

Satra Properties (India) Limited

Financial Statements

together with

Independent Auditors' Report

For the year ended 31 March 2016

Independent Auditor's Report

To the Members of
Satra Properties (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Satra Properties (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the Directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and



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

- i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements –Refer Note 28 of the financial statements as at March 31, 2016.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2016.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company during the year ended March 31, 2016.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W



Haridas Bhat

Partner

Membership Number: 039070

Mumbai

May 27, 2016

Annexure A to the Independent Auditor's Report

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

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. According to the information and explanations given to us, the Fixed Assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification with book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records, the company does not have any immovable property and hence this paragraph is not applicable to the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification between physical stock and book records.
- iii. In respect of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered under register maintained under section 189 of the Companies Act, 2013;
 - a. In our opinion, the terms and conditions on which the loans have been granted are not, prima facie, prejudicial to the interest of the company;
 - b. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, this paragraph is not applicable to the Company in respect of repayment of the principal amount.
 - c. There are no overdue amounts in respect of loans granted to the parties covered under register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security given, if any.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and other relevant provisions with regard to the deposits accepted from the public are not applicable.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained.



- vii. a. According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities the amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable *except for dues in respect of Service Tax, Value added tax, Dividend Distribution Tax, Income Tax, Works Contract Tax and TDS which have generally been regularly deposited during the year by the Company with the appropriate authorities, and there have been significant delays in few cases.*

According to the information and explanations given to us, *except for Rs. 2,13,07,899 /- on account of Dividend distribution tax, Rs.82,96,075/- on account of Income-tax (Including TDS), Rs.3,38,77,883/- on account of Value added tax and Rs. 3,26,10,701/- on account of interest on Value added tax,*no undisputed amounts payable in respect of Profession tax, Customs duty, Provident fund, Works contract tax, Cess, Service tax and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, following dues have not been deposited with the concerned authorities on account of dispute as at 31st March, 2016:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3,45,14,540	Asst. Yr. 2012-13	Commissioner of Income Tax (Appeals)
		6,90,02,060	Asst. Yr. 2011-12	
		58,21,550	Asst. Yr. 2008-09	Assessing Officer
		1,62,135	Asst. Yr. 2007-08	
		3,26,038	Asst. Yr. 2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961	TDS	1,33,49,391	Asst. Yr. 2007-08 to Asst. Yr. 2015-16	Assessing Officer

- viii. In According to the information and explanations given to us, the company has not defaulted in repayment of dues to banks and financial Institution.

During the year, interest rate on 5,600 Non-Convertible Debentures amounting to Rs. 56 Crores was revised, with a reduction in rate of interest from 18% p.a. to 12% p.a. from the date of subscription and extension in the period of redemption period by one year.

The Company does not have any loan or borrowings from the government during the year.



- ix. In our opinion and according to the information and explanations given to us, the monies raised by way of term loans were applied for the purposes for which they were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanation give to us and based on our examination of the records, the Company has not paid/provided for managerial remuneration. Therefore, paragraph 3 (xi) of the Order is not applicable.
- xii. In our opinion and according to the information given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanation give to us and based on our examination of the records of the Company, the transactions with related parties are in compliance of section 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the company.
- xv. The company has not entered into any non-cash transactions with the directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W

Haridas Bhat

Partner

Membership Number: 039070

Mumbai

May 27, 2016



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

We have audited the internal financial controls over financial reporting of **Satra Properties (India) Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W



Haridas Bhat

Partner

Membership Number: 039070

Mumbai

May 27, 2016

Satra Properties (India) Limited

Balance sheet

as at 31 March 2016

(Currency: Indian Rupees)

	Notes	2016	2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	356,716,000	356,716,000
Reserves and surplus	4	731,529,432	708,827,231
Money received against share warrants	5	-	-
		1,088,245,432	1,065,543,231
NON - CURRENT LIABILITIES			
Long-term provisions	6	3,278,080	1,852,299
		3,278,080	1,852,299
CURRENT LIABILITIES			
Short-term borrowings	7	1,733,904,093	1,195,739,842
Trade payables	8	463,714,982	354,193,417
Other current liabilities	9	1,425,247,253	1,653,417,576
Short-term provisions	10	51,660,358	101,174,051
		3,674,526,686	3,304,524,886
TOTAL		4,766,050,198	4,371,920,416
ASSETS			
NON - CURRENT ASSETS			
Fixed assets	11		
- Tangible assets		8,348,665	3,843,187
- Capital work-in-progress		1,343,268	-
		9,691,933	3,843,187
Non-current investments	12	598,710,450	598,710,450
Deferred tax assets	13	6,587,773	6,594,977
Long-term loans and advances	14	31,271,702	14,563,469
		646,261,858	623,712,083
CURRENT ASSETS			
Inventories	15	1,653,571,044	1,416,101,474
Trade receivables	16	990,920,941	1,125,641,477
Cash and bank balances	17	26,824,775	18,028,370
Short-term loans and advances	18	1,106,179,452	890,327,563
Other current assets	19	342,292,128	298,109,449
		4,119,788,340	3,748,208,333
TOTAL		4,766,050,198	4,371,920,416
Significant accounting policies	2		
Notes to the financial statements	1-37		

The notes referred to above form an integral part of these financial statements.
As per our report of even date attached.

