

On 17 June 2008, the Company subscribed to 100 percent share capital of Satra International Realtors Limited, UAE.

The list of associate companies considered in the consolidated financial statements is as under:

Name of the Company	Country of Incorporation	% holding 2009
Shravan Developers Private Limited	India	35%
C. Bhansali Developers Private Limited	India	20%
BKC Developers Private Limited	India	35%
Deepmala Infrastructure Private Limited	India	26%
Sweety Developers (Firm)	India	50%

The Company had been during the year admitted and retired from Sweety Developers partner ship firm. On 10 April 2008, the Company through its wholly owned subsidiary, Satra Property Developers Private Limited subscribed to 26 percent share capital of Deepmala Infrastructure Private Limited.

Investments other than in Subsidiaries and Associates are accounted as per Accounting Standard 13 – “Accounting for Investments”.

2. Summary of Significant accounting policies

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards and relevant provisions of the Companies Act, 1956, to the extent applicable.

2.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements.

Schedules to the Consolidated Financial Statements(continued) for the year ended 31st March, 2009
(Currency INR)

Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Revenue recognition

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

Income from real estate sales is recognised 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 recognised on proportionate basis as the acts are performed, i.e., on the percentage of completion basis.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the management 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, 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.

Interest income is recognised on time proportion basis.

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

2.4 Fixed assets and depreciation / amortisation

Fixed assets are stated at cost less accumulated depreciation / amortization and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Depreciation on fixed assets is provided on written down value method in the manner and rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

Assets costing less than Rs 5,000 are fully depreciated in the year of acquisition.

Leasehold improvements are amortized over the primary period of lease.

Capital work-in-progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire fixed assets on or before the balance sheet date.

2.5 Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group 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 profit and loss account. 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.

Schedules to the Consolidated Financial Statements(continued) for the year ended 31st March, 2009
(Currency INR)

2.6 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 the construction work-in-progress.

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

Stock-in-trade comprises of completed projects that are unsold.

Inventories are valued as lower of cost and net realizable value. Cost is determined on the first in first out ('FIFO') basis. Net realisable 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.

2.7 Foreign currency transactions

Foreign exchange 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 profit and loss account 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 profit and loss account.

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. All other borrowing costs are recognised as an expense in the period in which they are 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, 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 Group makes specified monthly contributions towards employee provident fund. The Group's contribution paid / payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.

Defined benefit plan:

The Group's gratuity benefit scheme is a defined benefit plan. The Group'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.

Schedules to the Consolidated Financial Statements(continued) for the year ended 31st March, 2009
(Currency INR)

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 Group, the recognised asset is limited to the net total of any unrecognised 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 profit and loss account.

2.10 Taxation

Income tax expense comprises of current income tax, (i.e. amount of tax for the period determined in accordance with the income tax law) fringe benefit tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit 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.

Provision for Fringe Benefit Tax (FBT) is made on the basis of applicable FBT on the taxable value of specified expenses of the Company as prescribed under the Income Tax Act 1961.

2.11 Operating lease

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

2.12 Earnings per share (EPS)

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

2.13 Provisions and contingent liabilities

The Group 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.

2.14 Investments

Long term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary in value of investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

2.15 Share issue expenses

Expenses incurred on issue of shares are charged to the securities premium account to the extent available.

Schedules to the consolidated financial statements (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
3 SHARE CAPITAL		
Authorised capital:		
210,000,000 (2008: 210,000,000) equity shares of Rs 2 each	420,000,000	420,000,000
8,000,000 (2008: 8,000,000) 8% cumulative redeemable preference shares of Rs 10 each	80,000,000	80,000,000
	500,000,000	500,000,000
Issued, subscribed and paid up:		
155,358,000 (2008: 155,358,000) equity shares of Rs 2 each, fully paid up	310,716,000	310,716,000
7,400,000 (2008: 7,400,000) 8% cumulative redeemable preference shares of Rs 10 each, fully paid up	74,000,000	74,000,000
Note :		
Of the above :		
(i) 37,192,250 (2008: 37,192,250) equity shares of Rs 2 each and 7,400,000 (2008: 7,400,000) 8% cumulative redeemable preference shares were issued in 2008 pursuant to the order of the Honourable High Court, Mumbai, approving the scheme of amalgamation of Om Housing Company Private Limited with the Company, for consideration other than cash. (Refer schedule 32)		
(ii) 103,572,000 (2008: 103,572,000) equity shares of Rs 2 each were issued as fully paid up by way of bonus equity shares in the ratio of 2:1 i.e 2 bonus equity shares for every 1 existing equity share held, after capitalisation of general reserve and securities premium account.		
(iii) Pursuant to the approval of the shareholders through postal ballot, each equity share of the Company face value Rs 10 each fully paid-up has been split into 5 equity shares of Rs 2 each fully paid up. The record date for the sub-division was 14 July 2007.		
(iv) The 8% cumulative redeemable preference shares are redeemable at par on 3 February 2011.		
	384,716,000	384,716,000
4 RESERVES AND SURPLUS		
Securities premium account		
Balance as per last balance sheet	-	160,555,000
Less: Share issue expenses	-	3,690,448
Less: Utilised for issue of bonus shares	-	156,864,552
	-	-
General reserve		
Balance as per last balance sheet	108,100,554	8,515,782
Add: Transferred from profit and loss account	-	150,000,000
Less: Transitional adjustment as per Accounting Standard 15 towards provision for employee benefits, net of taxes (Refer schedule 29)	-	135,780
Less: Utilised for issue of bonus shares	-	50,279,448
	108,100,554	108,100,554

Schedules to the consolidated financial statements (continued) as at 31 March 2009

(Currency: Indian Rupees)

