Satyam Developers Limited

Annual Report 2017-18

General Information

Board of Directors	Hanubhai R. Sangani Vyomesh V. Patel Krunal H. Sangani
Bankers	ICICI Bank Axis Bank Kotak Mahindra Bank Limited State Bank of India
Auditors	B H MANGAROLIA & CO. Chartered Accountants 408, Mahakant, Opp. V. S. Hospital, Ashram Road, Ahmedabad -380006 A D PARIKH & ASSOCIATES Chartered Accountants A-705, Shilp Aaron, Opp. Armieda Complex, Sindhu Bhavan Road, S. G. Highway, Ahmedabad - 380059
Company Law Consultant	ARVIND GAUDANA & COMPANY Company Secretaries
Registered Office	Satyam House, B/h Rajpath Club, S.G. Highway, Ahmedabad- 380059 Gujarat
Website	www.satyamdevelopers.com

INDEPENDENT AUDITORS' REPORT

To the Members of
Satyam Developers Limited

Report on the Standalone Financial Statements

01. We have audited the accompanying standalone financial statements of Satyam Developers Limited (the "Company"),which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Standalone Financial Statements

02. 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 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

05. 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 misstatements.

B. H. MANGAROLIA & CO. CHARTERED ACCOUNTANTS Ahmedabad FRN 106972W

A. D. PARIKH & ASSOCIATES CHARTERED ACCOUNTANTS M.No. 122482

06. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for qualified opinion

08. We draw attention to note 2.11 of significant accounting policies regarding non provision of gratuity, leave encashment & Defined Contribution Plans in respect of "Employee Benefits" as required by AS- 15 and notified by Companies (Accounts) Rules, 2014 and the consequential overstatement of the profits of the company and understatement of liabilities (amount not quantifiable).

Qualified Opinion

09. In our opinion, and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying 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, of the state of affairs of the company as at 31st March, 2018; and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

10. 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, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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. H. MANGAROLIA & CO. Ahmedabad FRN 109972W CHARTERED ACCOUNTANTS

A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

d) Except for the possible effects of the matter described in Basis of Qualified opinion paragraph, 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 31st March, 2018 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2018 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'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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 explanations given to us:

   (i) The Company does not have any pending litigations which would impact its financial position.

   (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.

   (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105972W)

B. H. MANGAROLIA & CO. Ahmedabad FRN 105972W CHARTERED ACCOUNTANTS

(B H MANGAROLIA)
Partner
M. No. 032693

For, A. D. PARIKH & ASSOCIATES
Chartered Accountants
(FRN 127669W)

A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

(Ankit Parikh)
Propreitor
M. No. 122482

Place: Ahmedabad
Date: 04.09.2018

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 10 of our Report of even date]

01. a) The Company has maintained proper records showing full particulars including quantitative details and location of all its fixed assets on the basis of available information.

b) We are informed that the Company has a regular programme of physical verification of its fixed assets in a phased manner over a period of three years. Accordingly, the physical verification of part of the fixed assets has been carried out by the Management during the year and no material discrepancies have been noticed on such verification.

c) The Company has not aquired any Immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable.

02. The inventory i.e. construction materials has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.The discrepancies noticed on physical verification, between physical stocks and books records, were not material in relation to the operations of the company and have been properly dealt with in the books of account.

03. The Company has granted unsecured loans to 1 party covered in the register maintained under Section 189 of the Companies Act, 2013.

a) In our opinion and according to the information and explanations given to us, the terms of the loan are not, prima facie, prejudicial to the interest of the company.

b) No Schedule of repayment of principal and payment of interest has been stipulated.

c) There is no such overdue amount in respect of loans granted to party covered in the register maintained under section 189 of the Companies Act, 2013 and hence no further comments are required to be given under this clause.

04. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

05. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76, or any other relevant provisions of the Companies Act and the rules framed thereunder.

06. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

07. a) According to information and explanations given to us, the company is generally regular in depositing with Appropriate Authorities undisputed statutory dues including Income Tax, Provident fund, Employees State Insurance, VAT/Sales tax, Excise-duty, Custom Duty, Service Tax, GST and other material statutory dues applicable to it. According to the information and explanations given to us, there were no undisputed amounts payable in respect of such dues which were outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.

b) According to information and explanation given to us the disputed dues in respect of Service Tax that has not been deposited by the Company are as follows:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which it relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	1,246,302	F.Y. 2012-13 & 2013-14	Custom Excise And Service Tax Appellate Tribunal- Ahmedabad

08. Based on our audit procedures and on the information and explanations given by the management, the Company has not defaulted in repayment of the dues to any bank and financial institutions. The Company has not issued debentures during the year.

09. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

B. H. MANGAROLIA & CO. Ahmedabad FRN 105872W CHARTERED ACCOUNTANTS

A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence reporting under clause 3(xv) of the Order is not applicable to the Company.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105972W)

(B H MANGAROLIA)
Partner
M. No. 032693

For, A. D. PARIKH & ASSOCIATES
Chartered Accountants
(FRN 127669W)

(Ankit Parikh)
Propreitor
M. No. 122482

Place: Ahmedabad
Date: 04.09.2018

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 11(f) of our Report of even date]

Report on the Internal Financial Controls Over Financial Reporting 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 Satyam Developers Limited (the "Company"),as of 31st March, 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended as 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 (the 'Guidance Note'). 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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

B. H. MANGAROLIA & CO. CHARTERED ACCOUNTANTS Ahmedabad FRN 105[illegible]2W

A. D. PARIKH & ASSOCIATES CHARTERED ACCOUNTANTS M.No. 122482

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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.

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105972W)

B. H. MANGAROLIA & CO. Ahmedabad FRN 105972W CHARTERED ACCOUNTANTS

(B H MANGAROLIA)
Partner
M. No. 032693

For, A. D. PARIKH & ASSOCIATES
Chartered Accountants
(FRN 127669W)

A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

(Ankit Parikh)
Propreitor
M. No. 122482

Place: Ahmedabad
Date: 04.09.2018

Satyam Developers Limited

Balance Sheet as at 31st March, 2018

PARTICULARS	Note No.	Rs.	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
I EQUITY AND LIABILITIES				
1 Shareholders' funds				
a. Share capital	03	34,931,250		34,931,250
b. Reserves and surplus	04	350,374,764		342,991,904
c. Money received against share warrants		-		-
			385,306,014	377,923,154
2 Share application money pending allotment			-	-
3 Non-current liabilities				
a. Long-term borrowings	05	905,983,585		475,097,480
b. Deferred tax liabilities (net)	06	-		-
c. Other long-term liabilities		-		-
d. Long-term provisions		-		-
			905,983,585	475,097,480
4 Current liabilities				
a. Short-term borrowings		-		-
b. Trade payables	07	40,184,081		16,515,657
c. Other current liabilities	08	423,693,837		238,415,219
d. Short-term provisions	09	-		4,659,673
			463,877,918	259,590,549
			1,755,167,517	1,112,611,183
II ASSETS				
1 Non-current assets				
a. Fixed assets				
i. Tangible assets	10	7,950,339		2,490,422
ii. Intangible assets		-		-
iii. Capital work-in-progress		-		-
iv. Intangible assets under development		-		-
v. Fixed assets held for sale		-		-
		7,950,339		2,490,422
b. Non-current investments	11	80,001,816		44,653,050
c. Deferred tax assets (net)	06	2,582,444		2,613,101
d. Long-term loans and advances	12	62,369,498		156,266
e. Other non-current assets		-		-
			152,904,097	49,912,839
2 Current assets				
a. Current investments	13	44,653,050		-
b. Inventories	14	894,252,758		793,620,910
c. Trade receivables	15	5,857,412		27,022,196
d. Cash and bank balances	16	313,575,802		8,323,618
e. Short-term loans and advances	17	343,924,398		233,731,620
f. Other current assets		-		-
			1,602,263,420	1,062,698,344
Significant Accounting Policies	02			
			1,755,167,517	1,112,611,183

See accompanying notes forming part of the financial statements 1 to 36

As per our report of even date

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105972W)

(B H MANGAROLIA)
Partner
M. No. 032693
Place: Ahmedabad
Date: 04.09.2018

For, A. D. PARIKH & ASSOCIATES
Chartered Accountants
(FRN 127669W)