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

Haridas Bhat
Partner
Membership No.: 039070



Manan Y. Udani
Company Secretary

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

Vidyadhar D. Khadilkar
Director
DIN: 01548603

Praful N. Satra
Chairman and
Managing Director
DIN: 00053900

Mumbai, 27 May 2016

Mumbai, 27 May 2016

Satra Properties (India) Limited

Statement of profit and loss

for the year ended 31 March 2016

(Currency: Indian Rupees)

	Notes	2016	2015
Income			
Revenue from operations	20	912,415,847	579,783,519
Other income	21	97,842,207	137,400,644
Total revenue		1,010,258,054	717,184,163
Expenses			
Cost of construction	22	821,384,720	491,039,050
Employee benefits	23	15,049,992	9,887,819
Finance costs	24	118,199,803	151,429,223
Depreciation and amortisation	11	1,242,736	3,333,630
Other expenses	25	35,855,050	34,576,488
Total expenses		991,732,301	690,266,210
Profit before tax		18,525,753	26,917,953
Tax expenses:			
Current tax		5,600,000	14,253,000
Prior year (credit)/charge		(31,250,401)	(472,031)
Deferred tax charge/(credit)		7,204	(59,758)
Profit after tax		44,168,950	13,196,742
Earnings per equity share (Rs.)			
Basic (par value of Rs. 2 per share)	27	0.25	0.08
Diluted (par value of Rs. 2 per share)		0.25	0.08
Significant accounting policies	2		
Notes to the financial statements	1-37		

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

As per our report of even date attached.

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

Haridas Bhat
Partner
Membership No.: 039070



Mumbai, 27 May 2016

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

Manan Y. Udani
Company Secretary

Vidyadhar D.
Khadilkar
Director
DIN: 01548603

Praful N. Satra
Chairman and
Managing Director
DIN : 00053900

Mumbai, 27 May 2016



Satra Properties (India) Limited

Cash flow statement

for the year ended 31 March 2016

(Currency: Indian Rupees)

	2016	2015
A Cash flows from operating activities :		
Profit before tax	18,525,753	26,917,953
Adjusted for:		
Depreciation / amortisation	1,242,736	3,333,630
Dividend income	(6,240)	(7,488)
Loss/ (profit) on sale of fixed assets	(6,993)	(10,643)
Interest income	(55,408,818)	(6,746,659)
Finance costs	118,199,803	151,429,223
	64,020,488	147,998,063
Operating profit before working capital changes	82,546,241	174,916,016
Changes in working capital		
(Increase) / decrease in inventories	(134,747,351)	(48,710,649)
(Increase) / decrease in trade receivables	134,720,536	167,490,411
(Increase) / decrease in short-term loans and advances	(48,175,205)	(185,252,205)
Increase / (decrease) in trade payables	109,521,565	5,371,574
Increase / (decrease) in long-term provisions	1,425,781	854,740
Increase / (decrease) in short-term provisions	152,258	63,192
Increase / (decrease) in other current liabilities	(271,327,000)	690,257,427
	(208,429,416)	630,074,490
Cash generated from operations	(125,883,175)	804,990,506
Taxes paid (net of refund)	(36,433,903)	(32,481,013)
Net cash generated from operating activities	(162,317,078)	772,509,493
B Cash flows from investing activities :		
Purchase of fixed assets	(8,481,418)	(1,083,941)
Proceeds from sale of fixed assets	75,556	40,000
Investment in equity shares of subsidiaries	-	(900,000)
Loans given	(794,002,489)	(198,610,551)
Loans repaid	626,325,805	30,982,268
Investment in fixed deposits (including earmarked balances)	(8,628,143)	6,476,176
Dividend received	6,240	7,488
Interest received	10,190,092	8,994,197
Net cash (used) by investing activities	(174,514,357)	(154,094,363)
C Cash flows from financing activities :		
Money received against share warrants	-	66,300,000
Proceeds from short-term borrowings	1,051,879,335	759,077,720
Repayment of short-term borrowings	(513,715,081)	(1,279,539,023)
Dividend paid	(17,679,079)	(15,925,769)
Finance costs paid	(183,485,478)	(148,595,362)
Net cash (used) by financing activities	336,999,697	(618,682,434)
Net (decrease) / increase in cash and cash equivalents	168,262	(267,304)
Cash and cash equivalents, beginning of year	6,183,643	6,450,947
Cash and cash equivalents, end of year	6,351,905	6,183,643



Satra Properties (India) Limited

Cash flow statement

for the year ended 31 March 2016

(Currency: Indian Rupees)

	2016	2015
Components of cash and cash equivalents		
Cash on hand	2,354,728	1,539,058
Balances with banks		
-On current accounts	3,997,177	4,644,585
	6,351,905	6,183,643

Notes:

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

As per our report of even date attached.