	2009	2008
Reserve on amalgamation		
Balance as per last balance sheet	21,796,437	-
Add: Transferred on amalgamation of erstwhile Om Housing Company Private Limited (Refer schedule 32)	-	21,796,437
	21,796,437	21,796,437
Profit and loss account	284,335,424	304,240,742
	414,232,415	434,137,733
5 SECURED LOANS		
From banks		
Term loan from Indian Bank	354,764,535	367,421,235
Term loan from Syndicate Bank	344,150,174	243,751,307
Term loan from Yes Bank	415,001,009	-
Term loan from Allahabad Bank	242,977,930	483,585,292
Vehicle loans	3,385,746	2,907,779
From others		
Term loan from Housing and Urban Development Corporation Limited (HUDCO)	799,913,887	610,000,000
Term loan from SICOM Investment and Finance Limited	600,000,000	-
Vehicle loan	4,566,770	7,120,260
Note :		
(i) Term loan from Indian Bank is secured against equitable mortgage of certain shops by way of lease rental discounting in the project Dreams the Mall, Borivali (West)		
(ii) Term loan from Syndicate Bank is secured against equitable mortgage of Jodhpur project properties and all present and future construction and development work thereon.		
(iii) Term loan from Yes Bank is secured against land situated at Calicut		
(iv) Term loan from HUDCO is secured against equitable mortgage of Vashi project properties and all present and future construction and development work thereon.		
(v) Term loan from SICOM Investment and Finance Limited is secured against development right on freehold land at Hughes Road and Escrow of receivables in respect of the said property		
(vi) Term loan from Allahabad Bank is secured by way of first charge on receivables of the sold and unsold portion of 'Dreams the Mall', Bhandup project, collateral registered mortgage of the unsold area of the said mall.		
(vii) All the above term loans are secured by personal guarantees of promoter Directors of the Company.		
(viii) Vehicle loans are secured by hypothecation of the respective vehicles purchased.		
	2,764,760,051	1,714,785,873
6 UNSECURED LOANS		
Inter corporate loans	768,003,985	582,542,479
Loans from directors	48,888,693	60,457,154
Loans from shareholders*	-	53,225,000
Bank overdraft	169,421,407	-
	986,314,085	696,224,633
Note :		
1. All of the above loans are repayable on demand.		
2. *Loans taken from shareholders of erstwhile Om Housing Company Private Limited transferred on amalgamation, repaid during the year.		

Schedules to the consolidated financial statements (continued) as at 31 March 2009

(Currency: Indian Rupees)

7 FIXED ASSETS

Particular	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	As at	Transfer on	Deletions/ Disposals	As at		As at	Transfer on	On Deletions/ Disposals	As at		2009	2008
	1 April 2008	amalgamation (referred schedule 32)				1 April 2008	amalgamation (refer schedule 32)					
Leasehold improvements	22,087,807	-	1,844,761	1,844,761	22,087,807	7,123,407	-	5,415,762	113,752	12,425,417	9,662,390	14,964,400
Plant and machinery	20,810,888	-	2,446,762	-	23,257,650	5,586,829	-	2,610,160	-	8,196,989	15,060,661	15,224,059
Computer	2,983,985	-	975,297	-	3,959,282	1,455,769	-	832,655	-	2,288,424	1,670,858	1,528,216
Furniture and fittings	2,939,245	-	262,165	-	3,201,410	1,324,401	-	214,943	-	1,539,344	1,662,066	1,614,844
Office equipment	4,267,905	-	326,883	-	4,594,788	739,102	-	141,951	-	881,053	3,713,735	3,528,803
Temporary structures	135,725	-	11,900	-	147,625	135,725	-	11,900	-	147,625	-	-
Vehicles	11,500,673	-	4,097,744	-	15,598,417	872,492	-	3,565,485	-	4,437,977	11,160,440	10,628,181
Trucks	4,826,500	-	-	-	4,826,500	2,461,515	-	709,496	-	3,171,011	1,655,489	2,364,985
Total	69,552,728	-	9,965,512	1,844,761	77,673,479	19,699,240	-	13,502,352	113,752	33,087,840	44,585,639	49,853,488
2008	47,355,429	4,826,500	17,370,799	-	69,552,728	6,852,097	1,447,950	11,399,193	-	19,699,240	49,853,488	

Notes:

(i) Depreciation for the year includes Rs 1,221,202 (2008: Rs 820,726) transferred to inventory.

(ii) Depreciation for the year includes Rs Nil (2008: Rs 342,381) which pertains to earlier years.

Schedules to the consolidated financial statements (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
8 INVESTMENTS		
Long term		
Trade investments (quoted)		
Nil (2008: 19,529) equity shares of Asian Tea Export Limited of Rs 10 each fully paid up	-	746,268
718 (2008 : 718) equity shares of SEL Manufacturing Company Limited of Rs 10 each fully paid up	64,620	64,620
Nil (2008 :15) equity shares of Reliance Power Limited of Rs 10 each fully paid up	-	6,750
Trade investments (unquoted)		
In associates		
15,944 (2008: 15,944) equity shares of Shravan Developers Private Limited of Rs 10 each, fully paid up*	633,595	136,762
2,000 (2008: 2,000) equity shares of C Bhansali Developers Private Limited of Rs 10 each, fully paid up	-	-
3,500 (2008: 3,500) equity shares of BKC Developers Private Limited of Rs 10 each, fully paid up	-	-
2,600 (2008: Nil) equity shares of Deepmala Infrastructure Private Limited of Rs 10 each, fully paid up	26,000	-
Other investment (unquoted)		
948 (2008: 250*) equity shares of Cosmos Co-operative Bank Limited of Rs 100 each, fully paid up	94,800	25,000
*The Company acquired these investments pursuant to amalgamation of erstwhile Om Housing Company Private Limited.		
Also refer schedule 34 for details of investments bought and sold during the year		
	819,015	979,400
Aggregate amount of unquoted investments	754,395	161,762
Aggregate cost of quoted investments	64,620	817,638
Aggregate market value of quoted investments	45,234	862,998
9 DEFERRED TAX ASSETS		
Deferred tax assets		
- Difference between book depreciation and depreciation as per Income Tax Act, 1961	3,083,918	822,492
- On provision allowable on a payment basis under the Income Tax Act, 1961	18,139,054	179,613
	21,222,972	1,002,105
10 INVENTORIES		
Material at site	14,056,952	7,478,658
Construction work-in-progress	3,146,452,284	2,671,713,208
Stock in trade	401,767,391	2,260
	3,562,276,627	2,679,194,126
11 SUNDRY DEBTORS		
(unsecured and considered good)		
Debts outstanding for a period exceeding six months	554,446,183	472,789,424
Other debts *	201,304,069	417,859,733
* includes Rs Nil (2008: Rs 4,800,000) due from the Managing Director. Maximum amount outstanding during the year Rs 4,800,000 (2008: Rs 69,800,000)		
	755,750,252	890,649,157
12 CASH AND BANK BALANCES		
Cash in hand	2,767,263	3,117,169
Cheques on hand	-	1,800,000
With scheduled banks		
- in current account	6,785,778	59,084,585
- in deposit account	6,058,625	10,030,500
	15,611,666	74,032,254

