

MERLIN PROJECTS LIMITED

AUDIT REPORT
&
STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 31st MARCH, 2016



Auditor:

B. JAIN & CO.

Chartered Accountants

2, Ashutosh Mukherjee Road,

4th Floor, Kolkata - 700 020

Ph Nos.: 89810 10996/30996/40996

E - Mail: info@bjaingroup.com

B. Jain & Co.
Chartered Accountants

2, Ashutosh Mukherjee Road,
4th Floor, Kolkata – 700 020
Ph.: 8981010996/30996140996
E-mail: info@bjaingroup.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MERLIN PROJECTS LIMITED,

Report on the Financial Statements

We have audited the accompanying financial statements of **MERLIN PROJECTS LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at 904, 9th floor, Indraprasth Corporate, Anandnagar Road, Prahladnagar, Ahmedabad-380015.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 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

Branch at: Mumbai.



in the circumstances. An audit also includes evaluating the appropriateness of the 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.

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of one branch included in the financial statements of the Company whose financial statements reflect total assets of ₹ 121,895,588/- as at 31st March, 2016 and total revenues of ₹ NIL for the year ended on that date, as considered in the financial statements. The financial statements of this branch have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143 (3) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

Branch at: Mumbai.



- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) 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 my separate report in 'Annexure B'.
- (h) 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 except contingent liability as shown in Note 2(11) which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

In terms of our report of even date
For B. Jain & Co.
Chartered Accountants
FRN: 307100E

Place: Kolkata
Date: 4th September, 2016


B.C. Jain
Partner
M. No: C12181



Branch at: Mumbai.

ANNEXURE A TO THE AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the member of the Company on the financial statement of the year ended 31st March 2016, we report that:

- I. In respect of its Fixed Assets:
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified by the management in a phased manner over a period of three years. In our opinion the periodicity of physical verification is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property are held in the name of the Company.

- II. In respect of Inventories:

Physical verification has been conducted by the management at reasonable intervals in respect of goods. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

- III. In respect of any loan granted:

The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 199 of the Companies Act, 2013; hence clause 3(II) of the Order is not applicable to the Company.

- IV. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

- V. According to the information and explanations given to us, the Company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

- VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not

Branch at: Mumbai.



made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

VII. In respect of Statutory Dues:

- a. According to information and explanation given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education Protection Fund, and Employees' State Insurance, Sales Tax, Income Tax, Wealth Tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities. Further, as per the records of the Company, there were no undisputed amounts of arrears payable in respect of such statutory dues which have remained outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
- b. According to information and explanation given to us, there were disputed amounts payable in respect of Income Tax of ₹ 48,67,625 as given in notes 2(1)(c).

VIII. The Company has not defaulted in repayment of any loans or borrowings from any financial institutions, banks, government or debentures holders during the year. Accordingly paragraph 3(VIII) of the Order is not applicable to the Company.

IX. According to the information and explanation given us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(IX) of the Order is not applicable to the Company.

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

XI. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

XII. In our opinion and according to the information and explanations given to me the Company is not a Nidhi Company. Accordingly paragraph 3(XII) of the Order is not applicable to the Company.

XIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 188 and 177 of the Companies act, 2013 where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.



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Chartered Accountants

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- XIV. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential Allotment/ private placement of shares or fully or partly convertible debentures during the year.
- XV. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any Non cash transactions with the directors or persons connected with him.
- XVI. The Company is not a Non-Banking Finance Company, and it is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

In terms of our report of even date
For **B. Jain & Co.**
Chartered Accountants
FRN: 307100E

Place: Kolkata
Date: 4th September, 2016


B.C. Jain
Partner
M. No: 012181



Branch at: Mumbai.

B. Jain & Co.
Chartered Accountants

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ANNEXURE B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (l) 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 **MERLIN PROJECTS LIMITED** ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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 Companies Act, 2013.

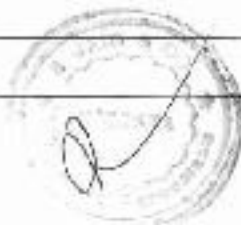
Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Branch at: Mumbai.



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Chartered Accountants

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Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2016.

In terms of our report of even date
For B. Jain & Co.
Chartered Accountants
FRN: 307100E

Place: Kolkata
Date: 4th September, 2016


B.C. Jain
Partner
M. No: 012181

Branch at: Mumbai



MERLIN PROJECTS LIMITED
BALANCE SHEET AS ON 31ST MARCH, 2016

Particulars	Note	31.03.2016	31.03.2015
		₹	₹
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	76,333,250	76,333,250
Reserve & Surplus	4	2,502,826,383	2,328,637,467
Non-Current Liabilities			
Long-Term Borrowings	5	796,730,761	734,412,830
Other Non-Current Liabilities	6	91,395,890	69,019,656
Current Liabilities			
Short-Term Borrowings	7	172,134,572	79,592,958
Trade Payables	8	29,945,610	25,664,839
Other Current Liabilities	9	1,161,481,342	2,172,702,172
Short-Term Provisions	10	205,801,754	179,985,169
		5,116,649,563	5,665,848,342
II. ASSETS			
Non-Current Assets			
Fixed Assets			
-Tangible Assets	11	255,108,561	228,109,020
-Intangible Assets		845,473	1,106,798
-Capital Work- In- Progress		-	15,021,513
Non-Current Investments	12	345,742,268	322,299,701
Long Term Loans and Advances	13	4,725,940	24,714,940
Current Assets			
Current Investments	14	859,620,509	469,791,250
Inventories	15	1,720,557,703	3,048,341,929
Trade Receivables	16	158,824,720	55,358,126
Cash and Bank Balances	17	195,846,971	238,340,016
Short-Term Loans and Advances	18	1,575,377,418	1,261,765,550
		5,116,649,563	5,665,848,342
Significant Accounting Policies	1		
Notes to Financial Statements	2		

The annexed reports form an integral part of the Financial Statements.