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

Haridas Bhat
Partner

Membership No.: 039070



Mumbai, 27 May 2016

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


Manan Y. Udani
Company Secretary

Mumbai, 27 May 2016


Vidyadhar D.
Khadilkar
Director
DIN: 01548603


Praful N. Satra
Chairman and
Managing Director
DIN : 00053900



Satra Properties (India) Limited

Notes to the financial statements

for the year ended 31 March 2016

(Currency: Indian Rupees)

1 Company overview

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

2 Summary of significant accounting policies

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

2.1 Basis of preparation of financial statements

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

2.2 Current / Non-current classification

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

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

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

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

Operating cycle

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

2.3 Use of estimates

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

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

Tangible assets

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

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

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

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

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.5 Impairment of assets

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

2.6 Investments

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

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

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

2.7 Inventories

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

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

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*) for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.8 *Borrowing costs*

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

2.9 *Employee benefits*

(a) *Short-term employee benefits*

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

(b) *Post-employment benefits*

Defined contribution plans:

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

Defined benefit plan:

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

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

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

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

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.10 Revenue recognition

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

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

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

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

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

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

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

Interest income is recognized on time proportion basis.

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

2.11 Taxation

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

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

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*) for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.12 Foreign currency transactions

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

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

2.13 Operating lease

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

2.14 Earnings per share (EPS)

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

2.15 Provisions and contingent liabilities

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



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

3 Share capital

Authorised capital:

210,000,000 (2015: 210,000,000) equity shares [Par value of Rs 2/- per shares]	420,000,000	420,000,000
8,000,000 (2015: 8,000,000) 8% cumulative redeemable preference shares [Par value of Rs. 10/- per shares]	80,000,000	80,000,000
	500,000,000	500,000,000

Issued, subscribed and paid up:

178,358,000 (2015: 178,358,000) equity shares of Rs 2/- par value, fully paid up	356,716,000	356,716,000
	356,716,000	356,716,000

Sub-notes :

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

Equity shares	31 March 2016		31 March 2015	
	Number of equity shares (units)	Amount	Number of equity shares (units)	Amount
At the beginning and at the end of the year	178,358,000	356,716,000	161,358,000	322,716,000
Add: issued during the year [refer note 5(i)]	-	-	17,000,000	34,000,000
At the end of the year	178,358,000	356,716,000	178,358,000	356,716,000

2 Rights, preferences and restrictions attached to shares

Equity shares :

The Company has only one class of equity shares having a par value of Rs 2 each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31 March 2016, the Company has proposed final dividend of Rs. 0.10 per equity share (2015: final dividend of Rs. 0.10 per equity share). In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to their shareholding.

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

Name of equity shareholder	31 March 2016		31 March 2015	
	No. of shares held	% of holding	No. of shares held	% of holding
Praful N. Satra	73,798,106	41.38	73,798,106	41.38
Minaxi P. Satra	37,537,356	21.05	37,537,356	21.05
Anil B. Mehta	9,154,450	5.13	9,154,450	5.13



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
4 Reserves and surplus		
Capital reserve		
Reserve on amalgamation (at the commencement and end of the year)	21,796,437	21,796,437
Capital redemption reserve		
At the commencement of the year	74,000,000	74,000,000
Add : transferred during the year	-	-
At the end of the year	74,000,000	74,000,000
Securities premium reserve		
At the commencement of the year	162,400,000	108,000,000
Add : on issue of equity shares	-	54,400,000
At the end of the year	162,400,000	162,400,000
Debenture redemption reserve		
At the commencement of the year	140,000,000	40,000,000
Add : transferred during the year from surplus in statement of profit and loss	-	100,000,000
Less : transferred to general reserve	2,500,000	-
At the end of the year	137,500,000	140,000,000
General reserve		
At the commencement of the year	123,166,888	123,166,888
Add : transferred during the year	2,500,000	-
Less : transferred to capital redemption reserve	-	-
At the end of the year	125,666,888	123,166,888
Surplus in the statement of profit and loss		
At the commencement of the year	187,463,906	289,839,528
Less : adjustment relating to fixed assets [refer note 11(ii)]	-	(798,089)
Revised balance at the commencement of year	187,463,906	289,041,439
Add : profit for the year	44,168,950	13,196,742
	231,632,856	302,238,181
Less : appropriations		
Proposed dividend on equity shares	17,835,800	17,835,800
Tax on proposed dividend on equity shares	3,630,949	3,651,821
Dividend distribution tax adjustment	-	(6,713,346)
Transfer to debenture redemption reserve	-	100,000,000
Total appropriations	21,466,749	114,774,275
Net surplus in the statement of profit and loss	210,166,107	187,463,906
	731,529,432	708,827,231
5 Money received against share warrants		
1,70,00,000 share warrants allotted with an option to convert into equivalent equity share		
At the commencement of the year	-	22,100,000
Add: money received during the year	-	66,300,000
Less:- conversion into equivalent equity shares	-	(88,400,000)
	-	-

- (i) The Company had allotted 17,000,000 warrants of issue price of Rs. 5.20 each with an option to convert each warrant into one equity share of Nominal Value of Rs. 2 each at a price of Rs. 5.20 per share, including premium of Rs. 3.20 per share to the promoter group on preferential basis. The share warrants were converted into equivalent equity shares in previous year.