Schedules to the consolidated financial statements (continued) as at 31 March 2009		
(Currency: Indian Rupees)		
	2009	2008
13 LOANS AND ADVANCES		
<i>(Unsecured and considered good)</i>		
Advances recoverable in cash or kind or for value to be received [refer schedule 40(i) and (ii)]	1,231,784,111	849,068,779
Advance tax and tax deducted at source	2,852,891	761,410
Advance paid for property and transferable development rights	520,142,889	783,934,047
Prepaid expenses	3,831,208	5,848,783
Deposits *	32,053,366	6,376,203
	1,790,664,465	1,645,989,222
* includes Rs 2,150,000 (2008: Rs 2,150,000) rent deposit given to the Managing Director. Maximum amount outstanding during the year Rs 2,150,000 (2008: Rs 2,150,000).		
14 CURRENT LIABILITIES		
Advance received against property and transferable development rights	1,186,845,503	1,660,344,659
Sundry creditors		
- Dues of micro, small and medium enterprises (Refer schedule 31)		
- Others	242,200,901	304,004,090
Other liabilities	42,379,803	14,757,722
Investor education and protection fund - Unclaimed dividend *	278,494	282,511
Interest accrued but not due	10,870,063	6,653,018
	1,482,574,764	1,986,042,000
*There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.		
15 PROVISIONS		
Provision for taxation [net of advance tax and tax deducted at source Rs 62,479,220 (2008: Rs 32,763,424)]	245,577,199	219,883,071
Provision for fringe benefits tax [net of advance tax Rs 187,809 (2008: Rs 168,475)]	363,994	19,548
Provision for gratuity	799,183	528,429
Provision for wealth tax	20,000	-
Dividend on preference shares	5,920,000	12,748,274
Tax on dividend on preference shares	3,302,667	2,166,569
Proposed dividend on equity shares	-	15,535,800
Tax on proposed dividend on equity shares	-	2,640,309
Tax on dividend declared by subsidiary	-	2,481,933
	255,983,043	256,003,933
16 MISCELLANEOUS EXPENDITURE		
<i>(to the extent not written off or adjusted)</i>		
Balance as per last balance sheet	-	1,905,060
Add: incurred during the year	-	40,320
Add: Transferred on amalgamation of erstwhile Om Housing Company Private Limited (refer schedule 32)	-	773,721
Less: written-off during the year	-	577,705
Less: adjusted in securities premium account	-	2,141,396
	-	-

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

	2009	2008
17 SALES		
Revenue from construction projects	602,343,111	1,010,969,406
Sale of traded properties	-	536,300,000
Sale of traded transferable development rights	536,914,176	747,807,910
RMC plant hire charges	-	555,215
	1,139,257,287	2,295,632,531
18 OTHER INCOME		
Income from investments		
Trade investments		
Dividend	150,000	-
Interest received from partnership firm	-	2,185,427
	150,000	2,185,427
Other investments		
Profit on sale of investments (net)	-	334,160
	-	334,160
Interest received [tax deducted at source Rs.26,628,947 (2008:9,614,140)]	79,072,928	39,161,252
Income from awards/compensation/forfeiture	30,400,000	27,200,000
Income tax refund	-	9,411
Interest on income tax refund	-	12,056
Gain on foreign exchange	52,902,486	-
Miscellaneous income	9,614,953	2,547,607
	171,990,367	68,930,326
	172,140,367	71,449,913
19 CONSTRUCTION AND PURCHASE COST		
Opening stock		
Construction work-in-progress	2,671,713,208	902,461,060
Material at site	7,478,658	3,757,300
Transfer from Om Housing Company Private Limited on amalgamation (Refer schedule 32)	-	940,730,612
(A)	2,679,191,866	1,846,948,972
Incurred during the year		
Development rights / land cost	384,654,615	457,047,468
Professional and legal fees	17,633,064	19,460,743
Civil, electrical and contracting	617,277,484	747,206,690
Administrative and other expenses	9,108,750	5,948,019
Borrowing costs	182,870,893	121,403,212
Compensation Paid	3,045,000	-
(B)	1,214,589,806	1,351,066,132
Less: Closing stock		
Material at site	14,056,952	7,478,658
Construction work-in-progress	3,146,452,284	2,671,713,208
Stock in trade	401,767,391	-
(C)	3,562,276,627	2,679,191,866
Cost of construction	(D= A+B-C) 331,505,045	518,823,238

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency: Indian Rupees)