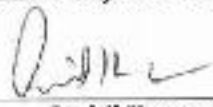
As per our reports of even date and annexed.
 For B. Jain & Co.
 Chartered Accountants
 FRN - 30710CE

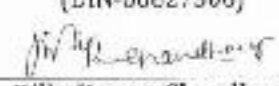

B. C. Jati
 Partner
 Membership No.: 012181

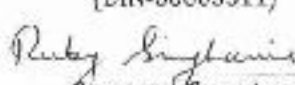
Place: Kolkata
 Date : 4th September, 2016



For and on behalf of the Board of
MERLIN PROJECTS LIMITED


Sushil Kumar Mohta
 (DIN-00627506)


Dilip Kumar Choudhary
 (DIN-00605511)


Ruby Singhania
 Company Secretary

MERLIN PROJECTS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note	31.03.2016	31.03.2015
		₹	₹
I. Income:			
Revenue from Operations	19	2,490,865,771	874,079,523
Other Income	20	43,366,880	63,575,853
Total Income		2,133,234,651	937,655,376
II. Expenses:			
Cost of Development of Property		384,322,536	652,589,970
Change in Inventory	21	1,313,801,743	(71,394,273)
Finance Cost	22	2,031,741	304,618
Employee Benefits Expense	23	24,948,766	13,122,735
Depreciation	11	22,686,560	21,209,179
Other Expenses	24	34,114,655	29,910,091
Total Expenses		1,781,908,001	645,741,620
III. Profit Before Tax (I-II)		357,326,650	292,013,755
IV. Tax Expense:			
Current Tax		56,572,925	73,500,000
- Earlier Years Tax		1,646,281	8,975,086
- MAT Entitlement		34,518,528	16,153,568
V. Profit for the year (III-IV)		254,188,916	193,379,100
VI. Earnings per equity share:			
- Basic & Diluted		33.30	25.33
Significant Accounting Policies	1		
Notes to Financial Statements	2		


The annexed reports form an integral part of the Financial Statements.

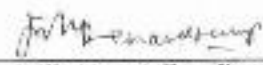
As per our reports of even date and annexed.
 For B. Jain & Co.
 Chartered Accountants
 PRN - 307100E

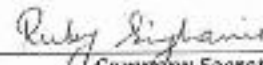

 R. C. Jain
 Partner
 Membership No.: 012181

Place: Kolkata
 Date: 4th September, 2016

For and on behalf of the Board of
MERLIN PROJECTS LIMITED


 Sushil Kumar Mohta
 (DIR-00627506)


 Dilip Kumar Choudhary
 (DIR-00605511)


 Ruby Singhania
 Company Secretary



MERLIN PROJECTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	31st March, 2016		31st March, 2015	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit / (Loss) before tax, adjustments for the prior years and extraordinary items		357,326,650		392,013,755
Add: Depreciation	22,888,560		21,209,079	
Loss on Sale of Shares (Net)	2,352,213		252,107	
Interest paid	2,023,091		804,018	
		27,113,514		22,270,405
Less: Interest Received	7,700,000		2,002,482	
Profit on Sale of Fixed Assets	1,156,570		5,073,950	
Dividend	35,105,950		17,724,944	
Profit from Partnership Firm (Net)	1,122,333		9,605,303	
		35,294,541		34,406,677
Operating Profit before working capital changes		325,045,223		279,797,481
Adjustment for:				
Non-Current Liabilities	22,396,236		(5,396,519)	
Current Investments	(309,825,259)		(234,911,177)	
Non-Current Investment	-		30,220,220	
Inventories	1,327,781,226		(71,094,273)	
Trade Payable	3,200,771		8,641,478	
Other Current Liabilities	(1,010,750,831)		324,752,129	
Trade Receivable	(102,465,596)		7,106,423	
Short Term Loans & Advances	(308,152,743)		(435,376,553)	
Short Term Borrowings	92,541,613		(6,116,970)	
Provisions & Reserves	(42,802,621)		(15,580,010)	
Other Long Term Assets	19,826,000	(386,003,203)	(20,005,000)	(608,566,125)
Cash generated from operations		(56,957,980)		(128,768,045)
Direct Taxes Received / (Paid) (Net of refund received)		(35,974,653)		(20,839,152)
Net cash from operating activities	A	(90,932,633)		(149,607,197)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Disposals of Fixed Assets	(99,807,708)		(19,144,204)	
Interest Received	7,700,000		2,002,482	
(Purchase) / Sale of Investment	(23,442,500)			
Profit on Sale of Shares	(2,352,213)		(252,107)	
Sale of Fixed Assets	1,633,000		20,167,150	
Capital WIP	16,021,513		(14,160,753)	
Profit from Partnership Firm	1,122,333		9,605,303	
Dividend Received	35,105,950		17,724,944	
Net Cash received from Investing Activities	B	(3,845,602)		16,029,734
C. CASH FLOW FROM FINANCING ACTIVITIES				
Secured Loan (Paid) / Taken	78,810,793		213,873,451	
Interest Paid	(2,023,791)		(804,018)	
Unsecured Loan (Paid) / Taken	(16,481,862)		74,915,362	
Net Cash received from financing Activities	C	60,285,193		289,984,834
Net Increase/Decrease in cash and cash equivalents (A+B+C)	D	(34,492,042)		(156,388,771)
Cash and cash equivalents - Opening Balance	E	736,340,016		81,551,245
Cash and cash equivalents - Closing Balance (D+E)		195,845,971		230,310,010

The annexed reports form an integral part of the Financial Statements.

As per our reports of even date and annexed.