6 Long-term provisions

Provision for employee benefits
Provision for gratuity [refer note 31]



3,278,080	1,852,299
3,278,080	1,852,299

Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
7 Short-term borrowings		
Secured borrowings		
5,500 (2015:5,600) redeemable non-convertible debentures of Rs 100,000 each [refer note 7(i) & 7(ix)]	550,000,000	560,000,000
From banks		
Bank overdraft [refer note 7(ii)]	8,489,929	8,108,082
Term loan [refer note 7(iii) & 7(ix)]	4,077,186	-
From others [refer note 7(iv), 7(v), 7(ix) & 34(iv)]	548,200,000	310,379,000
Unsecured borrowings		
From banks		
Bank overdraft [refer note 7(vi) & 7(ix)]	26,036,978	-
From others [refer note 7 (vii), (viii), (ix) & 7(x)]	597,100,000	317,252,760
	1,733,904,093	1,195,739,842

Notes:

A Details of security on loans

- (i) Non Convertible Debentures (NCD) are secured against first equitable mortgage over the leasehold rights on plot at Jodhpur and charge over escrow account on receivables from the project situated at Jodhpur. The interest on debentures is 12% p.a. with 9 months compounding, payable at the time of redemption. The NCD is redeemable from April 2017 to December 2017. During the year company has redeemed 100 nos of debentures.
- (ii) Bank overdraft of Rs 0.85 crores (2015 : Rs 0.81 crores) is secured against fixed deposits and interest rate is bank rate plus 2%.
- (iii) Commercial equipment loans (2 nos.) are secured by hypothecation of the respective equipment purchased. The loans are repayable in equated monthly installments of Rs. 59,870 for each loan beginning from the month subsequent to the taking of the loan. The last installment for the loans are due in August 2019.
- (iv) Term loan of Rs. 31.04 crore was secured by way of first and exclusive charge on unsold units / flats in project situated at Borivali along with receivables, pari passu charge on land and receivables from project at Kalina. Also over specific unsold units and receivables from specific sold / unsold units in the project at Vashi. The loan carried an interest rate of 19% p.a. and was repayable in 4 equal quarterly installments of Rs.8.125 crores started from May 2015.
- (v) Term Loan of Rs.54.82 crores is secured by way of first and exclusive charge on unsold units / flats in project situated at Borivali along with receivables, pari passu charge on land and receivables from project at Kalina. Also over specific unsold units and receivables from specific sold / unsold units in the project at Vashi. The loan carries an interest rate of 22% p.a. and is repayable in 4 equal quarterly installments of Rs.15.00 crores started from end of 39th month from the date of first disbursement.
- (vi) Bank overdraft of Rs 2.60 crores (2015 : Rs Nil) carries an interest rate of base rate plus 2.90% to 3% p.a.
- (vii) Rs. Nil (2015 : 0.65 crore) term loan carried an interest rate of 19% p.a. which was payable in lump sum by 7 September 2015.
- (viii) Term loan of Rs.19.96 crores (2015: Rs. 10.76 crores) carries an interest rate of 17.85% p.a. and is secured by personal assets of directors/ shareholders. The term loan is repayable in equated monthly installment of Rs. 72,30,479 (including interest) starting from June 2016. The last installment is due by May 2019.
- (ix) All the above term loans, bank overdraft and the debentures are secured by personal guarantees of director/shareholders of the Company.
- (x) Other unsecured loans are repayable on demand and carrying interest rates ranging upto 18% p.a.

8 Trade payables

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

463,714,982 354,193,417

463,714,982 354,193,417



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
9 Other current liabilities		
Interest accrued but not due on borrowings		
- debentures	129,806,652	93,443,870
Interest accrued and due on borrowings		
- term loans	27,150,411	13,381,223
- unsecured loans		
others	152,813,249	160,392,901
related party	447,638	-
Unpaid dividend *	668,278	511,557
Other payables		
- advance received from customer	146,002,163	218,957,242
- refundable advances	351,266,836	339,227,015
- statutory dues payable**	103,143,128	94,582,835
- employee benefits payable	3,652,758	1,989,209
- interest free deposits [refer note 32]	435,200,000	688,500,000
- other liabilities	75,096,140	42,431,724
	1,425,247,253	1,653,417,576

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

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

10 Short-term provisions

Provision for employee benefits

Provision for gratuity [refer note 31]	332,969	156,011
	332,969	156,011

Other provisions

Provision for taxation [net of advance tax and tax deducted at source Rs. 87,047,921 (2015:Rs.115,146,733)]	7,527,421	62,655,851
Provision for wealth tax	-	24,700
Proposed dividend on equity shares	17,835,800	17,835,800
Tax on proposed dividend	25,964,168	20,501,689
	51,327,389	101,018,040
	51,660,358	101,174,051



Notes to the financial statements (Continued)

(Currency: Indian Rupees)

Notes:

(i) Depreciation aggregating Rs. 13,21,371 (2015: Rs 717,176) has been transferred to 'construction work-in-progress' and Rs. NIL (2015: Rs.106,659) has been transferred to 'investment under construction property'.

