Satyam Developers Limited

Annual Report 2013-14

General Information

Board of Directors	Hanubhai R. Sangani Vyomesh V. Patel Shital C. Desai
Bankers	ICICI Bank Axis Bank Bank of Baroda
Auditors	B H MANGAROLIA & CO. Chartered Accountants 408, Mahakant, Opp. V. S. Hospital, Ashram Road, Ahmedabad -380006
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

B. H. Mangarolia & Co.
CHARTERED ACCOUNTANTS

B. H. MANGAROLIA B.Com. F.C.A.
P. D. MANGAROLIA B.Com. F.C.A. DISA(ICAI)

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INDEPENDENT AUDITORS' REPORT

To the Members of
Satyam Developers Limited

Report on the Financial Statements

01. We have audited the accompanying financial statements of Satyam Developers Limited (the "Company"),which comprise the Balance Sheet as at 31st March, 2014, 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 Financial Statements

02. The Company's management is responsible for 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 Standards referred to in sub-section (3C) of Section 211 of 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

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

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

Opinion

06. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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:

    (i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2014;

    (ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

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

Report on Other Legal and Regulatory Requirements

07. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

08. As required by section 227(3) of the Act, we report that:

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

    b) in our opinion, proper books of account as required by law; have been kept by the Company, so far as appears from our examination of those books;

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

    d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;

    e) On the basis of written representations received from the Directors as on 31st March, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105572W)

(B H MANGAROLIA)
Partner
M. No. 032693

Place: Ahmedabad
Date: 06.05.2014

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 7 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) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

02. a) The inventory i.e. construction materials has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.

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

c) The Company has maintained proper records of inventory. 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. a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly the provisions of the clause 4(iii)(a) to 4(iii)(d) of the Order are not applicable.

e) The Company has taken unsecured loans from 3 parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2382.27 Lacs and the year end balance in such loan accounts was Rs. 1760.08 Lacs.

f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from parties covered in the register maintained under section 301 of the Companies Act,1956 are not, prima facie, prejudicial to the interest of the Company.

g) The company was regular in payment of principal amount and interest as per the terms of the said loans wherever applicable.

04. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

AHMEDABAD

05. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
    a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion, the transactions that need to be entered into the register in pursuance of Section 301 of the Act have been so entered.
    b) According to the information and explanations given to us and excluding certain transactions of purchase of goods, material and services of special nature for which alternate quotations are not available, the transactions in pursuance of such contracts or arrangements have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

06. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.

07. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business, however it is required to be strengthened.

08. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 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.

09. 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 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, 2014 for a period of more than six months from the date they became payable.
    b) According to the information and explanations given to us there are no any disputed dues which have not been deposited, of income Tax, VAT/Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess as at 31st March, 2014 and therefore no further information is required to be furnished under this clause.

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year covered under our audit and the immediately preceding financial year.

11. 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.

12. As the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities clause 4(xii) of the order is [illegible] applicable.

B. H. Mangarolia & Co.
CHARTERED ACCOUNTANTS

B. H. MANGAROLIA B.Com, F.C.A.
Y.B. MANGAROLIA B.Com, F.C.A., [illegible]

[illegible] "Mahakant" Opp. V.S. Hospital, Ashram Road, Ahmedabad-380 [illegible]
Cel. [illegible] E-mail : [illegible]

13. The company is not a chit fund/nidhi/mutual benefit fund/society. Accordingly the provisions of the clause 4(xiii) of the Order are not applicable.

14. As the Company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4(xiv) of the Order is not applicable.

15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

16. The company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.

18. The Company has not made any preferential allotment of shares to any parties and companies covered under the register maintained u/s.301 of the Companies Act, 1956 during the year.

19. No security or charge is required to be created since the company has not issued any Debentures.

20. The Company has not raised any money by public issue during the year.

21. During the course of our examination of the books of account carried out in accordance with the generally accepted accounting practices in India, no material fraud on or by the company has been noticed or reported during the year nor have been informed of such case by the management.