For B. Jain & Co.
 Chartered Accountants
 FKR - 307100E

B. C. Jain
 Partner
 Membership No. 012161

Place: Kolkata
 Date: 4th September, 2016



For and on behalf of the Board of
MERLIN PROJECTS LIMITED

Sushil Kumar Mohita

Sushil Kumar Mohita
 (DIN-00627505)

Bhilp Kumar Choudhary

Bhilp Kumar Choudhary
 (DIN-00005511)

Ruby Singhania
 Company Secretary

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statement

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, except where otherwise stated.

The financial statements are prepared on accrual basis under the historical cost convention under the going concern concept.

Provision made for estimated expenses on completed projects likely to be incurred in next financial year is being provided for each Project on the basis of recommendation given by the supervisors / contractors.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Revised Schedule VI to the Companies Act, 1956.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

Revenue Recognition

The Company follows completed project method of accounting ("Project Completion Method of Accounting"). Allocable expenses incurred during the year are debited to work-in-progress account. The income is accounted for as and when the projects get completed or substantially completed. The revenue is recognized to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

Item of Income and Expenditure are recognized on accrual basis except dividend/interest on securities, interest on booking collection, rates & taxes, filing fees, and expenses incurred for minor works which are in excess/shortfall of provisions made in the year of completion of project are included in the cost of development on cash basis.

The company has capitalized various expenses and allocated the same to various projects, on the basis of proportionate expenses for different projects, on basis determined by the management, which vary from year to year, which is explained as occurring due to status of the projects during the financial year concerned.

Work-in-Progress

Work-in-Progress is stated at accumulated cost that includes payments made against agreement to purchase the land, development costs, direct and attributable towards the real estate development and borrowing cost on secured and unsecured loans for the real estate activities.



Closing Stock

Closing Stock of completed sites are valued and stated at cost.

Cash Flow Statement

Cash Flow Statement has been prepared in accordance with the indirect method prescribed in Accounting Standards – 3 issued under the Companies (Accounting Standards) Rules, 2006.

Fixed Assets

Fixed assets other than land are stated at cost less accumulated depreciation. Land is stated at historical cost.

Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

Investments

Investments are valued and stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Employee benefits

- a) The company had incorporated a Trust named Merlin Projects Gratuity Fund Trust for the managed employees' gratuity fund with Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.
- b) Provident Funds & Employees State Insurance has been deducted and deposited regularly with the appropriate authorities.

Borrowing Cost

Borrowing cost that are attributable to the acquisition of land and date till the site is ready and put on sale are added and capitalized to the cost of the property. Other borrowing costs, if any, are recognized as an expense in the period in which they are incurred.

Taxation

Provision for current taxation is ascertained on the basis of assessable profits as computed in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.



Foreign currency transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction.

Impairment of Assets

Assets other than intangible assets forming part of any cash-generating unit are tested for impairment when an indication exists that such assets may be impaired. An impairment loss is recognized in the Statement of profit and loss when the recoverable amount of such asset is less than its carrying value.

Provisions

A provision is held in respect of an obligation if and only if:

- a) The company has a present obligation as a result of a past event;
- b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
- c) Reliable estimate can be made of the amount of obligation.

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split.



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Note - 2. NOTES ON FINANCIAL STATEMENTS

- 1) Previous year figures have been re-arranged or re-grouped wherever deemed necessary to conform to current year figures.
- 2) The company is engaged in development of properties at several sites as developers. It has made Agreements with owners of land to develop, construct and dispose off after development of said properties. In respect of sites which are under progress, all expenses incurred for development have been included under the head "Work-in-progress".
- 3) In absence of adequate documents/information, the Micro, Small or Medium Enterprises under Micro, Small or Medium Enterprises Act, 2006, if any, included under sundry creditors, could not be identified and amount due to them cannot be specifically ascertained and disclosed in the financial statements.
- 4) The investments in shares and securities being long term in nature are valued and stated at cost. As per AS - 13, Accounting for Investments, issued by the Institute of Chartered Accountants of India, diminution in the value of Investments, other than temporary, should be recorded in the books of account. The management perceives the diminution, in some shares, in value of investments is a temporary phenomenon and hence no provision has been made in the books of account for such diminution.
- 5) A search & seizure operation was conducted by the Income Tax Department against the company on 11th September 2008. A sum of ₹ 11,00,000/- belonging to the company has been seized in such operation and is shown as Cash with IT Department under the head current assets.
- 6) Pursuant to AS-16 "Borrowing cost" as issued by The Institute of Chartered Accountant of India, Interest paid on borrowed funds (net of interest received on surplus fund), amounting to ₹ 1,28,39,881/- of which ₹ 20,31,741/- were charged to Statement of Profit & Loss and rest were capitalized to different sites.
- 7) As per AS - 22, "Accounting for Taxes on Income", as issued by the Institute of Chartered Accountants of India, the deferred tax for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as at the balance sheet date. However, considering the reasonable uncertainty of reversal of timing difference management decided not to recognize deferred tax asset.
- 8) Additional information:
 - a) Expenditure in foreign currency in Travelling & Business Promotion is ₹ 10,56,945/- (P.Y. ₹ 3,14,872/-)
 - b) Auditors' remuneration :
 - Statutory Audit (Including Tax Audit) ₹ 3,00,000/- (P.Y. ₹ 3,00,000/-).
 - Internal Audit ₹ 974,100/- (P.Y. ₹ 842,000/-)



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

- 9) As per Arbitration and Conciliation Act, 1996 the company has got an Arbitral Award of ₹ 14,40,14/- in form of the Space at 26 Prince Anwar Shah Road, Kolkata 700033 which has been included in Fixed Assets.
- 10) The company has paid ₹ 26,68,810/- towards Assessment of Employees provident Fund and the same has been adjusted from Security Deposit earlier deducted from the Contractors.
- 11) Contingent liabilities not provided for in respect of (in ₹)