Notes:

(i) Depreciation aggregating Rs. 13,21,371 (2015: Rs. 717,176) has been transferred to 'construction work-in-progress' and Rs. NIL (2015: Rs.106,659) has been transferred to 'investment under construction property'

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

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

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

Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
12 Non-current investments (at cost)		
Trade investments : unquoted		
Investment in equity instruments		
(par value of Rs.10/- and fully paid-up, unless otherwise stated)		
<i>In subsidiaries</i>		
10,000 (2015: 10,000) equity shares of Satra Buildcon Private Limited	100,000	100,000
40,000 (2015: 40,000) equity shares of Satra Estate Development Private Limited	400,000	400,000
40,000 (2015: 40,000) equity shares of Satra Infrastructure and Land Developers	400,000	400,000
40,000 (2015: 40,000) equity shares of Satra Lifestyles Private Limited	400,000	400,000
14,603,900 (2015: 14,603,900) equity shares of Satra Property Developers Private	585,616,450	585,616,450
100 (2015: 100) equity shares of Satra International Realtors Limited, UAE of AED 10,000 each	11,711,600	11,711,600
<i>In associates</i>		
2,000 (2015: 2,000) equity shares of C. Bhansali Developers Private Limited.	20,000	20,000
Other non-current investments		
624 (2015: 624) equity shares of The Cosmos Co-operative Bank Limited of Rs 100 each.	62,400	62,400
Aggregate amount of unquoted investments	598,710,450	598,710,450
Investment in property under construction [refer note 12(i)]		
Development rights	-	412,583,740
Professional and legal fees	-	7,999,056
Civil, electrical and contracting	-	207,384,723
Depreciation and amortisation [refer note 11]	-	432,895
Administrative and other expenses	-	10,344,971
Borrowing costs	-	301,231,393
	-	939,976,778
Less: transferred to inventory	-	(939,976,778)
	598,710,450	598,710,450
(i) During the previous year the Company had re-classified costs incurred on its Jodhpur project from construction work-in-progress (inventories) to investment property under construction (non-current investments).		
13 Deferred tax assets		
The components of deferred tax balances are as follows:-		
- difference between book depreciation and depreciation as per Income Tax Act, 1961.	5,471,959	5,591,106
Add: adjustment relating to fixed assets [refer note 11(ii)]	-	383,303
	5,471,959	5,974,409
- on provision allowable on a payment basis under the Income Tax Act, 1961	1,115,814	620,568
	6,587,773	6,594,977
14 Long-term loans and advances		
<i>(unsecured and considered good)</i>		
- Advance tax and tax deducted at source [net of provision for tax Rs 69,213,523 (2015:Rs.63,613,523)]	31,271,702	14,563,469
	31,271,702	14,563,469
15 Inventories		
Construction work-in-progress [refer note 12(i), 26 & 32]	1,631,149,095	1,394,796,109
Materials at site	22,421,949	21,305,365
	1,653,571,044	1,416,101,474



Satra Properties (India) Limited

Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

2016 2015

16 Trade receivables

(unsecured and considered good)

Debts outstanding for a period exceeding six months from the date they are due for payment
Other debts [for related party refer note 32]

861,596,823 980,947,110
129,324,118 144,694,367

990,920,941 1,125,641,477

17 Cash and bank balances

Cash and cash equivalents

Cash on hand

2,354,728 1,539,058

Balances with banks

-On current accounts

3,997,177 4,644,585

6,351,905 6,183,643

Other bank balances

- Earmarked balances with banks (under lien)

677,116 530,225

- Balances in deposits with original maturity of less than 12 months but more than 3 months

19,795,754 11,314,502

26,824,775 18,028,370

Details of bank balances / deposits

Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'

19,795,754 11,314,502

18 Short-term loans and advances

(Unsecured and considered good)

Short-term loans and advances given to related parties [refer note 32 & 36]

670,504,515 437,937,280

Loans and advances given to other parties

376,131,708 357,457,522

Others

- Advances to staff

160,000 273,250

- Advances to vendors

48,252,213 85,739,533

- Prepaid expenses

1,601,235 1,105,565

- Deposits*

8,086,576 5,308,971

- Balance with revenue authorities

1,443,205 2,505,442

1,106,179,452 890,327,563

* includes Rs 2,150,000 (2015: Rs 2,150,000) rent deposit given to the Managing Director.

19 Other current assets

Interest accrued on fixed deposits with banks

167,483 128,994

Interest accrued and due from related parties [refer note 32]