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

(B H MANGAROLIA)
Partner
M. No. 032693

Place: Ahmedabad
Date: 06.09.2014

Satyam Developers Limited

Balance Sheet as at 31st March, 2014

PARTICULARS	Note No.	Rs.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
I EQUITY AND LIABILITIES				
1 Shareholders' funds				
a. Share capital	03	34,931,250		34,931,250
b. Reserves and surplus	04	311,359,663		308,882,929
c. Money received against share warrants		-		-
			346,290,913	343,814,179
2 Share application money pending allotment			-	-
3 Non-current liabilities				
a. Long-term borrowings	05	515,864,510		528,847,432
b. Deferred tax liabilities (net)	06	-		-
c. Other long-term liabilities		-		-
d. Long-term provisions		-		-
			515,864,510	528,847,432
4 Current liabilities				
a. Short-term borrowings	07	68,200,000		61,700,808
b. Trade payables	08	33,497,096		10,828,808
c. Other current liabilities	09	738,502,400		188,968,823
d. Short-term provisions	10	1,353,599		485,820
			826,553,495	286,998,432
TOTAL			1,688,709,218	1,156,057,043
II ASSETS				
1 Non-current assets				
a. Fixed assets				
i. Tangible assets	11	13,918,848		22,795,826
ii. Intangible assets		-		-
iii. Capital work-in-progress		-		-
iv. Intangible assets under development		-		-
v. Fixed assets held for sale		-		-
		13,918,848		22,795,826
b. Non-current investments		-		-
c. Deferred tax assets (net)	06	1,572,747		942,789
d. Long-term loans and advances	12	156,266		149,933
e. Other non-current assets	13	-		85,931
			15,647,861	23,973,080
2 Current assets				
a. Current investments		-		-
b. Inventories	14	1,345,345,930		1,107,731,777
c. Trade receivables	15	-		870,080
d. Cash and bank balances	16	306,327,253		16,573,098
e. Short-term loans and advances	17	21,389,082		7,740,269
f. Other current assets		-		-
			1,673,061,357	1,132,983,954
Significant Accounting Policies	02			
TOTAL			1,688,709,218	1,156,897,043

See accompanying notes forming part of the financial statements

As per our report of even date
For, B H MANGAROLIA & CO.
Chartered Accountants
(FRN 105572W)

(B H MANGAROLIA)
Partner
M. No. 032693

Place: Ahmedabad
Date: 08.09.2014

For and on behalf of the Board

([illegible] V. Patel)
Director

(Dinal C. Desai)
Director

Satyam Developers Limited

Statement of Profit and Loss for the year ended 31st March, 2014

PARTICULARS	Note No.		For the year ended 31.03.2014	31.03.2013
		Rs.	Rs.	Rs.
I. Revenue from operations (gross)	18	174,680,001		629,248,500
Less: Excise duty		-		-
Revenue from operations (net)			174,680,001	629,248,500
II. Other income	19		959,462	179,614
III. Total revenue (I + II)			175,639,463	629,428,114
IV. Expenses				
a. Cost of construction materials consumed	20	186,439,594		204,834,754
b. Land cost & expenses related with project	21	151,721,055		341,938,829
c. Purchase of finished properties		-		-
d. Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(239,380,326)		1,854,375
e. Employee benefits expense	23	13,877,698		18,855,814
f. Finance costs	24	31,449,424		27,758,864
g. Depreciation and amortisation expense	25	4,813,888		4,808,217
h. Other expenses	26	15,948,355		18,876,162
Total expenses			168,881,678	616,515,315
V. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)			6,757,786	12,912,799
VI. Exceptional items			-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)			6,757,786	12,912,799
VIII. Extraordinary items			-	-
IX. Profit / (Loss) before tax (VII - VIII)			6,757,786	12,912,799
X. Tax expense:				
a. Current Tax		2,911,000		4,508,800
b. Deferred Tax		(629,948)		(395,887)
			2,281,052	4,112,913
XI. Profit / (Loss) for the period from continuing operations (IX - X)			4,476,734	8,799,886
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)			4,476,734	8,799,886
XVI. Earnings per equity share				
a. Basic			1.28	2.51
Significant Accounting Policies	03			

See accompanying notes forming part of the financial statements

As per our report of even date

For, B H MANGAROLIA & CO.