(Ankit Parikh)
Propreitor
M. No. 122482

For and on behalf of the Board

(Hanubhai R. Sangani)
Director

(Vyomesh V. Patel)
Director

Satyam Developers Limited

Statement of Profit and Loss for the year ended 31st March, 2018

PARTICULARS	Note No.	Rs.	For the year ended 31.03.2018 Rs.	31.03.2017 Rs.
I. Revenue from operations (gross)	18	357,289,580		351,794,628
Less: Excise duty		-		-
Revenue from operations (net)			357,289,580	351,794,628
II. Other income	19		12,003,480	4,376,124
III. Total revenue (I + II)			369,293,060	356,170,752
IV. Expenses				
a. Cost of construction materials consumed	20	53,029,506		44,990,085
b. Land cost & Expenses related with project	21	358,388,062		66,141,399
c. Purchase of finished properties		-		-
d. Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(100,112,592)		174,061,579
e. Employee benefits expense	23	10,848,483		10,159,120
f. Finance costs	24	22,867,610		22,300,775
g. Depreciation and amortisation expense	25	1,225,778		1,415,878
h. Other expenses	26	12,744,696		12,577,052
Total expenses			358,991,543	331,645,888
V. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)			10,301,517	24,524,864
VI. Exceptional items			-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)			10,301,517	24,524,864
VIII. Extraordinary items			-	-
IX. Profit / (Loss) before tax (VII - VIII)			10,301,517	24,524,864
X. Tax expense:				
a. Current Tax		2,888,000		7,900,000
b. Excess / (Short) Provision of Income Tax for PYs		-		111
c. Deferred Tax		30,657		(145,627)
			2,918,657	7,754,484
XI. Profit / (Loss) for the period from continuing operations (IX - X)			7,382,860	16,770,380
XII. Profit / (Loss) from discontinuing operations			-	-
XIII. Tax expense of discontinuing operations			-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			-	-
XV. Profit (Loss) for the period (XI + XIV)			7,382,860	16,770,380
XVI. Earnings per equity share				
a. Basic			2.11	4.80
Significant Accounting Policies	02			

See accompanying notes forming part of the financial statements 1 to 36

As per our report of even date

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105972W)

(B H MANGAROLIA)
Partner
M. No. 032693
Place: Ahmedabad
Date: 04.09.2018

For, A. D. PARIKH & ASSOCIATES
Chartered Accountants
(FRN 127669W)

(Ankit Parikh)
Propreitor
M. No. 122482

For and on behalf of the Board

(Hanubhai R. Sangani)
Director

(Vyomesh V. Patel)
Director

A. D. PARIKH & ASSOCIATES * CHARTERED ACCOUNTANTS * M.No. 122482

B.H. MANGAROLIA & CO. Ahmedabad FRN 105972W CHARTERED ACCOUNTANTS

Satyam Developers Limited

Cash Flow Statement for the year ended 31st March, 2018

Particulars	31.03.2018 Rs.	31.03.2017 Rs.
A. Cash flow from operating activities		
Net profit before taxation, and extraordinary items	10,301,517	24,524,864
Adjustments for:		
Depreciation	1,225,778	1,415,878
Interest income	(6,809,871)	(1,602,224)
Interest expense	22,867,610	22,300,775
Operating profit before working capital changes	27,585,034	43,865,393
Movements in working capital		
(Increase)/Decrease in Trade Receivables	21,164,784	(23,973,964)
(Increase)/Decrease in inventories	(100,631,848)	173,886,455
(Increase)/Decrease other Receivables	(171,983,481)	(204,191,138)
(Decrease)/Increase in current liabilities	208,947,042	(52,540,281)
Cash (used in)/generated from operations	(14,918,469)	(62,953,535)
Taxes paid (net of refunds)	(7,970,202)	(2,913,692)
Cash flow before extraordinary items	(22,888,671)	(65,867,227)
Extraordinary item		-
Net cash (used in)/ from operating activities (A)	(22,888,671)	(65,867,227)
B. Cash flows from investing activities		
Purchase of fixed assets	(6,685,695)	(41,370)
Purchase of investments	(80,001,816)	(44,653,050)
Proceeds from sale of fixed assets	-	4,750,000
Interest received	6,809,871	1,602,224
Net cash (used in)/ from investing activities (B)	(79,877,640)	(38,342,196)
C. Cash flows from financing activities		
Proceeds from long-term borrowings (net)	430,886,105	110,187,409
Interest paid	(22,867,610)	(22,300,775)
Net cash introduced from /(used in) financing activities (C)	408,018,495	87,886,634

B. H. MANGAROLIA & CO. CHARTERED ACCOUNTANTS Ahmedabad FRN 105972W

A. D. PARIKH & ASSOCIATES CHARTERED ACCOUNTANTS M.No. 122482

Satyam Developers Limited

Cash Flow Statement for the year ended 31st March, 2018

Particulars	31.03.2018 Rs.	31.03.2017 Rs.
Net (decrease)/increase in cash & cash equiv. (A+B+C)	**305,252,184**	**(16,322,789)**
Cash and cash equivalents at the beginning of the year	8,323,618	24,646,407
Cash and cash equivalents at the end of the year	313,575,802	8,323,618
	305,252,184	**(16,322,789)**