		2009	2008
Purchase of traded transferable development rights	(E)	452,071,352	641,566,800
Purchase of traded property	(F)	-	302,885,127
Cost of purchase	(G=E+F)	452,071,352	944,451,927
Construction and purchase cost	(D+G)	783,576,397	1,463,275,165
20 PERSONNEL EXPENSES			
Salaries, wages and bonus		18,348,600	35,996,349
Contributions to provident and other funds		1,344,019	765,060
Staff welfare expenses		104,014	134,953
Gratuity		270,754	322,733
		20,067,387	37,219,095
21 ADMINISTRATIVE AND OTHER EXPENSES			
Advertisement		6,338,989	10,789,878
Brokerage		949,381	23,524,441
Electricity		1,444,770	871,166
Rent		16,270,055	14,228,700
Telephone expenses		890,929	828,750
Postage and Telegram		709,474	180,560
Repair and maintenance			
- machinery		141,847	71,588
- others		560,314	711,778
Insurance		1,117,525	1,015,776
Rates and taxes		548,970	2,726,722
Loss on sale of investments (net)		4,233,898	9,013,111
Share in loss of partnership firm		1,531	-
Auditors' remuneration (refer schedule 33)		2,762,792	1,712,289
Directors' sitting fees		690,000	349,750
Travelling expenses		889,261	1,658,374
Printing and stationery		1,350,565	1,677,270
Profession and legal fees		5,421,197	9,464,842
Miscellaneous expenditure written-off [including for earlier years Rs. Nil (2008: Rs 537,385)]		-	577,705
Assets written off		1,731,009	-
Miscellaneous expenses		5,503,070	4,011,501
		51,555,577	83,414,201
22 FINANCIAL EXPENSES			
Interest on term loans		385,373,575	155,856,363
Interest on other loans *		123,638,485	83,741,990
* includes Rs. 4,106,209(2008: Rs 4,014,299) interest paid/payable to managing director			
Finance and bank charges		55,262,329	10,830,957
		564,274,389	250,429,310
Less: interest transferred to construction work in progress		182,870,893	121,403,212
		381,403,496	129,026,098

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009
(Currency : INR)

23. Earning per share

Particulars	2009	2008
Net (loss) / profit after tax	(15,461,147)	416,828,162
Preference dividend (including taxes thereon)	6,926,104	6,926,104
Net (loss) / profit after tax attributable to equity shareholders (A)	(22,387,251)	409,902,058
Number of equity shares at the beginning of the year	155,358,000	*118,165,750
Equity shares issued during the year	-	**37,192,250
Number of equity shares outstanding at the end of the year	15,53,58,000	155,358,000
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (B)	155,358,000	155,358,000
Basic and diluted earnings (in rupees) per share of face value Rs 2 (A)/(B)	(0.14)	2.64

* Pursuant to sub-division of equity shares and issue of bonus shares during the year, the number of shares outstanding at the beginning of the year has been adjusted to reflect the change as prescribed by Accounting Standard 20 – Earnings per share.

** 37,192,250 equity share of face value Rs 2 each have been issued during the year 2008 as consideration to the shareholders of erstwhile Om Housing Company Private Limited in an amalgamation in the nature of merger and have been included in the calculation of weighted average number of equity shares from the beginning of the year (refer schedule 32).

24. Contingencies and commitments

	2009	2008
Income Tax matters under dispute	36,461,781	-

25. Capital commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for Rs Nil.

26. Segment reporting

The Group is operating in the real estate and construction industry and has only domestic sales. Therefore, the Group has only one reportable business segment, which is real estate development and trading in properties and transferable development rights and only one reportable geographical segment. Accordingly, the consolidated financial statements are reflective of the information required by the Accounting Standard 17, for the property development segment.

27. Managerial remuneration

Personnel costs include managerial remuneration for directors as set out below:

	2009	2008
Salary	5,300,000	2,815,000
Commission to managing director	261,264	26,800,322
	5,561,264	29,615,322

The gratuity liability is determined for all employees by an independent actuarial valuation. The specific amount of gratuity for the directors cannot be ascertained separately and accordingly the same has not been included above.

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009
(Currency : INR)

28. Leases

Operating lease

- a) The Company has taken a commercial property on non-cancellable operating lease. The future minimum lease payments in respect of lease property as on 31 March 2009 is as follows:

Lease Payments	2009	2008
Not later than one year	14,000,000	12,900,000
Later than one year but not later than 5 years	16,590,000	30,500,000
Later than 5 years	-	-
Payment of lease rentals during the year	12,900,000	12,900,000

- b) The lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period. There are no exceptional/restrictive covenants in the lease agreements.

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

- i) Effective 1 April 2007, the Company adopted Accounting Standard 15 (revised 2005) on "Employee Benefits" as prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards. Pursuant to the adoption, the transitional obligations as required by the standard amounting to Rs 135,780 (net of taxes Rs 69,916) have been adjusted to the general reserve in the previous year

ii) **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.