Chartered Accountants

(FRN 104973W)

(B H MANGAROLIA)

Partner

M. No. 032693

Place: Ahmedabad

Date: 06.09.2014

For and on behalf of the Board

([illegible] V. Patel)

Director

(Shital C. Desai)

Director

Satyam Developers Limited

Cash Flow Statement for the year 2013-14

Particulars	31.03.2014 Rs.	31.03.2013 Rs.
A. Cash flow from operating activities		
Net profit before taxation, and extraordinary items	6,757,788	12,912,799
Adjustments for:		
Depreciation	4,013,088	4,898,217
Preliminary Exps and IT provision w/back	68,031	9,726
Loss on sale of fixed Assets	158,554	-
Interest income	(638,481)	(179,614)
Interest expense	31,449,424	27,758,064
Operating profit before working capital changes	42,428,122	44,497,192
Movements in working capital:		
(Increase)/Decrease in Trade Receivables	678,080	(470,080)
(Increase)/Decrease in inventories	(237,634,125)	2,334,865
(Increase)/Decrease other Receivables	(3,633,516)	(2,557,702)
(Decrease)/Increase in current liabilities	548,690,084	(344,794,851)
Cash (used in)/generated from operations	350,723,565	(300,990,545)
Taxes paid (net of refunds)	(2,043,021)	(7,168,083)
Cash flow before extraordinary items	348,680,544	(308,158,628)
Extraordinary item		-
Net cash (used in)/ from operating activities (A)	348,680,544	(308,158,628)
B. Cash flows from investing activities		
Purchase of fixed assets	(94,684)	(7,311,719)
Proceeds from sale of fixed assets	4,000,000	-
Interest received	639,481	179,614
Net cash (used in)/ from investing activities (B)	4,744,797	(7,132,105)
C. Cash flows from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds from long-term borrowings	-	345,583,322
Repayment of long-term borrowings	(12,182,622)	-
Interest paid	(31,449,424)	(27,758,064)
Net cash introduced from /(used in) financing activities (C)	(43,632,046)	317,825,258

Satyam Developers Limited

Cash Flow Statement for the year 2013-14

Particulars	31.03.2014 Rs.	31.03.2013 Rs.
Net (decrease)/increase in cash & cash equiv. (A+B+C)	**309,793,295**	**2,535,525**
Cash and cash equivalents at the beginning of the year	16,533,958	13,998,433
Cash and cash equivalents at the end of the year	326,327,253	16,533,958
	309,793,295	**2,535,525**

As per our report of even date

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

For and on behalf of the Board

(B H MANGAROLIA)
Partner
M. No. 032693

Place: Ahmedabad
Date: 06.09.2014

(Vyomesh V. Patel)
Director

(Shital C. Desai)
Director

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

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. 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 recognised. 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 Depreciation and amortisation

Depreciation, on fixed assets, has been provided in the accounts at the rates specified in Schedule XIV to the Companies Act, 1956 on Written Down Value (WDV) [illegible]. Depreciation on additions during the year is provided on prorata time basis.

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2.05 Revenue recognition

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

Recognition of revenue from real estate projects

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.

2.06 Tangible fixed assets

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.

2.07 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

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.

2.08 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.

2.09 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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2.10 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.

2.11 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.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised nor disclosed in the financial statements.