As per our report of even date

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105972W)

(B H MANGAROLIA)
Partner
M. No. 032693
Place: Ahmedabad
Date: 04.09.2018

For, A. D. PARIKH & ASSOCIATES
Chartered Accountants
(FRN 127669W)

(Ankit Parikh)
Propreitor
M. No. 122482

For and on behalf of the Board

(Hanubhai R. Sangani)
Director

(Vyomesh V. Patel)
Director

B. H. MANGAROLIA & CO. Ahmedabad FRN 105972W CHARTERED ACCOUNTANTS

A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

01. **Company Overview**

Satyam Developers Limited ('the company'), incorporated under the Companies Act, 1956 vide CIN -U45201GJ2007PLC050008 having its registered office at Satyam House, B/h Rajpath Club, S.G. Highway, Ahmedabad-380059 Gujarat and engaged in Real Estate Developers, Construction Activities, Consulting Engineers & Builders etc.

02. **Significant accounting policies**

2.01 Basis for Preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.02 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.03 Inventories

Related to contractual and real estate activity: Direct expenditure relating to construction activity is inventorised. Indirect expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

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

Finished goods – Flats: Valued at lower of cost and net realisable Value

Land inventory: Valued at lower of cost and net realisable value. Land inventory which is under development or held for development/ sale in near future is classified as current asset and included in total work in progress.

Construction materials are valued at cost.

2.04 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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2.05 <u>Cash flow statement</u>

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.06 <u>Depreciation and amortisation</u>

Depreciation, on fixed assets, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, on Written Down Value (WDV) method. Depreciation on additions during the year is provided on prorata time basis.

2.07 <u>Revenue recognition</u>

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.

<u>Recognition of revenue from real estate projects</u>

Revenue from real estate under development/ sale of developed property is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the confirming of the sales contracts/ agreements.

Revenue from real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

2.08 <u>Tangible fixed assets</u>

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.09 <u>Foreign currency transactions and translations</u>

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date.Gains/losses arising on account of realisation/settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the Profit and Loss Account.

2.10 <u>Investments</u>

Long-term investments (excluding investment in properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.11 Employee benefits

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, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

Post- Employment Benefits

Leave Encashment
Leave Encashment is accounted on cash basis & to that extent there is a contravention of Accounting Standard-15, which has become mandatory. However, the quantum of leave encashment payable is not worked out & therefore it is not possible to quantify the effect of the same on Profit & Loss Account.

Gratuity
Gratuity is accounted on cash basis & to that extent there is a contravention of Accounting Standard- 15, which has become mandatory. However, the quantum of Gratuity payable is not worked out & therefore. It is not possible to quantify the effect of the same on Profit & Loss Account.

Defined contribution plans
The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.13 Earnings per share
Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

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2.14 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.15 Impairment of assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

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Satyam Developers Limited

Notes forming part of the financial statements (2017-18)

03. Share Capital

Particulars	As at 31.03.2018 Number	As at 31.03.2018 Rs.	As at 31.03.2017 Number	As at 31.03.2017 Rs.
Authorised				
Equity shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
Issued				
Equity shares of Rs. 10 each	3,493,125	34,931,250	3,493,125	34,931,250
Subscribed and fully paid up				
Equity shares of Rs. 10 each	3,493,125	34,931,250	3,493,125	34,931,250
Subscribed but not fully paid up				
Equity shares of Rs. 10 each	-	-	-	-
Total Share Capital	3,493,125	34,931,250	3,493,125	34,931,250

Reconciliation of Share Capital

	Particulars	Number	Rs.	Number	Rs.
	Equity shares of Rs. 10 each				
i	outstanding at the beginning of the year	3,493,125	34,931,250	3,493,125	34,931,250
ii	Issued during the year	-	-	-	-
iii	bought back during the year	-	-	-	-
iv	outstanding at the end of the year	3,493,125	34,931,250	3,493,125	34,931,250

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

Details of shares held by each shareholder holding more than 5% shares

Equity shares of Rs. 10 each

Sr. No.	Name of Shareholder	As at 31.03.2018 Number	As at 31.03.2018 %	As at 31.03.2017 Number	As at 31.03.2017 %
1	Hanubhai R. Sangani	908,124	26.00	908,124	26.00
2	Vyomesh V. Patel	681,262	19.50	681,262	19.50
3	Shital C. Desai	681,262	19.50	681,262	19.50
4	Thirdeye Mercantile LLP	611,750	17.51	611,750	17.51
5	Nilmani Merchants LLP	609,375	17.44	609,375	17.44