Sl. No.	Particulars	31.03.2016	31.03.2015
1	Linexpired Corporate Guarantee {Refer Note a, b & c below}	1,01,30,00,000/-	1,51,30,00,000/-

- a) Corporate Guarantee given to Bajaj Finance Ltd, Infinity Benchmark, Sector - V, Salt Lake, Kolkata against Term loan facilities extended to Partnership firm, Merlin Developers amounting to ₹ 11,30,00,000/-. The outstanding Balance as on 31-3-2016 is ₹ 10,24,88,594/-
- b) The Company is a Co Borrower on the Loan taken by the firm Merlin developments from LIC Housing Finance LTD for its Project "Merlin Maximus" amounting to ₹ 30,00,00,000/- . The outstanding Balance as on 31-3-2015 is ₹ 32,00,00,000/-.
- c) The Company is a Co Borrower on the Loan taken by The Merlin Real Estate LLP from LIC Housing Finance LTD for its Project "Merlin waterfront" amounting to ₹ 40,00,00,000/- . The outstanding Balance as on 31-3-2016 is ₹ 16,00,00,000/-.
- d) Estimated amount of contracts remaining to be executed is unascertainable.
- e) Contingent Liability in respect of Income Tax of as follows:

Nature Of Dues	Period To Which It Pertains	Amount	Forum Where Dispute Pending
Income Tax	2005-06	9,510/-	Jurisdictional AO
	2007-08	5,65,839/-	Jurisdictional AO
	2009-10	4,84,176/-	Jurisdictional AO
	2009-10	3,38,640/-	Jurisdictional AO
	2010-11	3,64,300/-	Jurisdictional AO



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

	2011-12	1,76,470/-	Jurisdictional AO
	2012-13	1,67,040/-	Jurisdictional AO
	2012-13	17,350/-	Jurisdictional AO
	2013-14	13,640/-	Jurisdictional AO
	2015-16	26,29,350	CPC
	Total	48,67,265/-	

12) Corporate Social Responsibility

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 (read with Schedule VI) thereof by the company during the year is ₹ 49,85,453 (Previous Year ₹ 84,77,156)

(b) Expenditure related to Corporate Social Responsibility is ₹16,13,881 (Previous Year ₹21,30,000).
Details of Amount spent towards CSR given below:

Particulars	2015-16	2014-15
NGO's	1200000/-	21,00,000/-
Professional Organisation	99792/-	30,000/-
Students for books and computer	314089/-	NIL
Total	1613881/-	21,30,000/-

13) During the year the company has refunded the booking Amount received from Customers for its project "Merlin Paradise" at Dumdum, along with Compensation / Interest due to cancellation of its Project.

14) A project named "Merlin Paradise" is in suspension due to disputes with state government authorities. A part of the property may divest depending upon final judgment of the Hon'ble Supreme Court. However the management is of the opinion that after settlement of pending dispute the project would revive and the WIP have realizable value.

15) "Advance Against Property" includes advances made to various persons covered under prospective Joint Development Agreements which are considered good as the projects are likely to commence soon.



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

16) Segment Reporting, required by AS -17 as issued by The Institute of Chartered Accountant of India are as follows:

Identification of Segments:

i) Primary Segment:

Business Segment

The Company operates into two business segments, viz. Real Estates & Renting/ Sub letting of Properties.

ii) Secondary Segment:

Geographical Segment

The Company has branches in three regions, viz. Ahmedabad, Chennai and Raipur.

Particulars	Current Year			Previous Year		
	Construction Revenue	Rental Revenue	Total	Construction Revenue	Rental Revenue	Total
Kolkata	2009008827	72939243	2081948070	804849992	67502120	872352112
Ahmedabad	Nil	Nil	Nil	16,700,000	Nil	16,700,000
Chennai	Nil	Nil	Nil	Nil	Nil	Nil
Raipur	Nil	Nil	Nil	Nil	Nil	Nil
Total	2009008827	72939243	2081948070	821549992	67502120	889052112

17) Related Party disclosures, required by AS -18 as issued by The Institute of Chartered Accountant of India are as follows:

i) Subsidiary Companies:

a) Bengal Merlin Housing Ltd.

ii) Partnership Firms:

a) Merlin Developers

b) Merlin's

c) Merlin TF Lakeview

d) Jayshree Builders

e) Shaligram Corporation

f) Singhania Merlin Estate

g) Rubicon Builder LLP

h) Merlin Real Estate LLP

i) East End Developers

j) Merlin Buildcon (Gujrat) LLP

k) Merlin Projects and Estate, Chennai LLP

l) Merlin Corporation



NERLIN PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 ST MARCH, 2012

17. Joint Venture Assets:

- (a) The Work in Progress includes projects purchased by company jointly with other Companies as name:
 - 1. Waco Marine Pvt. Ltd.,
 - 2. BSA Projects Pvt. Ltd.,
 - 3. Hase, Construction Pvt. Ltd.,
 - 4. Janta Commerce Pvt. Ltd.,
 - 5. S. Ashok Marine Pvt. Ltd.

The accounting of the joint venture with regards to the operations were in progress in between the above companies will be accounted for in the consolidated accounts of the project. The company is acting as the managing partner in projects.