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

03. Share Capital

Particulars	As at 31.03.2014		As at 31.03.2013	
	Number	Rs.	Number	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				
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

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 31.03.2014		As at 31.03.2013	
		Number	%	Number	%
1	Hansibhai R. Sangani	810,424	23.20	810,424	23.20
2	Vyomesh V. Patel	607,912	17.40	607,912	17.40
3	Shital C. Desai	607,912	17.40	607,912	17.40
4	Thirdeye Mercantile Pvt. Ltd.	856,250	24.51	856,250	24.51
5	Bilmal Merchants Pvt. Ltd.	609,375	17.44	609,375	17.44

Particulars	Aggregate number of shares for the period of 5 years immediately preceding the Balance Sheet date
Equity shares of Rs. 10 each	
Fully paid up by way of bonus shares	698,000

04. Reserves and surplus

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 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	15,114,179	7,214,093
Add: Profit / (Loss) for the year	4,476,734	7,900,086
Less:		
Proposed Dividend	-	-
Tax on dividend	-	-
Transferred to:		
General reserve	-	-
Closing balance	19,590,913	15,114,179
Total Reserves and surplus	211,358,663	206,881,929

06. Long-term borrowings

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Secured		
Working Capital Demand Loan(WCDL)		
a. From Bank of Baroda	-	281,876,690
Security *Equitable Mortgage of N.A.Land(admeasuring approx 7103 Sq. Mtrs.) situated at FP No. 88 TPS No. 04, Mouje Jodhpur, Taluka City, Dist Ahmedabad in the name of company and construction to be carried out thereon.* *Guarantee : Personal Guarantee of Mr. Himatbhai Sangani, Mr. Mihir Desai and Mr. Yoomesh Patel* *Repayment: After Completion of Moratorium period of 23 months , the OD account to be repaid in 3 equal monthly installments, Demand Loan is to be repaid in remaining 5 monthly installments commencing after full repayment of OD facility*		
b. From ICICI bank	337,000,000	-
Registered Mortgage of N.A.Land(admeasuring approx 7103 Sq. Mtrs.) situated at FP No. 88 TPS No. 04, Mouje Jodhpur, Taluka City, Dist Ahmedabad in the name of company including all the structures thereon both present & future *Irrevocable and unconditional Personal guarantee (Deed) of Mr Manu Sangani, Mr Yoomesh Patel and Mr Mihir Desai.* *principal amount of the ITL in 33 monthly installments commencing from June 11, 2015.*		
c. Vehicle Loan from ICICI Bank	-	3,668,543
(Secured by hypothecation of vehicle *EMI over a period of 60 months amounting to Rs. 93,650/- each,* *The loan is repayable, in monthly installments, by Feb, 2018)*		

d. Vehicle Loan from Axis Bank *(Secured by hypothecation of vehicle EMI over a period of 60 months amounting to Rs. 146,750/- each. The loan is repayable, in monthly instalments, by Dec, 2016)*	2,857,083		4,277,614
		339,857,083	289,820,655
Other loans and advances		-	-
Total Secured Long Term Borrowings		339,857,083	289,820,655
<u>Unsecured</u>			
Loans and advances from related parties		176,007,727	238,226,777
Other loans and advances		-	-
Total unsecured Long Term Borrowings		176,007,727	238,226,777
Total Long-term borrowings		515,864,810	528,047,432

Installments falling due in respect of all the above secured term loans upto 31.03.2015 have been grouped under "Current maturities of long-term debt" (Refer Note 09)

06. Deferred tax Liability/ Asset

	Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
a	*<u>Tax effect of items constituting deferred tax liability</u>*		
i	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
	Deferred tax liability	-	-
b	*<u>Tax effect of items constituting deferred tax Assets</u>*		
i	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,572,747	942,789
	Deferred tax asset	1,572,747	942,789
	Net Deferred Tax Liability/ Asset	(1,572,747)	(942,789)

07. Short-term borrowings

Particulars		As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<u>Unsecured</u>			
Deposits			
Inter-corporate deposit	65,200,000		67,700,000
		65,200,000	67,700,000
Other loans and advances		-	-
Total Unsecured Short Term Borrowings		65,200,000	67,700,000
Total Short-term borrowings		65,200,000	67,700,000

08. Trade payables

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Trade payables	55,497,096	50,028,089
Total Trade payables	55,497,096	50,028,089

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.