04. Reserves and surplus

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Securities premium account		
Opening balance	291,768,750	291,768,750
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year	-	-
Closing balance	291,768,750	291,768,750
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	51,223,154	34,452,774
Add: Profit / (Loss) for the year	7,382,860	16,770,380
Closing balance	58,606,014	51,223,154
Total Reserves and surplus	350,374,764	342,991,904

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05. Long-term borrowings

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Secured			
Working Capital Demand Loan(WCDL)			
a. From ICICI bank	149,574,238		204,799,764
Less: Current maturities of long term borrowings (refer note 08)	(105,200,000)		-
		44,374,238	204,799,764
All the piece & parcel of land located at survey no. 274/1, town planning scheme no 28, final plot no 64, sola, Ahmedabad-8 (sola), District Ahmedabad ad measuring approximately 3,048 sq. mtrs., including all the structures thereon both present & future.			
Unconditional and irrevocable personal guarantee of Mr Hanu Sangani, Mr Vyomesh Patel and Mr Shital Desai			
Principal amounts of the RTL in 24 monthly installments commencing from December 15, 2017.(Interest rate 13.35% p.a.)			
Repayment to the Lender the principal amounts of the OD in 9 quarterly installments with interest @ 13.85% p.a. commencing from December 15, 2017			
b. From Kotak Mahindra bank	156,687,589		130,730,880
Less: Current maturities of long term borrowings (refer note 08)	(40,839,670)		(26,428,295)
		115,847,919	104,302,585
Loan against Property situated at Satyam House, B/h Rajpath Club, S.G. Highway, Ahmedabad (Property in the name of Mr Hanubhai Sangani, Mr Vyomesh Patel and Mr Shital Desai)			
Personal guarantee of Mr Hanubhai Sangani, Mr Vyomesh Patel and Mr Shital Desai.			
The loan (TL I) is repayable, in monthly instalments, amounting to Rs. 23,57,571/- by March, 2021 (Interest rate 9.65% p.a.)			
The loan (TL II) is repayable, in monthly instalments, amounting to Rs. 10,29,744/- by May, 2021 (Interest rate 9.65% p.a.)			
The loan (TL III) is repayable, in monthly instalments, amounting to Rs. 14,39,869/- by April, 2022 (Interest rate 9.65% p.a.)			
c. From State Bank of India	333,396,443		150,063,896
Less: Current maturities of long term borrowings (refer note 08)	(86,000,000)		-
		247,396,443	150,063,896
EM over land & building of Satyam Mall situated at Block No. 256/P/A & 258, Satyam Mall, b/s Sarjan Appts.,Sarkhej bavla Highway, Changodar, Ahmedabad			
EM over land & building of Sarjan-I situated at Block No. 256/P/B , Sarjan-1, b/s Satyam Mall.,Sarkhej bavla Highway, Changodar, Ahmedabad			
EM over land & building of Sarjan-II situated at Block No. 261 , Sarjan-1, b/s Satyam Mall.,Sarkhej bavla Highway, Changodar, Ahmedabad			
Personal guarantee of Mr Hanubhai Sangani, Mr Vyomesh Patel and Mr Shital Desai.			
Repayment to the Lender the principal amounts of the Loan in 10 Quarterly installments with interest @ 11.75% p.a. commencing from October, 2018			

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d. From Piramal Finance Limited	280,000,000		-
Less: Current maturities of long term borrowings (refer note 08)	-		-
		280,000,000	-
First Charge over Land by way of registered mortgage (Skyline 2)			
Additional Security by way of Mortgage on Land Parcel in Changodar			
Personal guarantee of all the promotors of Satyam group.			
Interest rate : 13.90 % p.a. payable monthly.			
Total Tenure : Structured Debt + CF - 72 months with moratorium period of 36 months.			
e. From Daimler Financial Services India Private Limited -Vehicle Loan	5,659,095		-
Less: Current maturities of long term borrowings (refer note 08)	(717,466)		-
		4,941,629	-
(Secured by hypothecation of vehicle EMI over a period of 36 months amounting to Rs. 106,616/- each upto 35 months and Rs. 3,520,633/- for 36th Month,Interest rate 10.53% The loan is repayable, in monthly instalments, by Jan, 2021)			
		692,560,229	459,166,245
Other loans and advances		-	-
Total Secured Long Term Borrowings		692,560,229	459,166,245
Unsecured			
Loans and advances from Directors		213,423,356	15,931,235
Other loans and advances		-	-
Total unsecured Long Term Borrowings		213,423,356	15,931,235
Total Long-term borrowings		905,983,585	475,097,480

Installments falling due in respect of all the above secured term loans upto 31.03.2019 have been grouped under "Current maturities of long-term debt" (Refer Note 08.)