(b) Key Management Personnel (KMP) details:

(i) Key Management Personnel

Name	Designation, Relationship
Sudhakar Mishra	Managing Director
Sandeep Mishra	Director
Pradeep Kumar C. Sangha	Director
Manish Debnath	Director
Rishi Kumar Choudhary	Director
Rishi Singhania	Company Secretary

(ii) Family Members

Name	Relationship
Rajesh Sangha	Relatives of Director - Sandeep
Ravi Sangha	Relatives of Director - Pradeep
Garima Sangha	Son of Director - Sandeep
Prachi Sangha	Daughter-in-law of Director - Sandeep
Rishi Sangha	Son of Director - Pradeep
Rohini Sangha	Wife of Director - Pradeep
Prerna Mishra	Wife of Sandeep Kumar Mishra



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

- c) Enterprises over which the Key Management Personnel & Their Relatives have significant influence :
- | | |
|---|--|
| 1) Aniket Commerce Pvt. Ltd. | 41) Sunbeam Mercantile Pvt. Ltd. |
| 2) Bengal Merlin Housing Ltd. | 42) Temple Tradecom Pvt. Ltd. |
| 3) Bengal Merlin Infrastructure Ltd. | 43) Tide Vanijya Pvt. Ltd. |
| 4) Billenium Commercial Pvt. Ltd. | 44) Tiger Vyapaar Pvt. Ltd. |
| 5) Benz Service Point Pvt. Ltd. | 45) Tribune Commerce Pvt. Ltd. |
| 6) Collossus Suppliers Pvt. Ltd. | 46) Tudor Sales Pvt. Ltd. |
| 7) Concur Vyapaar Pvt. Ltd. | 47) Twins Vanijya Pvt. Ltd. |
| 8) Crypton Electronics Pvt. Ltd. | 48) Unique Vanijya Pvt. Ltd. |
| 9) Debonair Vanijya Pvt. Ltd. | 49) Wales Tradecom Pvt. Ltd. |
| 10) Galaxy Tracom Pvt. Ltd. | 50) Wave Vanijya Pvt. Ltd. |
| 11) Gautam Commercial Pvt. Ltd. | 51) BMS Realty Private Limited |
| 12) Active Vanijya Pvt. Ltd. | 52) Surekha Merlin Promoters Private Limited |
| 13) Wonderland Vanijya Pvt. Ltd. | |
| 14) Gaet Vanijya Pvt. Ltd. | |
| 15) Heskys Suppliers Pvt. Ltd. | |
| 16) Ibiza Hotels Pvt. Ltd. | |
| 17) Integral Distributors Pvt. Ltd. | |
| 18) Jivan Vanijya Pvt. Ltd. | |
| 19) Lily Distributors Pvt. Ltd. | |
| 20) Merlin Acropolis Pvt. Ltd. | |
| 21) Merlin Leisures Ltd. | |
| 22) Merlin Recreation Pvt. Ltd. | |
| 23) Merlin Infracon Pvt. Ltd. | |
| 24) True Value Maintenance Services Pvt. Ltd. | |
| 25) Merlin Infra Projects Pvt. Ltd. | |
| 26) Murli Sales Pvt. Ltd. | |
| 27) Muskan Commercial Pvt. Ltd. | |
| 28) MPL Agencies Pvt. Ltd. | |
| 29) Merlin Green Maintenance Services Pvt. Ltd. | |
| 30) New Alipore Trexim Pvt. Ltd. | |
| 31) Nikhar Suppliers Pvt. Ltd. | |
| 32) Oxford Tradecom Pvt. Ltd. | |
| 33) Planet Commercial Pvt. Ltd. | |
| 34) Raina Marketing Pvt. Ltd. | |
| 35) Saket Vanijya Pvt. Ltd. | |
| 36) Sanket Agencies Pvt. Ltd. | |
| 37) Sora Suppliers Pvt. Ltd. | |
| 38) Splended Marketing Pvt. Ltd. | |
| 39) Splended Suppliers Pvt. Ltd. | |
| 40) Super Complex Pvt. Ltd. | |



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

d) Transaction with related parties

a) With Parties Where Control Exists (wonderland, Active Transaction, Loan granted in CARO)

Particulars	Current Year (₹)	Previous Year (₹)
Rent Received	36000/-	36,000/-
Advance Given	NIL	3,432,814/-
Advance Repaid	8327814/-	NIL
Interest Received	84474629/-	NIL
Loan Given (Closing Balance)	748604115/-	313,598,269/-
Loan Repaid	729383034/-	NIL
Loan Taken (Closing Balance)	NIL	549,070/-
Business Promotion	40308/-	NIL
Advance Against Property	57370000/-	3000000/-

b) With Key Management Personnel And Their Relatives

Particulars	Current Year (₹)	Previous Year (₹)
Salary Paid	1,400,000/-	8,900,000/-
Keyman Insurance	2,612,248/-	2,611,953/-

18) The Earnings Per Share has been disclosed as per the AS - 20 Earnings Per Share as issued by the Institute of Chartered Accountants of India, by the weighted average method of the fully paid up equity shares which is as follows.

(In ₹)

Particulars	31.03.16	31.03.15
Net Profit after tax available for Equity shareholders (Numerator used for calculation (A))	254,188,916	193,379,100
Weighted average number of Equity Shares used as denominator for calculating EPS (B)	7,633,325	7,633,325
Basic and Diluted earnings per share (A)/(B)	33.30	25.33



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

19) The Company is a partner in the following partnership firms,

- a) Jayshree Builders
- b) Singhanla Merlin Estate
- c) Merlin T.F. Lakeview
- d) Merlin's
- e) Merlin Developers
- f) Shaligram Corporation
- g) Rubicon Builders LLP
- h) Merlin Real Estate LLP
- i) East End Developers
- j) Merlin Buildcon (Gujrat) LLP
- k) Merlin Projects and Estate, Chennai LLP
- l) Merlin Corporation
- m) Merlin RSH Alliance Developers LLP
- n) Merlin Developments
- o) PS Merlin Developers LLP

Their closing capital balance at the year end along with their profit sharing ratio is mentioned below:

(In ₹)

Name of the Firm JAYSHREE BUILDERS		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd.	50.00%	(45,78,837)
O.P.Jhawar	16.67%	1,82,932
R.K. Jhawar	16.67%	(2,34,770)
Mayur Jhawar	16.66%	(23,12,309)

