

**Independent Auditor's Report**

To the Members of  
**Satra Realty and Builders Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Satra Realty and Builders 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 Financial Statements**

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

**Auditor's Responsibility**

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

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

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

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



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

### Opinion

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

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

### Report on Other Legal and Regulatory Requirements.

1. As required by the Companies ( Auditor's Report ) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the Directors as on March 31, 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and



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

- i. The company does not have any pending litigations which have an impact on its financial position or require disclosure in its 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 were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W

**Haridas Bhat**

Partner

Membership Number: 039070



Mumbai

May 11, 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. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the, Companies Act, 2013. Accordingly sub-clause (a) to (c) of clause 3(iii) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of Section 185 apply. The Company has complied with the provisions of Section 186 of the Act, with respect to the loans, investments, guarantees and security if any.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and other relevant provisions with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Therefore, paragraph 3(vi) of Order is not applicable to the company.



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

According to the information and explanations given to us, *except for Rs. 43,43,794 /- on account of Works Contract Tax, Rs.2,16,825/- on account of Value added tax, Rs.3,51,239/- on account of TDS*, no undisputed amounts payable in respect of Profession tax, Customs duty, Provident fund, 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, No dues are payable to appropriate authorities on account of dispute as at 31st March, 2016.
- viii. In According to the information and explanations given to us, the company has not defaulted in repayment of dues to banks and financial Institutions.

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

- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Therefore, paragraph 3 (ix) of the Order is not applicable.
- 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 of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii. In our opinion and according to the information given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanation give to us and based on our examination of the records of the Company, the transactions with related parties are in compliance of section 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.



- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the company.
- xv. According to the information and explanation given to us and based on our examination of the records, company has not entered into any non-cash transactions with the directors or persons connected with him under the provisions of section 192 of Companies Act, 2013. Therefore, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable.

For **GMJ & Co.**

Chartered Accountants

Firm Registration Number: 103429W



**Haridas Bhat**

Partner

Membership Number: 039070

Mumbai

May 11, 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 Realty and Builders Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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



## 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 11, 2016

**Satra Realty and Builders Limited**

**Balance sheet**

as at 31 March 2016

(Currency: Indian Rupees)

	Notes	2016	2015
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share capital	3	500,000	500,000
Reserves and surplus	4	(66,291,912)	(64,427,306)
		<u>(65,791,912)</u>	<u>(63,927,306)</u>
<b>NON - CURRENT LIABILITIES</b>			
Long-term borrowings	5	898,536	1,809,653
Long-term provisions	6	893,384	792,434
		<u>1,791,920</u>	<u>2,602,087</u>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	7	839,883,299	698,725,000
Trade payables	8	164,924,960	88,053,437
Other current liabilities	9	693,004,869	531,604,469
Short-term provisions	10	26,986	22,815
		<u>1,697,840,114</u>	<u>1,318,405,721</u>
<b>TOTAL</b>		<u><u>1,633,840,122</u></u>	<u><u>1,257,080,502</u></u>
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Fixed assets			
-Tangible assets	11	2,730,805	3,998,749
Deferred tax asset (net)	12	27,911,926	-
Long-term loans and advances	13	3,720,128	2,596,583
		<u>34,362,859</u>	<u>6,595,332</u>
<b>CURRENT ASSETS</b>			
Inventories	14	1,349,891,909	960,907,053
Trade receivables	15	1,500,583	-
Cash and cash equivalents	16	2,946,339	4,804,045
Short-term loans and advances	17	245,138,432	284,774,072
		<u>1,599,477,263</u>	<u>1,250,485,170</u>
<b>TOTAL</b>		<u><u>1,633,840,122</u></u>	<u><u>1,257,080,502</u></u>
Significant accounting policies	2		
Notes to the financial statements	3-34		

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, 11 May 2016



For and on behalf of the Board of Directors

Satra Realty and Builders Limited

Shweta B. Patil

Company Secretary

Mumbai, 11 May 2016

Minaxi P. Satra

Director

DIN : 00053884

Praful N. Satra

Director

DIN : 00053900

**Satra Realty and Builders Limited**

**Statement of profit and loss**  
for the year ended 31 March 2016

(Currency: Indian Rupees)