06. Deferred tax liability/ Asset

	Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
a	*Tax effect of items constituting deferred tax liability*		
i	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
	Deferred tax liability	-	-
b	*Tax effect of items constituting deferred tax Assets*		
i	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,582,444	2,613,101
	Deferred tax asset	2,582,444	2,613,101
	Net Deferred Tax Liability/ Asset	(2,582,444)	(2,613,101)

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07. Trade payables

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Trade payables	40,184,081	16,515,657
Total Trade payables	40,184,081	16,515,657

Micro and small enterprises

The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. Since the relevant information is not readily available, no disclosures have been made in the Accounts.

08. Other current liabilities

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Current maturities of long-term debt		232,757,136	26,428,295
Interest accrued but not due on borrowings		43,037	994,974
Other payables			
Statutory remittances	2,128,955		1,779,189
Payables for Expenses	13,943,189		9,879,207
Security Deposits	2,326,866		-
Advances from customers	172,494,654		199,333,554
		190,893,664	210,991,950
Total Other current liabilities		423,693,837	238,415,219

09. Short-term provisions

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Provision for employee benefits		-	-
Provision - Others			
Provision for tax (net of advance tax)	-		4,659,673
		-	4,659,673
Total Short-term provisions		-	4,659,673

10. Tangible assets

Particulars	Gross block			
	Balance as at 01.04.2017 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.03.2018 Rs.
Plant and Equipment	1,464,579	-	-	1,464,579
Furniture and Fixtures	16,042,596	-	-	16,042,596
Vehicles	-	6,445,910	-	6,445,910
Office equipment	-	195,771	-	195,771
Computer	3,164,439	44,014	-	3,208,453
Total	20,671,614	6,685,695	-	27,357,309
Previous year	30,335,846	41,370	9,705,602	20,671,614

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Particulars	Accumulated Depreciation			
	Balance as at 01.04.2017 Rs.	Depreciation for the year Rs.	Eliminated on disposal of assets Rs.	Balance as at 31.03.2018 Rs.
Plant and Equipment	979,609	93,017	-	1,072,626
Furniture and Fixtures	14,227,090	589,608	-	14,816,698
Vehicles	-	479,825	-	479,825
Office equipment	-	12,614	-	12,614
Computer	2,974,493	50,714	-	3,025,207
Total	18,181,192	1,225,778	-	19,406,970
Previous year	24,494,815	1,415,878	7,729,501	18,181,192

Particulars	Net Block	
	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Plant and Equipment	391,953	484,970
Furniture and Fixtures	1,225,898	1,815,506
Vehicles	5,966,085	-
Office equipment	183,157	-
Computer	183,246	189,946
Total Tangible assets	7,950,339	2,490,422
Previous year	2,490,422	5,841,031

11. Non-current investments

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Trade Investments- Unquoted (At cost):		
Investment in equity instruments		
(i) of subsidiaries		
15,300 shares of Accurate Engineering, Inc. (USA)	-	44,653,050
99,480 shares of Bimal Orgochem Private Limited	80,001,816	-
Total Non-current investments	80,001,816	44,653,050

12. Long-term loans and advances

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
(Unsecured, considered good)		
Security deposits	62,369,498	156,266
Total Long-term loans and advances	62,369,498	156,266

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13. Current investments

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Investment in equity instruments		
(i) of subsidiaries		
15,300 shares of Accurate Engineering, Inc. (USA)	44,653,050	-
Total current investments	44,653,050	-

14. Inventories

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
(At lower of cost and net realisable value)		
[As per inventory taken, valued and certified by the management]		
Construction materials	697,319	178,063
Work-in-progress (Project under Progress)	883,699,339	783,586,747
Stock in Trade (finished property)	9,856,100	9,856,100
Total Inventories	894,252,758	793,620,910

15. Trade receivables

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	2,116,388	1,272,196
Other Trade receivables	3,741,024	25,750,000
Total Trade receivables	5,857,412	27,022,196