Name of the Firm SINGHANIA MERLIN ESTATE		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd.	40%	136175239
Singhania Buildcon Pvt. Ltd.	56%	23791277
Smt Meenali Singhan a	4%	(1168772)

Name of the Firm: MERLIN TF LAKEVIEW		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd.	34%	(53126640)
Terra Firma Investments & Trading Pvt. Ltd.	66%	271431

Name of the Firm MERLIN CORPORATION		
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MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Name of the Partners	Profit Sharing Ratio	Partners' Capital as at 31.03.16 (₹)
Aniket Commerce Pvt. Ltd	4%	(3247553)
Buland Barter Pvt. Ltd	5%	33375565
Chetak Vyapaar Pvt. Ltd	5%	(13598424)
Crypton Electronics Pvt. Ltd.	5%	9483
Deboniar Vanijya Pvt. Ltd	5%	(32588055)
Dignity Sales Pvt. Ltd	5%	(9326610)
Merlin Acropolis Projects Pvt. Ltd.	5%	(160858055)
Merlin Infracon Pvt. Ltd.	5%	(1318055)
Merlin Infra Projects Pvt. Ltd	5%	(21668055)
Merlin Projects Limited	10%	182454497
Merlin Leisures Limited	5%	9655
Sushil Kumar Mohta	5%	184031945
Seema Mohla	5%	6531945
Saket Mohta	5%	(65459500)
Rachit Sanghvi	11%	21240
Dinesh Sanghvi	10%	19309
Yamini Barter Pvt. Ltd	5%	9531945
Total		(16471620)

Name of the Firm MERLIN'S

Name of the Partners	Profit Sharing Ratio	Partners' Capital as at 31.03.16 (₹)
Daga Damani (P) Ltd.	3%	(9750284)
Ibiza Hotels (P) Ltd.	3%	(40012600)
Merlin Acropolis Projects (P) Ltd.	3%	(311785174)
Merlin Infra Projects (P) Ltd.	3%	521152
Merlin Leisures Ltd.	3%	45456772
Merlin Projects Ltd.	52%	568975524
Merlin Recreation (P) Ltd.	3%	114864818
Planet Commercial (P) Ltd.	3%	(27458348)
Saket Mohta	3%	(65847130)
Seema Mohta	3%	36635170
Sunbeam Mercantiles (P) Ltd.	3%	(87959604)
Sushil Kumar Mohta	3%	(17576283)
Sushil Kumar Mohta & Sons (HUF)	3%	5916841
Tribune Commerce (P) Ltd.	3%	(15908848)
Wave Vanijya (P) Ltd.	3%	(44958849)



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Wonderland Vanijya (P) Ltd.	3%	6591152
Zoom Vanijya (P) Ltd.	3%	(101458848)
Total		53264960

Name of the Firm MERLIN DEVELOPERS

Name of the Partners	Profit Sharing Ratio	Partners' Capital as at 31.03.16(₹)
Billenium Commercial Pvt. Ltd.	4%	(3472466)
Colossus Suppliers Pvt. Ltd.	4%	109885
Gautam Commercial Pvt. Ltd.	4%	9417878
Hesky Supplier Pvt. Ltd.	4%	8053472
Integral Distributors Pvt. Ltd.	4%	10417714
Lily Distributors Pvt. Ltd.	4%	(5899206)
Muskan Commercial Pvt. Ltd.	4%	8242978
Nikhil Supplier Pvt. Ltd.	4%	8949925
Raina Marketing Pvt. Ltd.	4%	8694675
Sanket Agencies Pvt. Ltd.	4%	8737406
Sipra Supplier Pvt. Ltd.	4%	9146128
Splended Marketing Pvt. Ltd.	4%	(4876396)
Splended Suppliers Pvt. Ltd.	4%	(8039304)
Merlin Acropolis Projects Pvt. Ltd.	4%	7174929
Seema Mohta	4%	26765999
Sushil Kumar Mohta	7%	10668695
Dinesh Sangrvi	10%	18323372
Dilip Kumar Choudhury	10%	17937321
Merlin Projects Limited	13%	39276791
Total		169929732

Name of the Firm: SHALIGRAM CORPORATION

Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Amruthbhai C. Ajudia	1.20%	1,20,000
Gopalbhai M. Patel	26.15%	26,15,000
Jayantibhai K. Patel	1.20%	1,20,000
Jigneshbhai F. Pate	6.25%	6,25,000
Kamleshbhai P. Savalia	8.74%	8,74,000
Karshanbhai K. Raghvani	21.52%	21,52,000
Merlin Projects Ltd.	25.00%	25,00,000
Prafulbhai V. Kachhadia	1.20%	1,20,000
Rameshbhai N. Antala	8.74%	8,74,000



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Name of the Firm: RUBICON BUILDERS LLP		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Vishal Khetawat	50%	500,000
Merlin Projects Limited	50%	500,000

Name of the Firm: MERLIN REAL ESTATE LLP		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Limited	65%	650,000
Dinesh G. Sanghvi	25%	250,000
Satyen Sanghvi	10%	100,000

Name of the Firm: EAST END DEVELOPERS		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Jugal Kishore Khetawat	33.33%	7518784
Vishal Khetawat	33.33%	5301462
Merlin Projects Limited	33.33%	6882604

Name of the Firm: MERLIN BUILDCON (GUJRAT) LLP		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Bhairav Kumar G. Sanghvi	10%	110000
Dinesh Kumar G. Sanghvi	11%	110000
Merlin Projects Limited	69%	690000
Trident Commercial Pvt. Ltd.	10%	100000

Name of the Firm: MERLIN PROJECTS AND ESTATE, CHENNAI LLP		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd	50%	50,000
Nishith Sanghvi	19%	19,000
Dinesh Kumar G. Sanghvi	21%	21,000
Gaurav Sanghvi	10%	10,000

The profit and Loss of Merlin Projects and Estate, Chennai LLP has not been considered.