09. Other current liabilities

Particulars		As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Current maturities of long-term debt		344,097,560	2,018,096
Other payables			
Statutory remittances	4,620,891		3,229,518
Payables for Expenses	11,314,922		885,778
Bank Overdrawn Accounts	17,619,199		146,660
Advances from customers	358,840,228		152,909,978
		392,495,240	156,851,727
Total Other current liabilities		736,592,800	158,869,823

10. Short-term provisions

Particulars		As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Provision for employee benefits		-	-
Provision - Others			
Provision for tax (net of advance tax)	1,353,599		485,620
Provision for proposed equity dividend	-		-
Provision for tax on proposed dividends	-		-
		1,353,599	485,620
Total Short-term provisions		1,353,599	485,620

11. Tangible assets

Particulars	Gross block			
	Balance as at 01.04.2013 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.03.2014 Rs.
Plant and Equipment	3,180,963	-	-	3,180,963
Furniture and Fixtures	16,012,671	29,925	-	16,043,586
Vehicles	14,973,578	-	5,267,968	9,705,682
Computer	2,939,258	64,739	-	3,003,989
Total	37,106,454	94,664	5,267,968	31,933,190
Previous year	29,794,735	7,311,719		37,106,454

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Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

Particulars	Accumulated Depreciation			
	Balance as at 01.04.2013 Rs.	Depreciation for the year Rs.	Eliminated on disposal of assets Rs.	Balance as at 31.03.2014 Rs.
Plant and Equipment	578,527	363,312	-	933,839
Furniture and Fixtures	8,717,732	1,322,625	-	10,040,357
Vehicles	3,793,562	2,026,973	1,189,414	4,531,121
Computer	2,228,807	301,178	-	2,529,985
Total	14,318,620	4,013,888	1,189,414	18,033,907
Previous year	9,412,451	4,898,217	-	14,310,628

Particulars	Net Block	
	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Plant and Equipment	2,247,324	2,610,436
Furniture and Fixtures	6,082,239	7,394,939
Vehicles	5,194,481	12,180,808
Computer	394,004	710,443
Total Tangible assets	13,918,048	22,795,826
Previous year	22,795,820	30,382,324

12. Long-term loans and advances

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(Unsecured, considered good)		
Capital advances	-	-
Security deposits	156,366	145,533
Total Long-term loans and advances	156,366	145,533

13. Other non-current assets

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Others		
Miscellaneous Expenditure (Preliminary Expo.)	-	88,831
	-	88,831
Total Other non-current assets	-	88,831

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

14. Inventories

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(At lower of cost and net realisable value)		
(As per inventory taken, valued and certified by the management)		
Construction materials	2,807,704	541,084
Work-in-progress (Project under Progress)	1,336,822,348	1,081,554,843
Stock in Trade (finished property)	25,635,850	25,635,850
Total Inventories	1,365,265,902	1,107,731,777

15. Trade receivables

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Other Trade receivables	-	870,006
Total Trade receivables	-	870,006

16. Cash and bank balances

Particulars		As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Cash and cash equivalents			
Balances with banks			
In current accounts	254,033,480		14,658,063
In deposit accounts	-		557,297
Cash on hand	77,523		1,318,598
		254,111,003	16,533,958
Other bank balances			
Balances held as margin money or security against borrowings, guarantees and other commitments	72,216,250		-
Total Cash and bank balances		326,327,253	16,533,958

17. Short-term loans and advances

Particulars		As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(Unsecured, considered good)			
Prepaid expenses		261,083	512,760
Balances with government authorities			
Service Tax/Excise credit receivable	1,267,044		1,994,239
		1,267,044	1,994,239
Others		9,838,955	5,241,230
Total Short-term loans and advances		11,367,082	7,748,229