I	Change in Benefit Obligation	2009	2008
	Liability at the beginning of the year	528,430	205,696
	Interest cost	42,274	16,455
	Current service cost	417,583	207,117
	Benefit paid	-	-
	Actuarial (gain) / loss on obligations	(189,103)	99,160
	Liability at the end of the period	799,183	528,429
II	Amount Recognised in the Balance Sheet		
	Liability at the end of the year	799,183	528,429
	Fair value of plan assets at the end of the year	-	-
	Difference	799,183	528,429
	Amount Recognised in the Balance Sheet	799,183	528,429
III	Expenses Recognised in the Income Statement		
	Current service cost	417,583	207,117
	Interest cost	42,274	16,455
	Expected return on plan assets	-	-
	Net actuarial (gain) / loss to be recognised	(189,103)	99,160
	Expense recognised in profit and loss account	270,754	322,733
IV	Balance Sheet Reconciliation		
	Opening net liability	528,430	205,696
	Expense as above	270,754	322,733
	Employers contribution paid	-	-
	Amount recognised in the balance sheet	799,183	528,429

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009
(Currency: INR)

V	Actuarial Assumptions :		
	Discount rate	7.75%	8.00%
	Salary escalation	6.00%	6.00%

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

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

30. Related party disclosures

A Parties where control exist:

- I. Praful N Satra – Chairman and Managing Director (also key managerial personnel)
- II. Minaxi P Satra – Chairman up to 10 March 2009 (Relative of managing director)

B Other related parties with whom transactions have taken place during the year:

I. Associates

C. Bhansali Developers Private Limited (w.e.f 20 April 2007)
Shravan Developers Private Limited
Sun Beam Builders and Developers (w.e.f. 31 January 2007 and upto 7 March 2008)
Sweety Developers (w.e.f. 28 April 2008 upto 27 October 2008)
Deepmala Infrastructure Private Limited (w.e.f 10 April 2008)
BKC Developers Private Limited (w.e.f. 30 April 2007)

II Joint Ventures

Prime Property Development Corporation Limited.
Prime Down Town Estate Private Limited
(Formerly known as Bharat Shah Estate Private Limited)
Housing Development and Infrastructure Limited (w.e.f 30 April 2007)

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

Prime Multi Tiles Trading Private Limited
Satra Infrastructure Development Private Limited
Satra Land Development Private Limited (w.e.f. 7 May 2007)
Satra Novelties Private Limited (w.e.f. 30 July 2007)
Satra Property Development Private Limited (w.e.f. 7 May 2007)
Savla Realtors and Developers Private Limited
Sweety Developers (w.e.f. 1 April, 2006 to 27 April 2008 and w.e.f. 28 October 2008)
Prime Bond Industries

IV. Key Managerial Personnel

Vijay N. Satra – Whole time Director (w.e.f. 1 February 2008 upto 20 March 2009) and relative of managing director
Rajan P. Shah – Wholetime Director
Chandrakant M. Kothari

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009
(Currency : INR)

30 Related party disclosures

Disclosure of transactions between the Company and related parties and the status of outstanding balances:

Sr. No.	Nature of Transaction	Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence		Key Managerial Personnel and their relatives		Total	
		2009	2008	2009	2008	2009	2008	2009	2008
1	Loans taken	70,500,000	-	185,390,352	101,550,000	9,865,000	43,892,665	265,755,352	145,442,665
2	Loans given	1,554,547,953	669,373,196	-	272,646	-	-	1,554,547,953	669,645,842
3	Interest Income	73,504,819	24,732,893	-	-	-	-	73,504,819	24,732,893
4	Share in (Loss) / Profit of Partnership Firm	(1,531)	56,856,893	-	-	-	-	(1,531)	56,856,893
5	Interest Expense	9,398,957	-	4,129,654	1,835,766	4,960,553	7,235,774	18,489,164	9,071,540
6	Receiving of Services	-	-	10,409,578	-	14,472,295	14,228,700	24,881,873	14,228,700
7	Purchase of Goods	-	-	737,152	-	-	-	737,152	-
8	Sale of flat	-	-	-	-	-	71,800,000	-	71,800,000
9	Reimbursement of expenses (Income)	80,664,275	88,398,325	-	-	-	-	80,664,275	88,398,325
10	Reimbursement of Expenses (Expenses)	93,218,510	75,828,906	-	-	-	-	93,218,510	75,828,906
11	Issue of Shares on Amalgamation								
	Equity	-	-	-	-	-	61,100,000	-	61,100,000
	Preference	-	-	-	-	-	70,000,000	-	70,000,000
12	Directors Remuneration	-	-	-	-	5,561,264	29,615,322	5,561,264	29,615,322
13	Directors sitting fees	-	-	-	-	90,000	86,500	90,000	86,500
14	Advance Recd against Property	-	-	-	10,100,000	3,675,000	-	3,675,000	10,100,000
15	Advance Paid for property	262,514,548	85,000,000	-	-	-	-	262,514,548	85,000,000
16	Advances given	-	-	26,060,504	142,500,000	-	-	26,060,504	142,500,000

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009
(Currency : INR)

30 Related party disclosures *(Continued)*

Disclosure of transactions between the Company and related parties and the status of outstanding balances: *(Continued)*

Sr. No.	Nature of Transaction	Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence		Key Managerial Personnel and their relatives		Total	
		2009	2008	2009	2008	2009	2008	2009	2008
17	Investment made	5,025,000	45,712,120	-	-	-	-	25,025,000	45,712,120
18	Investment sold	25,025,000	125,900,000	-	-	-	-	25,025,000	125,900,000
19	Sale of Shops	-	-	-	-	(3,672,000)	420,750	(3,672,000)	420,750
	Outstanding Bal.Receivable/Deposits								
1	Loans alongwith the net interest	591,761,596	291,970,131	3,498,469	-	-	-	595,260,065	291,970,131
2	Sundry Debtors	-	-	-	-	-	8,322,000	-	8,322,000
3	Deposits	-	-	-	-	2,150,000	2,150,000	2,150,000	2,150,000
4	Advance Paid for property	104,000,000	100,000,000	-	-	-	-	104,000,000	100,000,000
5	Advance Given	73,804,090	-	158,550,411	142,500,000	-	-	232,354,501	142,500,000
	Outstanding Balances Payables								
1	Loans alongwith the net interest	90,167,768	-	54,027,238	79,167	48,888,693	60,457,155	193,083,699	60,536,322
2	Sundry Creditors	124,456,916	140,146,527	-	-	6,128,893	-	130,585,809	140,146,527
3	Remuneration Payable	-	-	-	-	1,052,064	18,092,635	1,052,064	18,092,635
4	Advance Recd against Property	-	-	5,000,000	15,100,000	3,825,000	-	8,825,000	15,100,000