Name of the Firm: MERLIN RSH ALLIANCE DEVELOPERS LLP		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd.	50%	50,000
Hari Sharma	50%	50,000



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Name of the Firm: Merlin Developments		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd.	35%	60157216
Merlin Leisures Limited	35%	6451
Eastern Financial Consultants Pvt Ltd	21%	38877
Saket Mohla	9%	10661

Name of the Firm: PS MERLIN DEVELOPERS LLP		
Name of the Partners	Share of Partners in Profit/(loss)	Partners' Capital as at 31.03.16(₹)
Merlin Projects Ltd.	60%	48033272
PS Group Realty Ltd	26.67%	133350
Eastern Financial Consultants Pvt Ltd	13.33%	7556650



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2015

Note 3

Share Capital	31.03.2016		31.03.2015	
	Number	₹	Number	₹
Authorized				
Equity Shares of ₹ 10 each	12,000,000	120,000,000	12,000,000	120,000,000
	12,000,000	120,000,000	12,000,000	120,000,000
Issued, Subscribed & fully Paid up				
Equity Shares of ₹ 10 each	7,633,325	76,333,250	7,633,325	76,333,250
	7,633,325	76,333,250	7,633,325	76,333,250

Details of rights, preferences and restrictions attaching to each class of shares:

Equity shares:

The par value of Equity shares is ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

Note 3(i)

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	2015-2016		2014-2015	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	7,633,325	76,333,250	7,633,325	76,333,250
Charges during the year	-	-	-	-
Outstanding at the end of the year	7,633,325	76,333,250	7,633,325	76,333,250

Note 3(ii)

Details of Shareholders holding more than 5% shares in the Company

Name of Shareholders	Equity Shares			
	31.03.2016		31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sushil Kumar Mehta	2,858,610	37.45%	2,858,610	37.45%
Estate of Shiv Kishan Mehta	494,845	6.48%	494,845	6.48%
Shiv Kishan Mehta & Sons (P.F.F)	689,401	9.03%	689,401	9.03%
Jupiter Mercantiles Private Limited	715,464	9.37%	715,464	9.37%

Note 4

Reserves & Surplus	31.03.2016		31.03.2015	
	₹	₹	₹	₹
(i) General Reserve		200,000		200,000
(ii) Amalgamation Reserve		32,010,520		32,010,520
(iii) Securities Premium		264,209,000		264,209,000
(iv) Surplus in the Statement of Profit & Loss				
Balance in the beginning of the year	2,031,409,547		1,838,668,724	
Add: Net Profit For the year	254,168,516		193,379,100	
Less: Fixed Assets Adjustment	-		637,878	
Balance at the end of the year		2,285,598,663		2,031,409,947
		2,562,826,383		2,328,637,467



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Note 5

Long Term Borrowings		31.03.2016	31.03.2015
		₹	₹
Secured Loans			
Term Loan From			
ICICI Bank Ltd	[Refer Note 7(i) (e)]	72,774,822	125,823,086
Reliance Capital Ltd.	[Refer Note 7(i) (f)]	-	70,029,329
Axis Bank Ltd. (Equipment Finance)	[Refer Note 7 (i) (g)]	-	7,036,732
Axis Bank Ltd.	[Refer Note 7 (i) (h)]	-	5,917,640
Kotak Mahindra Bank Ltd.	[Refer Note 7 (i) (i)]	46,778,262	25,668,260
IDBI Bank Ltd.	[Refer Note 7 (i) (d)]	207,539,055	736,716,989
Indian Overseas Bank	[Refer Note 7 (i) (j)]	35,000,000	70,000,000
Bajaj Finance Ltd.	[Refer Note 7 (i) (l)]	69,229,150	-
State Bank of India	[Refer Note 7 (i) (k)]	170,182,152	-
Car Loan	[Refer Note 7 (i) (l)]	9,063,984	10,973,665
Unsecured Loan			
From Bodies Corporate		166,563,266	193,049,170
		786,738,761	734,412,830

Note 6

Other Non Current Liabilities		31.03.2016	31.03.2015
		₹	₹
Security Deposits		51,395,890	69,019,656
		51,395,890	69,019,656

Note 7

Short Term Borrowings		31.03.2016	31.03.2015
		₹	₹
Secured Loans			
Cash Credit Account with:			
Axis Bank Ltd.	[Refer Note 7(i) (r)]	70,614,723	41,363,159
Kotak Mahindra Bank Ltd.	[Refer Note 7(i) (h)]	-	5,860,251
State Bank Of India	[Refer Note 7(i) (c)]	27,648,119	32,379,548
IDBI Bank	[Refer Note 7 (i) (d)]	73,071,730	-
		171,334,572	79,602,958

Note 7(i)
Details of Borrowings:

- Secured against land at Narasingha Dutta Road, Kolkata - 700009 & Personal Guarantee of Mr. Sushil Kumar Mohta & Mrs. Seema Mohta.
- Secured against flat owned by Shri Sushil Kumar Mohta located at 9A, Alipore Park Place and his personal guarantee.
- Secured against project at 7 & 7A Diamond Harbour Road. (Merlin Crest)
- Secured against specific area of Property "Homeland" of IR Ashurash Mukherjee Road, Kolkata - 700020.
- Secured against flat owned by the Director Shri Dinash S Sanghvi and his relatives located at Kolkata and his personal guarantee and specific area of project at "Merlin Uttara" at Kennagar.
- Secured against Property at 22 Prince Anwar Shah Road, 2nd Floor, Kolkata - 700033.
- Secured against Hypothecation of Asset purchased from Axis Bank Finance and Personal Guarantee of Mr. Sushil Kumar Mohta.
- Secured against few specific flats of Merlin Vasundara and Personal Guarantee of Mr. Sushil Kumar Mohta.
- Secured against property of Director Mr. Sushil Kumar Mohta at 9A Alipore Road, Personal Guarantee of Mr. Sushil Kumar Mohta, Receivables of the project and cash margin given to the said bank.
- Secured against Property at 9A Bechtul Road Kolkata-700014. (Merlin Legacy)
- Secured against specific area of Property "ACROPOLIS" at 1858/1 Rajbanga Main Road, Kolkata - 700107.
- Secured against Hypothecation of Motor Car.