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

18. Revenue from operations

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Gross		
Sale of Real estate property	174,800,001	629,248,500
Sale of services	-	-
Other operating revenues	-	-
	174,800,001	629,248,500
Less:		
Excise duty	-	-
Total Revenue from operations	174,800,001	629,248,500

19. Other income

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Interest income	839,461	179,614
Total Other income	839,461	179,614
Interest income comprises:		
Interest from banks on Deposits	827,535	168,911
Interest income from Torrent Power Deposit	11,926	10,703
Other interest	-	-
Total	839,461	179,614

20. Cost of construction materials consumed

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Opening stock	541,904	1,822,345
Add: Purchases	188,705,394	203,554,313
	189,247,298	205,376,658
Less: Closing stock	2,807,704	541,904
	186,439,594	204,834,754
Total Cost of construction materials consumed	186,439,594	204,834,754

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

21. Land cost & Expenses related with project

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Land & Land Development Exps.	2,606,440	97,678,809
Expenses related with project (Direct)		
Plan Passing Exps.	-	42,838,283
Construction Exps.	-	5,600
Labour Charges & Welfare	51,230,311	114,288,030
Electric Burning & Connection Exps.	4,136,799	7,352,095
Freight Exps.	13,277,510	15,393,727
Gardening Exps.	88,415	2,407,689
Machinery Repairs	-	3,200
Machinery Hire Charges	3,248,172	815,137
Professional Fees (Site)	4,193,405	8,591,011
Site Staff Salary, Bonus & Allowances	450,606	698,500
Security Charges	859,842	1,663,115
Site Misc. Exps.	247,844	237,300
Brokerage	202,500	1,574,250
	77,935,404	195,867,937
Expenses related with project (Indirect)		
Advertisement Expenses	11,394,795	4,738,779
Bank Charges	265,605	61,911
Internet Expenses	120,048	-
Bank Loan Interest	46,567,306	39,078,394
Bank Loan Processing Charges	10,500,000	2,678,584
Legal Expenses	1,125,750	5,350
Stationery & Printing Expenses	165,900	357,010
Website Expenses	65,000	-
Insurance Exps.	157,200	53,780
Telephone Exps.	-	229,624
Donation	-	1,111
House Keeping Exps.	185,071	239,022
Service Tax	505,451	761,718
Office Exps.	116,796	168,517
Other Interest Exps.	709	11,203
	71,179,211	48,363,083
Total Land cost & Expenses related with project	151,721,055	341,909,829

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

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

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Inventories at the end of the year:		
Work-in-progress (Project under Progress)	1,316,932,348	1,081,554,023
Stock in Trade (finished property)	25,635,850	25,635,850
	1,342,568,198	1,107,189,873
Inventories at the beginning of the year:		
Work-in-progress (Project under Progress)	1,081,554,022	1,072,018,048
Stock in Trade (finished property)	25,635,850	36,226,200
	1,107,189,872	1,108,244,248
Net (increase) / decrease in inventories	(235,378,326)	1,054,375

23. Employee benefits expense

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Salaries	13,527,629	17,464,260
Contributions to Provident Fund	281,527	354,570
Staff welfare expenses	68,530	37,084
Total Employee benefits expense	13,877,686	17,855,914

24. Finance costs

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Interest expense on		
Borrowings	30,498,127	27,671,854
Others		
Interest on delayed / deferred payment of Income Tax	30,465	19,370
Others	613,234	64,840
	643,699	84,210
Other borrowing costs	307,598	-
Total Finance costs	31,449,424	27,756,064

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

25. Depreciation and amortisation expense

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Depreciation and amortisation for the year on tangible assets	4,813,888	4,899,217
Depreciation and amortisation for the year on intangible assets	-	-
Total Depreciation and amortisation expense	4,813,888	4,899,217