	Notes	2016	2015
<b>INCOME</b>			
Revenue from operations	18	-	296,908
Other income	19	4,292,608	19,074,532
<b>Total revenue</b>		<b>4,292,608</b>	<b>19,371,440</b>
<b>EXPENSES</b>			
Cost of construction	20	-	-
Finance costs	21	2,256,998	2,503,320
Depreciation and amortisation	11	814,245	1,179,915
Other expenses	22	30,997,897	79,667,019
<b>Total expenses</b>		<b>34,069,140</b>	<b>83,350,254</b>
<b>Profit / (loss) before tax</b>		<b>(29,776,532)</b>	<b>(63,978,814)</b>
<b>Tax expenses:</b>			
- Current tax		-	-
- Deferred tax	12	(27,911,926)	(37,146)
<b>Profit / (loss) after tax for the year</b>		<b>(1,864,606)</b>	<b>(63,941,668)</b>
Earnings per equity share (Rs.)			
Basic and diluted (face value of Rs.10 per share)	33	(37.29)	(1,278.83)
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3-34		

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, 11 May 2016



**For and on behalf of the Board of Directors**  
**Satra Realty and Builders Limited**

*Shweta B. Patil*

**Shweta B. Patil**  
Company Secretary

Mumbai, 11 May 2016

*Minaxi P. Satra*

**Minaxi P. Satra**  
Director  
DIN : 00053884

*Praful N. Satra*

**Praful N. Satra**  
Director  
DIN : 00053900



**Satra Realty and Builders Limited**

**Cash flow statement**

for the year ended 31 March 2016

(Currency: Indian Rupees)

	2016	2015
<b>Cash flows from operating activities :</b>		
<b>Profit / (loss) before tax</b>	(29,776,532)	(63,978,814)
Adjusted for:		
Finance costs	2,256,998	2,503,320
Depreciation and amortisation	814,245	1,179,915
Interest income	(4,292,608)	(19,074,532)
<b>Operating profit/(loss) before working capital changes</b>	<u>(30,997,897)</u>	<u>(79,370,111)</u>
<b>Changes in working capital</b>		
(Increase) / decrease in inventories	(248,572,596)	(165,374,991)
(Increase) / decrease in short-term loans and advances	(127,014,039)	(95,328,144)
(Increase) / decrease in trade receivable	(1,500,583)	-
Increase/ (decrease) in long term provision	100,950	792,434
Increase/ (decrease) in trade payables	76,871,523	82,188,083
Increase/ (decrease) in other current liabilities	143,273,274	458,581,812
Increase/ (decrease) in short-term provisions	4,171	(31,935)
	<u>(156,837,300)</u>	<u>280,827,259</u>
<b>Cash generated from / (used in) operations</b>	(187,835,197)	201,457,148
Taxes paid	(1,123,545)	(2,576,583)
<b>Net cash generated from / (used in) operating activities</b>	<u>(188,958,742)</u>	<u>198,880,565</u>
	A	
<b>Cash flows from investing activities :</b>		
Purchase of fixed assets	(43,590)	(400,256)
Loan given	(4,500,000)	(293,200,000)
Loan received back	171,149,679	126,550,322
Interest received	4,292,608	19,074,532
<b>Net cash generated from / (used in) investing activities</b>	<u>170,898,697</u>	<u>(147,975,402)</u>
	B	
<b>Cash flows from financing activities :</b>		
Repayment of long-term borrowings	(820,730)	(760,373)
Proceeds from short-term borrowings	414,739,953	87,400,000
Repayment of short-term borrowings	(273,581,654)	(13,696,430)
Finance costs paid	(124,135,230)	(120,525,977)
<b>Net cash generated from / (used in) financing activities</b>	<u>16,202,339</u>	<u>(47,582,780)</u>
	C	
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(1,857,706)</u>	<u>3,322,383</u>
	(A+B+C)	
Cash and cash equivalents, beginning of year	4,804,045	1,481,662
Cash and cash equivalents, end of year	<u>2,946,339</u>	<u>4,804,045</u>
<b>Cash and cash equivalents, end of year comprise of :</b>		
Cash on hand	546,527	687,347
Balance with banks		
- in current accounts	2,399,812	4,116,698
	<u>2,946,339</u>	<u>4,804,045</u>

Note :- The cash flow statement has been prepared under the "Indirect Method" as prescribed in Accounting Standard - 3 'Cash Flow Statements'.