328,898,539 286,996,685

Interest accrued and due from other parties

13,226,106 10,983,770

342,292,128 298,109,449



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

	2016	2015
20 Revenue from operations		
Revenue from sale of properties	14,477,412	229,978,629
Revenue from work contract	847,938,435	349,804,890
Other operating revenues		
Compensation received	50,000,000	-
	912,415,847	579,783,519
21 Other income		
Interest income on		
- fixed deposits with banks	1,217,349	1,195,127
- loans given to related parties [refer note 32]	49,840,690	3,302,899
- loans given to other party	3,314,733	2,248,633
- Other interest	1,036,046	-
Dividend from others	6,240	7,488
Other non-operating income		
- liabilities written back to the extent no longer required	41,354,235	130,635,854
- profit on sale of fixed assets	6,993	10,643
- foreign exchange gain	808,249	-
- other income	257,672	-
	97,842,207	137,400,644
22 Cost of construction		
Opening inventory		
Material at site	21,305,365	14,190,350
Construction work-in-progress	1,394,796,109	405,477,187
Finished goods	-	12,437,254
(A)	1,416,101,474	432,104,791
Incurred during the year		
Development rights / land cost	189,733	-
Professional and legal fees	3,884,365	3,532,798
Civil, electrical and contracting	840,089,338	451,688,912
Depreciation and amortisation [refer note 11]	1,321,371	717,176
Administrative and other expenses	42,265,205	12,372,065
Borrowing costs [refer note 24]	101,400,848	65,551,004
Compensation paid	69,703,430	1,197,000
Transfer from 'investment in property under construction' (including borrowing cost of Rs. 27,637,944 and depreciation of Rs.106,659 incurred during the previous year)	-	939,976,778
(B)	1,058,854,290	1,475,035,733
Closing inventory		
Material at site	22,421,949	21,305,365
Construction work-in-progress	1,631,149,095	1,394,796,109
Finished goods	-	-
(C)	1,653,571,044	1,416,101,474
(A) + (B) - (C)	821,384,720	491,039,050
23 Employee benefits		
Salaries, wages and bonus	11,527,113	7,760,288
Contribution to provident and other funds	1,573,969	1,029,292
Staff welfare expenses	245,821	140,312
Gratuity (refer note 31)	1,703,089	957,927
	15,049,992	9,887,819



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

	2016	2015
24 Finance costs		
Interest on short-term borrowings		
Debentures	40,403,091	99,356,112
From banks	2,272,347	692,788
Others	155,256,369	119,194,988
Interest on delayed payment of trade payables	4,526,513	5,548,364
Interest on delayed payment of statutory dues	5,130,305	14,356,013
Other borrowing costs		
Processing charges	9,504,680	4,469,906
Stamp duty	1,400,000	1,000,000
Other Charges	1,107,346	-
	219,600,651	244,618,171
Less: borrowing costs transferred to construction work-in-progress /investment under construction property (refer note 22)	101,400,848	93,188,948
	118,199,803	151,429,223
25 Other expenses		
Profession and legal fees	5,952,003	3,132,974
Advertisement and sales promotion expenses	8,443,313	3,399,474
Power and fuel	2,247,118	2,371,756
Rent	11,628,175	12,338,243
Telephone expenses	343,480	299,048
Bad debts	-	5,544,567
Foreign exchange loss	-	504,258
Repairs and maintenance		
- others	703,474	266,716
Insurance	43,204	66,674
Rates and taxes	953,334	556,526
Payment to auditors (including service tax)		
As auditors		
- Statutory audit	458,000	449,440
- Tax audit	229,000	224,720
- Limited review of quarterly results	685,000	898,880
In other capacity		
- Taxation matters	3,280	185,020
Directors' sitting fees	260,409	342,698
Corporate Social Responsibility (CSR) expenditure	1,350,000	1,900,000
Printing and stationery	859,284	892,563
Miscellaneous expenses	1,695,976	1,202,931
	35,855,050	34,576,488



Satra Properties (India) Limited

Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian Rupees)

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

Particulars	2016	2015
Contract revenue recognised for the year	847,938,435	349,804,890
Aggregate amount of contract costs incurred (net of inventory adjustments) for contracts existing as at the year end	655,819,464	324,123,977
Aggregate contract profits/losses recognized for contracts existing as at the year end	192,118,971	25,680,913
Contract advances	72,405,408	175,040,976
Retention money	4,847,400	2,632,291
Gross Amount due from Customers for contract work	141,615,946	72,142,422
Gross Amount due to customers for contract work	72,405,408	175,040,976

27. Earnings per share

Particulars	2016	2015
Basic earnings per share		
Net profit after tax attributable to equity shareholders (A)	44,168,950	13,196,742
Number of equity shares at the beginning of the year	178,358,000	161,358,000
Number of equity shares outstanding at the end of the year (B)	178,358,000	178,358,000
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (C)	178,358,000	164,199,096
Basic earnings (in rupees) per share of par value Rs 2 (A)/(C)	0.25	0.08
Dilutive earnings per share		
Net profit after tax attributable to equity shareholders (Existing and potential) (A)	44,168,950	13,196,742
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (B)	178,358,000	164,199,096
Weighted average number of potential equity shares outstanding during the year (C)	-	-
Weighted average number of equity shares for calculation of dilutive earnings per share (D) = (B+C)	178,358,000	164,199,096
Dilutive earnings (in rupees) per share of par value Rs 2 (A)/(D)	0.25	0.08

28. Contingencies

Particulars	2016	2015
Income tax liabilities under dispute	123,251,696	171,626,367
Corporate guarantee given on behalf of Satra Buildcon Private Limited to IDBI Bank for sanction of loan amounting of Rs 130 crores	800,000,000	600,000,000