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009
(Currency : INR)

30 Related party disclosures *(Continued)*
Details of material related party transactions:

Sr.No.	Particulars	2009	2008
1	Loans taken / converted		
	Satra Infrastructure Development Private Limited	9,300,000	64,000,000
	BKC Developers Private Limited	70,500,000	-
	Satra Novelties Private Limited	1,700,000	15,050,000
	Satra Property Development Private Limited	164,340,352	8,500,000
	Praful N. Satra	2,700,000	40,727,251
2	Loans Given / converted		
	C.Bhansali Developers Private Limited	-	76,000,000
	Shravan Developers Private Limited	-	453,373,196
	Deepmala Infrastructure Private Limited	1,454,547,953	-
	BKC Developers Private Limited	100,000,000	140,000,000
3	Interest Income		
	C.Bhansali Developers Private Limited	10,197,283	7,682,629
	Shravan Developers Private Limited	10,813,371	3,949,613
	Deepmala Infrastructure Private Limited	49,928,454	-
	BKC Developers Private Limited	2,565,711	10,915,224
4	Share in Profit / (Loss) of Partnership Firm		
	Sun-Beam Builders & Developers	-	56,856,893
	Sweety Developers	(1,531)	-
5	Interest Expense		
	Satra Infrastructure Development Private Limited	327,002	1,100,610
	BKC Developers Private Limited	9,398,957	-
	Satra Property Development Private Limited	3,519,859	187,890
	Praful N. Satra	4,472,316	6,462,453
6	Receiving of Services		
	Praful N. Satra	14,472,295	14,228,700
	Satra Property Development Private Limited	10,409,578	-
7	Purchase of Material		
	Prime Multi-tiles Trading Private Limited	701,792	-
8	Sale of Flats/ Shops		
	Praful N. Satra	(3,672,000)	72,220,750

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency : INR)

30 Related party disclosures (*Continued*)

Details of material related party transactions:

Sr. No.	Particulars	2009	2008
9	Reimbursement received		
	Housing Development & Infrastructure Limited	80,521,572	85,000,000
10	Reimbursement paid		
	Prime Property Development Corp. Limited	3,218,510	25,828,906
	Housing Development & Infrastructure Limited	90,000,000	50,000,000
11	Issue of Shares on Amalgamation		
I	<i>Equity</i>		
	Praful N. Satra	-	43,100,000
	Minaxi P. Satra	-	18,000,000
II	<i>Preference</i>		
	Praful N. Satra	-	45,000,000
	Minaxi P. Satra	-	25,000,000
12	Managerial Remuneration		
	Praful N. Satra	2,661,264	28,463,655
	Vijay N. Satra	1,100,000	200,000
	Rajan P. Shah	1,200,000	647,500
	Chandrakant M. Kothari	600,000	304,167
13	Directors sitting fees		
	Minaxi P. Satra	90,000	43,250
	Vijay N. Satra	-	43,250
14	Advance Recd against Property		
	Savla Realtors & Developers Private Limited	-	10,100,000
	Praful N. Satra	3,675,000	-
15	Advance Paid for Property		
	Bharat Shah Estates Private Limited	-	85,000,000
	Shravan Developers Private Limited	258,514,548	-
16	Advances given		
	Satra Property Development Private Limited	26,060,504	140,000,000
17	Investment Purchase		
	Sun-Beam Builders & Developers	-	45,532,680
	Sweety Developers (Firm)	25,025,000	-

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency : INR)

30 Related party disclosures *(Continued)*

Details of material related party transactions:

Sr.No.	Particulars	2009	2008
18	Investment sold		
	Sun-Beam Builders & Developers	-	125,900,000
	Sweety Developers (Firm)	25,025,000	-
	Outstanding Balances Receivable/		
1	Loans alongwith the net interest		
	C.Bhansali Developers Private Limited	89,828,323	81,941,744
	Shravan Developers Private Limited	-	49,711,483
	BKC Developers Private Limited	1,270,654	160,316,904
	Deepmala Infrastructure Private Limited	500,662,619	-
2	Sundry Debtors		
	Praful N. Satra	-	8,322,000
3	Deposits		
	Praful N. Satra	2,150,000	2,150,000
4	Advances paid for Property / TDR		
	Bharat Shah Estates Private Limited	100,000,000	100,000,000
5	Advances given		
	Satra Property Development Private Limited	156,050,411	140,000,000
	Shravan Developers Private Limited	73,804,090	-
	Outstanding Balances Payables		
1	Loans alongwith the net interest		
	Satra Property Development Private Limited	41,087,669	-
	BKC Developers Private Limited	90,167,768	-
	Minaxi P. Satra	11,029,319	6,603,789
	Praful N. Satra	37,859,374	53,853,366
2	Sundry Creditors		
	Housing Development & Infrastructure Limited	123,381,109	132,859,537
3	Remuneration Payable		
	Praful N. Satra	631,264	17,835,890
	Vijay Satra	166,000	179,445
	Rajan P. Shah	254,800	77,300
4	Advance Recd against Property		
	Savla Realtors & Developers Private Limited	5,000,000	15,100,000
	Praful N. Satra	3,825,000	-

31. 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 disclosure 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.

	2009	2008
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-

32. Amalgamation of Om Housing Company Private Limited with the Group

In accordance with the scheme of amalgamation ('the scheme') of the erstwhile Om Housing Company Private Limited with the Group as approved by the Honourable High Court of Bombay on 16 April 2007 and certified copy received on 22 August 2007, all the assets and liabilities of the erstwhile Om Housing Company Private Limited had been transferred to and vested in the Group effective date 1 April 2006. Accordingly, the scheme had been given effect to in the financial statements for the year ended 31 March 2008.