As per our report of even date attached.

**For GMJ & Co.**

Chartered Accountants

Firm Registration No. 103429W

**Haridas Bhat**

Partner

Membership No. 039070

Mumbai, 11 May 2016



**For and on behalf of the Board of Directors**

**Satra Realty and Builders Limited**

*Shweta B. Patil*

**Shweta B. Patil**

Company Secretary

Mumbai, 11 May 2016

*Minaxi P. Satra*

**Minaxi P. Satra**

Director

DIN : 00053884

*Praful N. Satra*

**Praful N. Satra**

Director

DIN : 00053900



# Satra Realty and Builders Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

### 1 Company overview

The Company was incorporated on 20 August 2007 as Satra Realty and Builders Limited. The name of the Company was changed to Satra DLH Realty and Builders Limited on 20 September 2012 and subsequently to Satra Realty and Builders Limited on 23 October 2013. The Company is engaged in the business of real estate, construction and re-development.

During the financial year 2013 - 2014, the Company has become wholly owned subsidiary of Satra Property Developers Private Limited, which is further a wholly owned subsidiary of Satra Properties (India) Limited.

### 2 Summary of significant accounting policies

#### 2.1 Basis of preparation of financial statements

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

#### 2.2 Current / Non-current classification

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

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

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.



# Satra Realty and Builders Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

### *Operating cycle*

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

### **2.3 Use of Estimates**

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

### **2.4 Fixed assets and depreciation / 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 Realty and Builders Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

### 2.5 Impairment of assets

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

### 2.6 Investments

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

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

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

### 2.7 Inventories

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

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

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



# Satra Realty and Builders Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

### 2.8 Revenue recognition

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

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

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

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

Interest income is recognized on time proportion basis.

### 2.9 Borrowing costs

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

### 2.10 Employment benefits

#### (a) Short term employee benefits

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



# Satra Realty and Builders Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

### (b) Post-employment benefits

#### *Defined benefit plan:*

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

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

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

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

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

### 2.11 Taxation

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

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

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

### 2.12 Foreign currency transactions

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

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



# Satra Realty and Builders Limited

## Notes to the financial statements *(Continued)*

for the year ended 31 March 2016

*(Currency: Indian Rupees)*

### **2.13 Operating lease**

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

### **2.14 Earnings per share (EPS)**

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

### **2.15 Provision and contingent liabilities**

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

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



2016 2015

**3 Share capital**

**Authorised capital:**

50,000 (2015 : 50,000) equity shares of Rs. 10 each

500,000	500,000
<u>500,000</u>	<u>500,000</u>

**Issued, subscribed and paid up capital**

50,000 (2015 : 50,000) equity shares of Rs. 10 each fully paid up

500,000	500,000
<u>500,000</u>	<u>500,000</u>

**Sub-notes:**

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

Equity shares	31 March 2016		31 March 2015	
	Number of equity shares (units)	Amount	Number of equity shares (units)	Amount
At the beginning of the year	50,000	500,000	50,000	500,000
Add: issued during the year	-	-	-	-
At the end of the year	<u>50,000</u>	<u>500,000</u>	50,000	500,000

b) Rights, preferences and restrictions attached to shares

**Equity shares :**

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

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

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

Name & Status of shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of shares	% of holding	No. of shares	% of holding
<b>Holding Company</b> Satra Property Developers Private Limited	50,000	100	50,000	100
<b>Ultimate Holding Company</b> Satra Properties (India) Limited	-	-	-	-
	<u>50,000</u>	<u>100</u>	50,000	100

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

Name of shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of shares	% of holding	No. of shares	% of holding
Satra Property Developers Private Limited	50,000	100	50,000	100



**Satra Realty and Builders Limited**

**Notes to the financial statements (Continued)**  
as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
<b>4 Reserves and surplus</b>		
<b>Surplus / (deficit) in the statement of profit and loss</b>		
At the commencement of the year	(64,427,306)	(485,638)
Add: Profit / (loss) for the year transferred	(1,864,606)	(63,941,668)
Net Surplus / (deficit) in the statement of profit and loss	<u>(66,291,912)</u>	<u>(64,427,306)</u>
	<u>(66,291,912)</u>	<u>(64,427,306)</u>