26. Other expenses

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Administrative & Other Expenses		
Office Rent	8,089,920	8,089,920
Repairs and maintenance - Buildings	83,087	81,075
Repairs and maintenance - Others	774,390	740,423
Insurance	150,684	19,411
Rates and taxes	2,894,153	3,386,943
Communication Exps.	192,114	322,421
Travelling and conveyance	-	1,216,595
Printing and stationery	380,374	698,981
Vehicle Running & Maintenance Exps.	472,973	38,245
Electricity Exps.	935,710	1,098,929
Advertisement Exps.	75,354	1,561,064
Business promotion	291,992	169,568
Donations	10,000	-
Penalty	5,000	15,000
Legal and professional	504,946	395,774
Payments to auditors	73,034	73,034
Loss on fixed assets sold / scrapped / written off	158,554	-
Other Miscellaneous expenses	709,870	989,759
Total Other expenses	15,908,155	18,876,162

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Payments to the auditors comprises		
As auditors	50,562	50,562
For taxation matters	22,472	22,472
Total	73,034	73,034

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

27. Value of imports calculated on CIF basis

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Material	-	-
Capital goods	-	-
	-	-

28. Expenditure in foreign currency

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Foreign Traveling Expe.	-	-
Total	-	-

29. Contingent liabilities and commitments

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Contingent liabilities		
Claims against the Company not acknowledged as debt	-	-
Total	-	-
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, Shitalbhai C Desai, Vyomeshbhai V patel

Relatives of key management personnel

Mehul R Bhimani, Viral K Patel

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

Satyam Corporation, Satyam Gokul Corporation

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

Satyam Developers Limited

Notes forming part of the financial statements (2013-14)

9 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 31.03.2014 Rs.	As at 31.03.2013 Rs.
- Key management personnel			
- Salary			
Hanubhai R Sangani		1,440,000	1,440,000
Vyomeshbhai V patel		1,440,000	1,440,000
Shitalbhai C Desai		1,440,000	1,440,000
	Total	4,320,000	4,320,000
- Interest expense			
Hanubhai R Sangani		13,056,955	10,078,859
Vyomeshbhai V patel		12,460,514	11,027,951
Shitalbhai C Desai		4,184,388	5,972,942
	Total	29,701,857	27,079,752
- Office Rent Expense			
Hanubhai R Sangani		3,235,968	3,235,968
Vyomeshbhai V patel		2,426,976	2,426,976
Shitalbhai C Desai		2,426,976	2,426,976
	Total	8,089,920	8,089,920
- Professional Fees			
Hanubhai R Sangani		300,000	480,000
- Relatives of key management personnel			
- Salary			
Mehul P Bhimani		-	308,400
Viral K Patel		368,400	308,400
	Total	368,400	616,800
- Enterprises owned or significantly influenced by key management personnel or their relatives			
- Purchases (Construction Material)			
Satyam Import Export Private Limited		1,340,970	48,000
Satyam Corporation		2,476,500	1,458,400
	Total	3,817,470	1,506,400

c) Balance as at the year end

Particulars		As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
- Key management personnel			
- Long-term borrowings(unsecured)			
Nanubhai R Sangani		96,251,152	97,300,973
Shitalbhai C Desai		4,641,597	35,075,648
Vyomeshbhai V patel		75,114,978	105,960,156
	Total	176,007,727	238,336,777
- Enterprises owned or significantly influenced by key management personnel or their relatives			
- Trade payables			
Satyam Import Export Private Limited		418,370	-
Satyam Corporation		307,075	65,625
	Total	725,445	65,625

31. 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.
Chartered Accountants
(FRN 109972W)

(B H MANGAROLIA)
Partner
M. No. 032640

For and on behalf of the Board

Place: Ahmedabad
Date: 06.09.2014

(Vyomesh V. Patel)
Director

(Shital C. Desai)
Director