16. Cash and bank balances

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Cash and cash equivalents			
Balances with banks			
In current accounts	32,166,143		1,566,317
In deposit accounts	281,040,642		6,227,483
Cash on hand	369,017		529,818
		313,575,802	8,323,618
Total Cash and bank balances		313,575,802	8,323,618

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17. Short-term loans and advances

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
(Unsecured, considered good)			
Loans and advances to related parties		43,180,383	21,028,873
Prepaid expenses		233,422	211,631
Balances with government authorities			
CENVAT/ GST credit receivable	2,490,510		625,691
		2,490,510	625,691
Inter-corporate deposits		18,797,845	-
Advance income tax (net of provisions)		422,529	-
Others		278,799,709	211,865,425
Total Short-term loans and advances		343,924,398	233,731,620

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18. Revenue from operations

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Sale of Real estate property	357,289,580	351,794,628
Total Revenue from operations	357,289,580	351,794,628

19. Other income

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Interest income	6,809,871	1,602,224
Other non-operating income (net of expenses directly attributable to such income)	5,193,609	2,773,900
Total Other income	12,003,480	4,376,124

Interest income comprises:		
Interest from banks on Deposits	510,177	861,402
Other interest	6,299,694	740,822
Total	6,809,871	1,602,224

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Other non-operating income comprises:		
Rental income	5,172,300	-
Canteen and related Services Income (net)	21,309	-
Profit on sale of fixed assets (net of expenses directly attributable)	-	2,773,900
Total	5,193,609	2,773,900

20. Cost of construction materials consumed

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Opening stock	178,063	2,940
Add: Purchases	53,548,762	45,165,208
	53,726,825	45,168,148
Less: Closing stock	697,319	178,063
	53,029,506	44,990,085
Total Cost of construction materials consumed	53,029,506	44,990,085

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21. Land cost & Expenses related with project

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Land & Land Development Exps.	254,651,728	264,200
Expenses related with project (Direct)		
Plan Passing /AMC / BU Exps.	3,091,358	3,801,808
Labour Charges & Welfare	25,036,623	21,641,962
Electric Burning & Connection Exps.	1,252,350	967,052
Freight Exps.	1,028,325	3,834,888
Gardening Exps.	111,200	20,000
Lift Exps.	6,000	-
Machinery Repairs	48,350	-
Machinery Hire Charges	238,471	143,700
Professional Fees (Site)	1,117,750	1,971,542
RERA Registration Exps.	82,216	-
Security Charges	856,588	676,997
Site Misc. Exps.	243,893	30,359
Brokerage	229,400	1,238,000
	33,342,524	34,326,308
Expenses related with project (Indirect)		
Advertisement Expenses	575,000	3,091,468
Bank Charges	7,593	9,462
Internet Expenses	-	50,434
Bank Loan Interest	57,823,376	28,274,396
Bank Loan Processing Charges	10,670,000	-
Legal Expenses	1,121,100	-
Insurance Exps.	187,541	123,881
House Keeping Exps.	9,200	-
Office and other Misc. Exps.	-	1,250
	70,393,810	31,550,891
Total Land cost & Expenses related with project	358,388,062	66,141,399

22. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Inventories at the end of the year:		
Work-in-progress (Project under Progress)	883,699,339	783,586,747
Stock in Trade (finished property)	9,856,100	9,856,100
	893,555,439	793,442,847
Inventories at the beginning of the year:		
Work-in-progress (Project under Progress)	783,586,747	944,939,976
Stock in Trade (finished property)	9,856,100	22,564,450
	793,442,847	967,504,426
Net (increase) / decrease in inventories	(100,112,592)	174,061,579

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23. Employee benefits expense

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Salaries	10,391,733	9,753,396
Contributions to Provident Fund & ESIC	376,384	311,252
Staff welfare expenses	80,366	94,472
Total Employee benefits expense	10,848,483	10,159,120

24. Finance costs

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Interest expense on		
Borrowings	22,064,242	22,267,390
Others		
Interest on delayed / deferred payment of Income Tax	6,191	-
Others	118,457	15,178
	124,648	15,178
Other borrowing costs	678,720	18,207
Total Finance costs	22,867,610	22,300,775

25. Depreciation and amortisation expense

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Depreciation and amortisation for the year on tangible assets	1,225,778	1,415,878
Depreciation and amortisation for the year on intangible assets	-	-
Total Depreciation and amortisation expense	1,225,778	1,415,878