**5 Long-term borrowings**

From other (secured)		
Vehicle loan [refer note 5(i)]	898,536	1,809,653
	<u>898,536</u>	<u>1,809,653</u>

**Notes:**

- (i) Vehicle loan is secured by hypothecation of the respective vehicle purchased. Payment of equated monthly installments of Rs. 88,333 beginning from the month subsequent to taking the loan i.e. March 2014. The last installment will be due by February 2018.

**6 Long-term provision**

<b>Provision for employee benefits</b>		
Provision for gratuity [refer note 30 ]	893,384	792,434
	<u>893,384</u>	<u>792,434</u>

**7 Short-term borrowings**

**Secured borrowings**

Term loans		
- from others [refer note 7(i), 7(ii) & 27(ii)]	343,620,000	551,475,000

**Unsecured borrowings [refer note 7(iii)]**

- from related parties [refer note 29 ]	424,873,499	147,250,000
- from other party	71,389,800	-

<u>839,883,299</u>	<u>698,725,000</u>
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**Notes:**

- (i) Rs 34.36 (2015: Rs 55.15) crores is secured against exclusive mortgage on residential project at Upper Chembur, Mumbai alongwith charge on scheduled receivables, additional receivables, insurance receipts from the project and escrow account of receivables. The loan carries an interest rate of 18% p.a. alongwith 5% revenue sharing. Repayable in 8 equal quarterly installments of Rs 7.5 crores starting from March 2015.
- (ii) The above term loan is secured by personal guarantee of director of the Company.
- (iii) Unsecured loan from related parties and from others are repayable on demand.



**Satra Realty and Builders Limited**

**Notes to the financial statements (Continued)**  
as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
<b>8 Trade payables</b>		
Dues to micro and small enterprises [refer note 26 ]	-	-
Others	164,924,960	88,053,437
	<u>164,924,960</u>	<u>88,053,437</u>
<b>9 Other current liabilities</b>		
<b>Current maturities of long-term borrowings</b>		
From others (secured)		
- vehicle loans [refer note 5(i)]	910,507	820,120
<b>Interest accrued and due on borrowings</b>		
- term loan [refer note 7 ]	14,581,285	22,042,763
- related party [refer note 29 ]	46,964,547	21,723,346
- from others	274,178	17,162
<b>Other payables</b>		
-advance received from customer	432,772,492	274,707,060
-deposits	177,225,810	194,444,265
-other liabilities*	20,276,050	17,849,753
	<u>693,004,869</u>	<u>531,604,469</u>
* includes amounts payable on account of statutory dues, employee benefits, other creditors.		
<b>10 Short-term provisions</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity [refer note 30 ]	26,986	22,815
	<u>26,986</u>	<u>22,815</u>



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

(Currency: Indian Rupees)

11 Fixed assets

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK
	As at 1 April 2015	Additions	Deletions/ Disposals	As at 1 April 2015	For the year	On Deletions/ Disposals	
<u>Owned assets</u>							
<u>Tangible assets</u>							
Office equipment	835,955	43,590	-	362,215	229,831	-	592,046
Furniture and fixtures	1,491,181	-	-	519,270	267,458	-	786,728
Motor car	3,720,869	-	-	1,237,239	770,450	-	2,007,689
Computer & Printers	133,550	-	-	64,082	43,795	-	107,877
<b>Total</b>	<b>6,181,555</b>	<b>43,590</b>	<b>-</b>	<b>2,182,806</b>	<b>1,311,534</b>	<b>-</b>	<b>3,494,340</b>

Notes:

(i) Depreciation aggregating Rs. 4,97,289 (2015 : Rs. 7,10,825) has been transferred to construction work-in-progress.