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

29. Segment reporting

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

30. CIF values of imported goods

Particulars	2016	2015
Construction materials	51,478,126	-
Total	51,478,126	-

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

i) Defined Benefit Plans

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

	2016	2015
I Change in the defined benefits obligation		
Liability at the beginning of the year	2,008,310	1,080,499
Interest cost	152,735	98,021
Current service cost	730,177	403,437
Benefits paid	(100,350)	(30,115)
Actuarial (gain) / loss on obligations	820,177	456,468
Liability at the end of the year	3,611,049	2,008,310
II Amount recognised in the balance sheet		
Liability at the end of the year	3,611,049	2,008,310
Fair value of plan assets at the end of the year	-	-
Difference	(3,611,049)	(2,008,310)
Amount recognised in the balance sheet	(3,611,049)	(2,008,310)



Satra Properties (India) Limited

Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian Rupees)

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

i) Defined Benefit Plans (Continued)

	2016	2015
III Expenses recognised in the statement of profit and loss		
Current service cost	730,177	403,437
Interest cost	152,735	98,021
Expected return on plan assets	-	-
Net actuarial (gain) / loss to be recognized	820,177	456,468
Expense recognised in the statement of profit and loss	1,703,089	957,926
IV Balance sheet reconciliation		
Opening net liability	2,008,310	1,080,499
Expense as above	1,703,089	957,927
Benefits paid	(100,350)	(30,115)
Amount recognised in the balance sheet	3,611,049	2,008,310
V Actuarial assumptions		
Discount rate	8.00%	7.80%
Salary escalation	6.00%	6.00%
VI Reconciliation of present value obligation and the fair value of plan assets	2016	2015
	2014	2013
	2012	
Present value of defined benefits obligation	3,611,049	2,008,310
Fair value of the plan assets	-	-
Deficit in the plan	3,611,049	2,008,310
VII Experience adjustments on:		
Plan liabilities (gain)/loss	(820,177)	(456,468)
Plan assets	-	-
VIII Schedule VI details	2016	2015
Current liability	332,969	156,011
Non-current liability	3,278,080	1,852,299

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

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

ii) Defined contribution plan

Contribution to provident and other funds aggregating to Rs. 1,573,969 [2015: Rs.1,029,292] is recognised as an expense and included in "Employee benefits expense".

iii) Compensated absences

Compensated absences for employee benefits of Rs. 638,147 [2015: Rs 430,919] has been recognised as a gain/expense during the year.



Satra Properties (India) Limited

Notes to the financial statements (*Continued*) for the year ended 31 March 2016

(Currency: Indian Rupees)

32. Related party disclosures

A Parties where control exists:

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

II. Subsidiaries

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

III. Step down subsidiaries

- Satra Realty and Builders Limited
- RRB Realtors Private Limited

B Other related parties:

I. Associates

- C. Bhansali Developers Private Limited

II. Entities over which key managerial personnel or their relatives exercises significant influence (*Where transactions have taken place during the year*)

- Satra Infrastructure Development Private Limited
- Satra Property Development Private Limited
- Satra Land Development Private Limited

III. Relative of Key Managerial Personnel

(*Where transactions have taken place during the year*)

- Rushabh P. Satra
- Vrutika P. Satra



Satra Properties (India) Limited

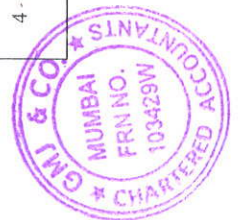
Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian Rupees)

32. Related party disclosures (Continued)

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

Sr. No.	Nature of transaction	Subsidiary/ Stepdown subsidiary company		Associates/ Joint Venture		Entities over which key managerial personnel or their relatives exercises significant influence		Key managerial personnel and their relatives		Total	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
1	Loan taken	-	-	-	-	-	-	10,000,000	-	10,000,000	-
2	Advances received	-	-	-	-	-	-	-	66,825,000	-	66,825,000
2	Loans given	449,932,470	133,720,000	-	-	-	-	-	-	449,932,470	133,720,000
3	Interest income	49,840,690	3,302,899	-	-	-	-	-	-	49,840,690	3,302,899
4	Interest expenses	-	-	-	-	-	-	497,377	-	497,377	-
5	Receiving of services	-	-	-	-	-	-	13,855,017	12,338,243	13,855,017	12,338,243
6	Services provided (excl. taxes)	814,630,847	264,326,242	-	-	-	-	-	-	814,630,847	264,326,242
7	Share issued (incl. premium)	-	-	-	-	-	-	-	33,800,000	-	88,400,000
8	Share warrant issued	-	-	-	-	-	-	-	25,350,000	-	66,300,000
9	Deposit received	-	426,000,000	-	-	-	-	-	-	-	426,000,000
10	Investment in subsidiaries	-	900,000	-	-	-	-	-	-	-	900,000
Outstanding balances receivable											
1	Loans alongwith the net interest	877,213,923	602,744,834	122,189,131	122,189,131	-	-	-	-	999,403,054	724,933,965
2	Deposit given	-	-	-	-	-	-	2,150,000	2,150,000	2,150,000	2,150,000
3	Advances given	-	-	4,000,000	4,000,000	-	-	-	-	4,000,000	4,000,000
4	Sundry debtors	73,602,850	14,415,306	-	-	-	-	-	-	73,602,850	14,415,306
Outstanding balances payable											
1	Loans alongwith the net interest	-	-	-	-	-	-	447,638	-	447,638	-
2	Deposits taken	430,200,000	433,500,000	-	-	-	-	-	-	430,200,000	433,500,000
3	Sundry creditors	-	-	-	-	-	-	570,600	3,149,523	570,600	3,149,523
4	Advance received	72,405,408	175,040,976	-	-	-	-	-	-	72,405,408	175,040,976



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

32. Related party disclosures (Continued)

Details of material related party transactions which are more than 10% of the total transactions of the same type with a related party during the year ended 31 March 2016.