The amalgamation has been recorded for under the 'pooling of interests' method as prescribed by Accounting Standard – 14 on "Accounting for Amalgamations" issued by the Central Government. Accordingly, all assets, liabilities and reserves of the erstwhile Om Housing Company Private Limited at date 1 April 2006 have been taken over at their respective book values. Prior to amalgamation, Om Housing Company Private Limited was a company engaged in the business of real estate development.

The net profit of erstwhile Om Housing Company Private Limited for the year ended 31 March 2007 comprised of :-

Particulars	Amount
Sales	-
Other income	31,693,795
Total revenue	31,693,795
Construction cost	-
Personnel cost	50,000
Depreciation and amortisations	-
Interest expenses	228,121
Other costs	1,422,131
Profit before tax	29,993,543
Current tax	11,000,000
Fringe benefit tax	1,029
Deferred tax	-
Net profit after tax	18,992,514

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency : INR)

Pursuant to the amalgamation of Om Housing Company Private Limited with the Company, 37,192,250 equity shares of Rs 2 each and 7,400,000 preference shares of Rs 10 each were issued and allotted to the shareholders of erstwhile Om Housing Company Private Limited on 19 September 2007.

The net surplus of Rs 21,796,437 being the difference between the issued share capital of erstwhile Om Housing Company Private Limited and the value of shares issued by the Company to the shareholders of erstwhile Om Housing Company Private Limited has been transferred to the Amalgamation Reserve Account.

33. Auditors' Remuneration

	2009	2008
Statutory audit fees	2,177,772	1,014,289
Taxation matters	110,300	120,787
Other services*	974,720	530,901
Out of pocket expenses	-	46,312
	3,262,792	1,712,289

* includes payment of Rs 500,000 (2008: Rs Nil) to statutory auditors for other services, which has been capitalised to construction work-in-progress.

34. Details of investments bought and sold during the year

Name of the company	Purchased during the Year		Sold during the year	
	Quantity	Value	Quantity	Value
Asian Tea Limited	Nil	Nil	19,529	1,596,548
Reliance Power Limited	9*	-	24	2,577
Apollo Tyres Limited	300,550	12,043,477	300,550	6,964,163
Cosmos Co-operative Bank Limited	698	69,800	-	-
Satra International Realtors Limited (UAE)	100	11,711,600	-	-
Sweety Developers	-	18,025,000	-	18,025,000
Deepmala Infrastructure Private Limited.	4,900	49,000	2,300	23,000

* Bonus shares

35. Investment in joint ventures

Sr. No.	Joint Venture	Location	Principal Activities	Ownership Interest
1	Prime Down Town	Hughes Road, Gamdevi, Mumbai	Development and construction of commercial cum residential complex	50%
2	Dreams the Mall Bhandup	Bhandup, Mumbai.	Development and construction of commercial cum residential complex	49%

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency : INR)

35 Investment in joint ventures (Continued)

The Company's share of the asset, liabilities, income and expenditure of the aforementioned joint ventures (under jointly controlled operation) included in the consolidated financial statements are as follows:

Amount in respect to Prime down town Joint Venture Balance Sheet	2009	2008
Inventories	146,312,018	133,344,200
Cash and bank	-	513,915
Current liabilities and provisions	128,706,799	136,804,282
Loans and advances	100,000,000	100,000,000

Amount in respect to Dreams the mall, Bhandup Joint Venture Balance Sheet	2009	2008
Inventories	401,767,391	340,353,631
Cash and bank	6,249,314	16,886,008
Current liabilities and provisions	172,923,430	142,888,893
Loans (liability)	250,149,508	506,341,200
Sundry Debtors	80,398,031	329,822,930
Deposits	39,806	39,806
Profit and loss statement		
Incomes	80,456,786	386,933,478
Expenses	8,785,875	231,758,895

36. Out of the aggregate amount of Rs 141,800,000 raised during the year 2006-07 by way of preferential issue of equity shares including share premium, sum of Rs 123,600,000 had been utilised for acquisition of land at Calicut forming part of construction work in progress and Rs 18,200,000 had been invested on account of capital with partnership firm M/s Sun Beam Builders & Developers.

37. During the year, the Company has changed the structural plan of the Borivali Project from a commercial complex to a commercial cum residential complex to improve the overall profitability of the project. As a result, in order to facilitate the construction as per the revised plan, certain existing structures at the site have been demolished subsequent to the year end. The estimated construction cost incurred by the Company on the demolished portion amount to Rs 157,974,510 and the same continues to be included in construction work-in-progress. Management has revised its estimated cost to complete the revised commercial cum residential project and believes that the overall margins of the revised project will be adequate to recover the construction cost of demolished area incurred during the year. Hence the construction cost of demolished area amounting to Rs 157,974,510 continues to be included in the construction work-in-progress as at 31 March 2009 and has not been charged to the Profit and Loss account during the year.

Schedules to the consolidated financial statements (continued) for the year ended 31 March 2009

(Currency : INR)

38. The promoters' shareholding in the Company as at 31 March 2009 is 77.86% which is in excess of the limits prescribed under clause 6.8.3.2(m) - Explanation I & II of SEBI (DIP) Guidelines, 2000 by the Securities Exchange Board of India. The Company has made an application to Bombay Stock Exchange Limited for extension of time for diluting 2.86% of Promoters stake for which reply is awaited.

39. **Transfer Pricing**

The Company's management has developed a system of maintenance of information and documents as required by the Transfer Pricing Legislation under Section 92 to section 92F of the Income Tax Act, 1961. The Company's management is of the opinion that its international transactions are at arm's length so the aforesaid legislation will not have an impact on the financial statements, particularly on the amount of the Tax expense and that of Provision for Taxation.