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK
	As at 1 April 2014	Additions	Deletions/ Disposals	As at 1 April 2014	For the year	On Deletions/ Disposals	
<u>Owned assets</u>							
<u>Tangible assets</u>							
Office equipment	569,249	266,706	-	20,045	342,170	-	362,215
Furniture and fixtures	1,491,181	-	-	150,614	368,656	-	519,270
Motor car	3,720,869	-	-	121,406	1,115,833	-	1,237,239
Computer & Printers	-	133,550	-	-	64,082	-	64,082
<b>Total</b>	<b>5,781,299</b>	<b>400,256</b>	<b>-</b>	<b>292,065</b>	<b>1,890,741</b>	<b>-</b>	<b>2,182,806</b>

Notes:

(i) Depreciation aggregating Rs. 7,10,825 (2014 : Rs. 2,90,639) had been transferred to construction work-in-progress.

(ii) 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.

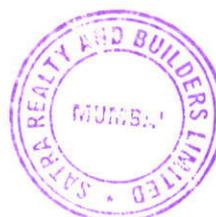


**Satra Realty and Builders Limited**

**Notes to the financial statements (Continued)**  
as at 31 March 2016

(Currency: Indian Rupees)

	2016	2015
<b>12 Deferred tax asset (net)</b>		
The components of deferred tax balances are as follows:-		
Deferred tax liability/(asset) on:		
- Difference between book depreciation and depreciation as per Income Tax Act, 1961	479,907	-
- Expenses allowable on payment basis under the Income Tax Act, 1961	284,394	-
- B/f business loss and unabsorbed depreciation	27,147,625	-
	27,911,926	-
<b>13 Long-term loans and advances</b> (Unsecured and considered good)		
- Advance tax and tax deducted	3,720,128	2,596,583
	3,720,128	2,596,583
<b>14 Inventories</b>		
Construction work-in-progress	1,348,507,722	960,907,053
Material at site	1,384,187	-
	1,349,891,909	960,907,053
<b>15 Trade receivables</b> (unsecured and considered good)		
Debts outstanding for a period exceeding six months from the date they are due for payment	1,500,583	-
Others	-	-
	1,500,583	-
<b>16 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	546,527	687,347
Balance with banks		
-in current accounts	2,399,812	4,116,698
	2,946,339	4,804,045
<b>17 Short-term loans and advances</b> (Unsecured and considered good)		
Loans and advances given to others	133,141,641	197,670,580
<b>Others</b>		
- Advances to staff	65,000	17,000
- Prepaid expenses (insurance)	65,377	30,278
- Advance for property	70,000,000	40,000,000
- Advances to vendors	61,934	343,512
- Deposits		
-to related party [refer note 29 ]	29,000,000	29,000,000
-others	2,570,200	13,775,200
- Balance with government authorities	10,234,280	3,937,502
	245,138,432	284,774,072



Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

	2016	2015
<b>18 Revenue from operations</b>		
<b>Other operating income</b>		
Forfeiture income	-	296,908
	-	296,908
<b>19 Other income</b>		
Interest income on - loans given to other party	4,292,608	19,074,532
	4,292,608	19,074,532
<b>20 Cost of Construction</b>		
<b>Inventory at the beginning of the year</b>		
Construction work-in-progress	960,907,053	666,151,414
Material at site	-	-
	(A) 960,907,053	666,151,414
<b>Incurring during the year</b>		
Professional fees	6,170,798	10,127,237
Civil, electrical and contracting	223,806,603	140,530,979
Depreciation and amortisation [refer note 11 ]	497,289	710,825
Administrative and other expenses	18,595,195	14,716,775
Borrowing costs [refer note 21 ]	139,914,971	128,669,823
	(B) 388,984,856	294,755,639
<b>Less: Inventory at the end of the year</b>		
Construction work-in-progress	1,348,507,722	960,907,053
Material at site	1,384,187	-
	(C) 1,349,891,909	960,907,053
	(A+B-C)	-
<b>21 Finance costs</b>		
<b>Interest on long-term borrowings</b>		
From others		
-vehicle loans	238,084	321,291
<b>Interest on short-term borrowings</b>		
- Other loans	139,255,957	121,677,999
Other borrowing costs	2,677,928	9,173,853
	142,171,969	131,173,143
Less: borrowing cost transferred to construction work-in-progress	139,914,971	128,669,823
	2,256,998	2,503,320



Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

	2016	2015
<b>22 Other expenses</b>		
Printing and stationery	3,890	10,995
Advertisement and sales promotion expenses	30,023,116	79,226,929
Professional fees	357,000	87,500
Auditor's remuneration		
- Statutory audit fees	125,820	140,450
Rates, duties and taxes	167,632	28,147
Motor Car Expenses	194,648	81,478
Sundry expenses	125,791	91,520
	<u>30,997,897</u>	<u>79,667,019</u>



# Satra Realty and Builders Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

23. In the opinion of the Directors, there are no contingent liabilities as at the balance sheet date.
24. 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.
25. 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.
26. **Micro, Small and Medium Enterprises Development Act, 2006**

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

	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	-	-

27. **Other matters**

- i. Information with regard to other matters specified in Schedule III of the Act, is either nil or not applicable to the Company for the year.

28. **Segment reporting**

The Company is operating in the real estate and construction industry and has not recognized any sales from project during the year. The Company has only one reportable business segment, which is real estate development and only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17 on "Segment reporting".



# Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

## 29. Related party disclosure:

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

### (a) List of related parties:

#### Ultimate holding company

Satra Properties (India) Limited

#### Holding company

Satra Property Developers Private Limited

#### Fellow subsidiary company

RRB Realtors Private Limited

#### Key management personnel:

Praful N Satra, Director

Rajan P. Shah, Director

Minaxi P. Satra, Director

#### Relative of key managerial personnel:

Rushabh P. Satra

Vrutika P. Satra



# Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

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

Sr. No.	Nature of transactions	Ultimate holding company		Holding company		Key managerial personnel and their relatives		Total	
		2016	2015	2016	2015	2016	2015	2016	2015
1	Loans taken	-	-	288,500,153	31,000,000	-	-	288,500,153	31,000,000
2	Deposit given	-	29,000,000	-	-	-	-	-	29,000,000
3	Interest expenses	-	-	52,182,830	24,137,051	-	-	52,182,830	24,137,051
4	Receiving of services	72,770,274	15,015,944	-	864,640	-	-	73,634,914	15,015,944
5	Salary/directors remuneration	-	-	-	2,081,250	2,400,000	-	2,081,250	2,400,000
6	Advance received	-	-	-	14,247,251	-	-	14,247,251	-
<b>Outstanding balances receivable</b>									
1	Deposits given	29,000,000	40,250,000	-	-	-	-	29,000,000	40,250,000
<b>Outstanding balances payables</b>									
1	Loans along with the net interest	-	-	469,338,046	168,973,346	-	-	469,338,046	168,973,346
2	Salary/ director remuneration	-	-	-	-	162,600	234,600	162,600	234,600
3	Advance received	-	-	-	-	14,201,182	-	14,201,182	-
4	Sundry creditors	73,602,850	14,415,306	-	-	778,176	-	73,602,850	14,415,306



# Satra Realty and Builders Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2016

(Currency: Indian Rupees)

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

Sr. No.	Nature of transaction	Total	
		2016	2015
<b>A</b>	<b>Transactions during the year</b>		
<b>1</b>	<b>Loans taken</b>		
	Satra Property Developers Private Limited	288,500,153	31,000,000
<b>2</b>	<b>Deposit given</b>		
	Satra Properties (India) Limited	-	29,000,000
<b>3</b>	<b>Interest expenses</b>		
	Satra Property Developers Private Limited	52,182,830	24,137,051
<b>4</b>	<b>Receiving of services</b>		
	Satra Properties (India) Limited	72,770,274	15,015,944
<b>5</b>	<b>Salary / director remuneration</b>		
	Rajan P. Shah	-	1,200,000
	Rushabh P. Satra	1,931,250	750,000
	Minaxi P. Satra	150,000	450,000
<b>6</b>	<b>Advance received</b>		
	Vrutika P. Satra	14,247,251	-
<b>B</b>	<b>Outstanding balances receivable</b>		
<b>1</b>	<b>Deposit given</b>		
	Satra Properties (India) Limited	29,000,000	29,000,000
<b>C</b>	<b>Outstanding balances payables</b>		
<b>1</b>	<b>Loans along with the net interest</b>		
	Satra Property Developers Private Limited	469,338,046	168,973,346
<b>2</b>	<b>Salary / director remuneration</b>		
	Rajan P. Shah	-	59,800
	Rushabh P. Satra	162,600	109,800
	Minaxi P. Satra	-	65,000
<b>3</b>	<b>Advance received</b>		
	Vrutika P. Satra	14,201,182	-
<b>4</b>	<b>Sundry creditors</b>		
	Satra Properties (India) Limited	73,602,850	14,415,306



# Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

### 30. 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.

Sr. No.	Particulars	2016	2015
<b>I</b>	<b>Change in benefit obligation</b>		
	Liability at the beginning of the year	815,249	-
	Interest cost	59,539	-
	Current service cost	279,034	327,640
	Benefit paid	(103,846)	-
	Actuarial (gain)/ Loss on obligation	(129,606)	487,609
	Liability at the end of the year	920,370	815,249
<b>II</b>	<b>Amount recognised in the balance sheet</b>		
	Liability at the end of the year	920,370	815,249
	Fair value of plan assets at the end of the year	-	-
	Difference	(920,370)	815,249
	Amount recognised in the balance sheet	(920,370)	815,249
<b>III</b>	<b>Expenses recognized in the Statement of profit and loss</b>		
	Current Service Cost	279,034	327,640
	Interest cost	59,539	-
	Benefit paid	-	-
	Expected return on plan assets	-	-
	Net actuarial (gain)/loss recognized for the period	(129,606)	487,609
	Expense recognized in the statement of P & L A/c	208,967	815,249
<b>IV</b>	<b>Balance Sheet Reconciliation</b>		
	Opening net liability	815,249	-
	Expenses as above	208,967	815,249
	Employers contribution paid	(103,846)	-
	Amount recognised in the balance sheet	920,370	815,249
<b>V</b>	<b>Actuarial Assumptions:</b>		
	Discount Rate	8%	7.80%
	Salary Escalation	6%	6%



# Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

### i) Defined benefit plan (Continued)

Sr. No.	Particulars	2016	2015
<b>VI</b>	<b>Reconciliation of present value of obligation and the fair value of plan assets</b>		
	Present value of defined benefit obligation	920,370	815,249
	Fair value of the plan assets	-	-
	Liability recognised in the balance sheet	920,370	815,249
<b>VII</b>	<b>Experience adjustments on:</b>		
	Plan liabilities (gain)/ loss	129,606	487,609
	Plan assets	-	-
<b>VIII</b>	<b>Schedule III Details</b>		
	Current liability	26,986	22,815
	Non-current liability	893,384	792,434

### ii) Compensated absences

Compensated absences for employee benefits of Rs. 223,491 [2015: Rs 164,961] has been recognised as a gain/expense during the year.

### 31. Leases:

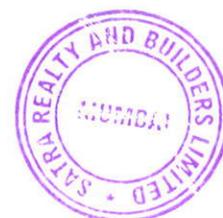
The company has not taken any asset on lease during the current year or previous year.

### 32. Earnings per share :

For the purpose of calculation of Basic and diluted earnings per share, the following amounts are considered.

Particulars	2016	2015
Net profit / (loss) after tax attributable to shareholders (Rs.)	(1,864,606)	(63,941,668)
Weighted average number of equity shares (Nos.)	50,000	50,000
Basic earnings per share (Rs. per share)	(37.29)	(1,278.83)
Diluted earnings per share (Rs. per share)	(37.29)	(1,278.83)
Nominal value per equity share (Rs.)	10	10

33. Details of loans given, investments made and guarantee given u/s 186(4) of the Companies Act, 2013 are given under their respective heads, if any. (Refer note 29 & note 35). The loans given, investments made and guarantee given are for business purpose, if any.



# Satra Realty and Builders Limited

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

(Currency: Indian Rupees)

### 34. Prior year comparatives

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

Signature to notes 1 to 34 forming part of 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, 11 May 2016**

**For and on behalf of the Board of Directors  
Satra Realty and Builders Limited**


<b>Shweta B. Patil</b> Company Secretary	<b>Minaxi P. Satra</b> Director DIN: 00053884	<b>Praful N. Satra</b> Director DIN: 00053900
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**Mumbai, 11 May 2016**