S. N	Nature of transaction	Total	
		2016	2015
1	Loan taken Praful N. Satra	10,000,000	-
2	Advances Received Praful N. Satra	-	66,825,000
3	Loans given Satra Property Developers Private Limited	434,750,028	132,020,000
4	Interest income Satra Property Developers Private Limited	49,078,005	3,283,074
5	Interest expenses Praful N. Satra	497,377	-
6	Receiving of services Praful N. Satra Rushabh P. Satra	13,221,017 634,000	12,338,243 -
7	Services provided Satra Buildcon Private Limited	741,860,573	250,699,071
8	Share issued (incl. premium) Rushabh P. Satra Vrutika P. Satra Satra Land Development Private Limited Satra Infrastructure Development Private Limited	- - - -	31,200,000 23,400,000 20,800,000 13,000,000
9	Share warrant issued Rushabh P. Satra Vrutika P. Satra Satra Land Development Private Limited Satra Infrastructure Development Private Limited	- - - -	23,400,000 17,550,000 15,600,000 9,750,000
10	Deposit received Satra Buildcon Private Limited	-	397,000,000
11	Investment in subsidiaries Satra Estate Development Private Limited Satra Infrastructure and Land Developers Private Limited Satra Lifestyles Private Limited	- - -	30,000 30,000 30,000
<i>Outstanding balances receivable</i>			
1	Loans alongwith the net interest Satra Property Developers Private Limited Satra International Realtors Limited C.Bhansali Developers Private Limited	373,715,570 487,511,652 122,189,131	115,115,340 487,511,652 122,189,131
2	Deposits Praful N. Satra	2,150,000	2,150,000



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

32. Related party disclosures (Continued)

Details of material related party transactions which are more than 10% of the total transactions of the same type with a related party during the year ended 31 March 2016.

Sr. No.	Nature of transaction	Total	
		2016	2015
3 Advances given			
	C.Bhansali Developers Private Limited	4,000,000	4,000,000
4 Sundry debtors			
	Satra Realty and Builder Limited	73,602,850	14,415,306
	Outstanding balances payables		
1 Loans alongwith the net interest			
	Praful N. Satra	447,638	-
2 Deposits			
	Satra Buildcon Private Limited	401,200,000	404,500,000
3 Sundry creditors			
	Praful N. Satra	-	3,149,523
	Rushabh P. Satra	570,600	-
4 Advance received			
	Satra Buildcon Private Limited	72,405,408	175,040,976

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

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

	2016	2015
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-



Satra Properties (India) Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

34. Other matters

- i) In format in with regard to other matters specified in Schedule III of the Act, is either nil or not applicable to the Company for the year.
- ii) In the opinion of the directors, current assets, loans and advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business. Sundry Debtors, Creditors and advances are subject to confirmation.
- iii) In the opinion of the directors, provision has been made for all known liabilities and the same is not in excess of the amounts considered reasonably necessary.

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

i. Particulars in respect of loans and advances to subsidiary companies:							
Name of the company		Balance as at		Maximum outstanding during the year			
		2016	2015	2016	2015	2016	2015
1	Satra International Realtors Limited*	487,511,652	487,511,652	487,511,652	487,511,652	487,511,652	487,511,652
2	Satra Property Developers Private Limited	373,715,570	115,115,340	505,725,368	115,115,340	505,725,368	115,115,340
3	Satra Estate Development Pvt Limited	6,718,280	117,842	6,718,280	1,700,000	6,718,280	1,700,000
ii. Particulars of loans and advances to associates:							
Name of the Company		Balance as at		Maximum outstanding during the year			
		2016	2015	2016	2015	2016	2015
1	C. Bhansali Developers Private Limited*	126,189,131	126,189,131	126,189,131	126,189,131	126,189,131	126,189,131

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

* Non-interest bearing loans.

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



Satra Properties (India) Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

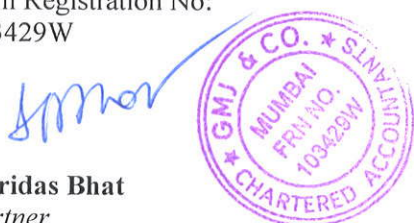
(Currency: Indian Rupees)

37. Prior year comparatives

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

As per our report of even date attached.

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



Haridas Bhat
Partner
Membership No: 039070

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

Manan Y. Udani
Company Secretary

Vidyadhar D. Khadilkar
Director

DIN: 01548603

Praful N. Satra
Chairman and
Managing
Director

DIN: 00053900

Mumbai, 27 May 2016

Mumbai, 27 May 2016