26. Other expenses

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Administrative & Other Expenses		
Office Rent	7,200,000	8,280,000
Repairs and maintenance - Others	650,246	391,491
Insurance	3,414	116,304
Rates and taxes	1,040,730	887,954
Communication Exps.	168,232	257,054
Travelling and conveyance	48,526	-
Printing and stationery	103,260	72,654
Vehicle Running & Maintenance Exps.	-	13,753
Electricity Exps.	804,064	820,307
Business promotion	62,980	63,055
Donations	382,000	-
Legal and professional	1,202,476	1,063,042
Payments to auditors	125,000	86,250
Other Miscellaneous expenses	953,768	525,188
Total Other expenses	12,744,696	12,577,052

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A. R. PARIKH & ASSOCIATES CHARTERED ACCOUNTANTS 122482

Satyam Developers Limited

Notes forming part of the financial statements (2017-18)

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Payments to the auditors comprises		
As auditors	100,000	57,500
For taxation matters	25,000	28,750
Total	125,000	86,250

27. Value of imports calculated on CIF basis

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Material	-	-
Capital goods	-	-
Total	-	-

28. Earning Per Share

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Earnings per share		
Basic		
Continuing operations		
Net profit / (loss) for the year/ period from continuing operations	7,382,860	16,770,380
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year /period from continuing operations attributable to the equity shareholders	7,382,860	16,770,380
Weighted average number of equity shares	3,493,125	3,493,125
Par value per share	10	10
Basic Earnings Per Share	2.11	4.80

The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and dilutive earning per share of the Company remain the same.

29. Contingent liabilities and commitments

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Contingent liabilities		
Service tax demand contested in appeal	1,246,302	-
Total	1,246,302	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Total	-	-

30. Related party transactions

a Names of related parties and related party relationship

Key management personnel

Hanubhai R Sangani, Krunal H Sangani, Vyomeshbhai V patel

Relatives of key management personnel

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Enterprises owned or significantly influenced by key management personnel or their relatives

Satyam Corporation, Satyam Import Export LLP, Sangani Infrastructure India Pvt Ltd

Note : Related party relationship is as identified by the management and relied upon by the auditors.

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b Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
- <u>Key management personnel</u>			
- *Salary*			
Hanubhai R Sangani		1,440,000	1,440,000
Vyomeshbhai V Patel		1,440,000	1,440,000
	Total	2,880,000	2,880,000
- *Interest expense*			
Hanubhai R Sangani		1,969,414	2,213,156
Vyomeshbhai V Patel		1,348,208	778,369
	Total	3,317,622	2,991,525
- *Office Rent Expense*			
Hanubhai R Sangani		2,880,000	3,312,000
Vyomeshbhai V Patel		2,160,000	2,484,000
	Total	5,040,000	5,796,000
- *Sale of Real estate property (Flat)*			
Vyomeshbhai V Patel		25,000,000	-
- <u>Enterprises owned or significantly influenced by key management personnel or their relatives</u>			
- *Purchases (Construction Material)*			
Satyam Import Export LLP		-	27,500
Satyam Corporation		1,296,590	163,525
	Total	1,296,590	191,025
- *Sale of Machinery*			
Sangani Infrastructure India Pvt Ltd		-	-

c Balance as at the year end

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
- <u>Key management personnel</u>			
- *Long-term borrowings(unsecured)*			
Hanubhai R Sangani		76,458,737	14,927,585
Vyomeshbhai V patel		136,304,103	308,424
	Total	212,762,840	15,236,009
- <u>Enterprises owned or significantly influenced by key management personnel or their relatives</u>			
- *Trade payables*			
Satyam Import Export LLP		379,500	379,500
	Total	379,500	379,500

31. Figures have been rounded off to nearest of rupee.

32. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value, if realized, during the ordinary course of business.

33. The Company's business activity falls within a single primary segment. As such there are no separate reportable segments as envisaged under Accounting Standard - 17.

34. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For, B H MANGAROLIA & CO.	For, A. D. PARIKH & ASSOCIATES	For and on behalf of the Board	
Chartered Accountants	Chartered Accountants		
(FRN 105972W)	(FRN 127669W)		
(B H MANGAROLIA)	(Ankit Parikh)	(Hanubhai R. Sangani)	(Vyomesh V. Patel)
Partner	Propreitor	Director	Director
M. No. 032693	M. No. 122482		
Place: Ahmedabad			
Date: 04.09.2018			

A. D. PARIKH & ASSOCIATES M.No. 122482 CHARTERED ACCOUNTANTS

B. H. MANGAROLIA & CO. Ahmedabad FRN 105972W CHARTERED ACCOUNTANTS