40. i. Loans and advances includes Rs 3,498,469 (2008: Rs.Nil) due from M/s. Sweety Developers which is a firm under the same management as per Section 370(1B) of the Act, maximum amount during the year Rs 18,025,000 (2008: Rs Nil).
- ii. Loans and advances includes Rs 815,564,155 (2008: Rs.434,470,131) due from companies / firm in which director is a director or member as under:

Name of the Company / Firm	Balance as at	
	2009	2008
C.Bhansali Developers Private Limited	93,828,323	81,941,744
Shravan Developers Private Limited	73,804,090	49,711,483
M/s. Sweety Developers	3,498,469	Nil
BKC Developers Private Limited	1,270,654	160,316,904
Deep Mala Infrastructure Private Limited	500,662,619	Nil
Satra Property Development Private Limited	140,000,000	140,000,000
Prime Bond Industries	2,500,000	2,500,000

41. **Prior year comparatives**

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

For and on Behalf of the Board of Directors

Praful N. Satra
Chairman and
Managing Director

Rajan P. Shah
Executive Director

Vicky M. Kundaliya
Company Secretary

Mumbai, 29th June, 2009

STATEMENT PURSUANT TO SECTION 212 (1)(E) OF THE COMPANIES ACT, 1956, RELATING TO THE COMPANY'S INTEREST IN SUBSIDIARY COMPANIES							(Currency: INR)
Sr. No.	Name of the Subsidiary	Satra Property Developers Private Limited (w.e.f. July 2, 2007)	Satra Buildcon Private Limited (w.e.f. October 18, 2007)	Satra Estate Development Private Limited (w.e.f. October 23, 2007)	Satra Infrastructure and Land Developers Pvt Ltd (w.e.f. October 19, 2007)	Satra Lifestyles Private Limited (w.e.f. October 19, 2007)	Satra International Realtors Limited (w.e.f 17 th June, 2008)(as per Indian GAAP)
1	The Financial year of the Subsidiary Companies ended on	March 31, 2009	March 31, 2009	March 31, 2009	March 31, 2009	March 31, 2009	March 31, 2009
2	Date from which it became Subsidiary Companies	July 2, 2007	October 18, 2007	October 23, 2007	October 19, 2007	October 19, 2007	17 th June, 2008
3	No. of Shares held by Satra Properties (India) Limited with its nominees in the Subsidiaries at the end of the financial year of the Subsidiary Companies.	1, 46, 03,900 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F.V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each fully paid.	100 Equity Shares of the Face Value of Rs. 10,000 AED each fully paid
4	Total Issued Equity Share Capital of the Subsidiary Company	1, 46, 03,900 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each fully paid.	10,000 Equity Shares of the F. V. of Rs. 10/- each Fully paid.	100 Equity Shares of the Face Value of Rs. 10,000 AED each fully paid
5	Extent of the interest of Holding Company at the end of the financial year of the Subsidiary Companies	100%	100%	100%	100%	100%	100%
6	The Net aggregate amount of the Subsidiary Companies Profit/(Loss) so far as it concerns the members of the Holding Company						
A	Not dealt with in the Holding Company's accounts						
	i. For the F. Y. ended March 31, 2009	9,743,296	(12,232)	(12,057)	(12,232)	(12,288)	5,24,70,897
	ii. For the previous F. Y.(s) 2007-2008 of the Subsidiary Companies since it became the Holding Company's Subsidiaries.	114,026,022	(22,210)	(22,125)	(22,125)	(22,136)	N.A.
B	Dealt with in Holding Company's accounts:						
	i. For the current F. Y. ended March 31, 2009	NIL	NIL	NIL	NIL	NIL	NIL
	ii. For the previous F. Y.(s) of the Subsidiary Companies since it became the Holding Company's Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
For and on behalf of the Board of Directors							
Vicky M. Kundaliya Company Secretary Mumbai, June 29, 2009		Rajan P. Shah Executive Director	Praful N. Satra Chairman and Managing Director				

SATRA PROPERTIES (INDIA) LIMITED

Registered Office: 2nd floor, Dev Plaza, S.V. Road, Andheri (West), Mumbai – 400058

Attendance Slip

(To be signed and handed over at the entrance of the meeting venue)

Regd. Folio No.:

DP ID*

No. of Shares held:

Client ID*

Full Name of the Member (in Block letters) _____

Name of the Proxy _____

(To be filled-in if the Proxy Form has been duly deposited with the Company)

I hereby record my presence 26th Annual General Meeting of the Company held on Tuesday, September 29, 2009, at 05.00 p.m. at Prime Party Hall, Safi Mansion, Irla Society Road, Vile Parle (W), Mumbai- 400 056.

Member / Proxy

(To Be Signed at the time of handing over this slip)

* Applicable for members holding shares in electronic form.

Note : Members are requested to bring their copies of the Annual Report to the meeting.

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SATRA PROPERTIES (INDIA) LIMITED

Registered Office: 2nd floor, Dev Plaza, S.V. Road, Andheri (West), Mumbai – 400058

Proxy Form

Regd. Folio No.:

DP ID*

No. of Shares held:

Client ID*

I / We _____ of _____ in the district of _____ being a Member / Members of the above-named Company hereby appoint Shri/Smt. _____ of _____ in district of _____ or failing him/her Shri/Smt. _____

as my / our proxy to vote for me / us on my / our behalf at the **26TH ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, September 29, 2009, at 05.00 p.m. at Prime Party Hall, Safi Mansion, Irla Society Road, Vile Parle (W), Mumbai 400056 and at any adjournment thereof.

Signed this _____ day of _____ 2009. Signature _____

Affix Revenue Stamp

* Applicable for members holding shares in electronic form.

NOTE : The form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered office of the Company, not less than 48 hours before the meeting.