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Note 8

Trade Payables	31.03.2016	31.03.2015
	₹	₹
Trade Payables	25,945,610	26,664,839
	25,945,610	26,664,839

Note 9

Other Current Liabilities	31.03.2016	31.03.2015
	₹	₹
Current Maturities of Long Term Debt [(Refer Note 9 (a))]	130,002,125	53,607,046
Advance Against Booking	1,023,076,587	2,100,107,963
Other Payables	0,307,350	8,995,317
Statutory Liabilities	93,755	1,411,046
Banks Overdrawn	1,516	-
	1,161,481,342	2,772,202,172

Note 9 (a)

Current Maturities Of Long Term Debt	31.03.2016	31.03.2015
	₹	₹
Term Loan From		
ICICI Bank Ltd.	2,272,064	2,808,064
Reliance Capital Ltd.	-	7,300,612
Axis Bank Ltd. (Equipment Finance)	2,932,730	4,104,002
Axis Bank Ltd.	992,541	9,995,996
Kotak Mahindra Ltd.	15,488,464	11,502,681
IDBI Bank Ltd.	27,510,243	13,783,011
Indian Overseas bank	35,000,000	-
Bajaj Finance Ltd	6,160,052	-
State Bank of India	30,000,000	-
Car Loan	0,646,032	3,908,080
	130,002,125	53,607,046

Note 10

Short Term Provisions	31.03.2016	31.03.2015
	₹	₹
Provisions For Income Tax	171,865,382	151,465,161
Provision For FBT (Net of Advances)	372,539	372,539
Provision For Expenses	33,563,833	20,147,469
	205,80,754	179,985,169



MERLIN PROJECTS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2016

Note 11 - Fixed Assets

TANGIBLE ASSETS	ORIGINAL COST			DEPRECIATION			NET BOOK VALUE		
	As At 01.04.15	Additions	Deductions	As At 31.03.16	For The Year	Adj.	Upto 31.03.16	As At 31.03.16	As At 31.03.15
LAND	5,898,397	6,474,144	-	12,372,546	-	-	-	12,372,546	5,898,397
STAFF QUARTER	413,429	-	-	613,629	10,153	-	215,973	1,97,455	707,609
OFFICE & LIFTWAY	869,844	-	-	869,644	21,305	-	455,202	414,362	485,667
AIR CONDITIONER	1,302,883	-	-	1,302,863	116,246	-	1,215,504	95,379	202,625
MOTOR CARS	29,414,545	9,584,000	-	38,998,545	6,530,204	-	21,054,172	17,944,373	16,891,077
ELECTRONIC INSTALLATION	3,467,342	-	-	3,487,342	494,508	-	2,562,609	944,734	1,441,242
CELL PHONES & PAGER	46,000	-	-	46,000	7,600	-	43,700	2,300	10,100
COMPUTER	5,732,555	445,008	-	6,178,563	420,630	-	5,713,059	465,494	440,056
FURNITURE & FIXTURE	29,033,013	154,990	-	29,188,000	3,251,667	-	22,245,819	6,942,181	30,079,053
ROLLER	598,000	-	-	598,000	48,034	-	427,561	173,439	213,593
OFFICE EQUIPMENT	131,800	-	-	131,800	55,400	-	76,300	55,491	73,897
MACHINERIES	367,563	-	-	367,563	34,432	-	301,310	35,253	71,505
Land At 26 PAS Road	-	144,014	-	144,014	-	-	-	144,014	-
BUILDING AT 18 A.T.M	244,828,535	32,986,545	380,430	277,624,450	9,953,700	-	62,061,951	215,562,499	192,142,134
CURRENT YEAR	522,125,501	49,789,706	360,430	371,532,777	23,409,735	-	116,424,216	255,108,561	220,109,020
PREVIOUS YEAR	322,532,759	19,144,204	19,333,442	322,253,501	20,840,513	3,422,264	94,014,481	228,109,020	-

INTANGIBLE ASSETS	ORIGINAL COST			DEPRECIATION			NET BOOK VALUE		
	As At 01.04.15	Additions	Deductions	As At 31.03.16	For The Year	Adj.	Upto 31.03.16	As At 31.03.16	As At 31.03.15
COMPUTER SOFTWARE	2,635,832	10,000	-	2,653,833	278,825	-	1,898,340	845,473	1,106,298
CURRENT YEAR	2,635,833	18,000	-	2,653,833	270,825	-	1,008,360	845,473	1,106,298
PREVIOUS YEAR	2,635,833	-	-	2,635,833	368,766	-	1,528,535	1,106,298	-



MERLIN PROJECTS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016
Note 12

Non-Current Investment	31.03.2016		31.03.2015
	₹		₹
Investment in Equity Shares (Fully Paid Up)			
- Quoted	1,054,917		5,287,469
- Unquoted	15,868,641		10,968,141
- Unquoted (In Subsidiary)	1,280,000		1,280,000
Investment in Partnership Firms	274,538,710		251,764,090
Investment in Land	53,000,000		53,000,000
	345,742,268		322,299,701

Note 12(i): Details of Non-Current Investments
Details of Quoted Shares:

Particulars	2015-2016		2014-2015	
	Nos.	₹	Nos.	₹
3. Infotech Ltd (Face value of ₹ 10 each)	-	-	500	90,000
Amulike Investment	-	-	2,000	33,300
BTW Industries	-	-	2,000	1,700
Cadbury (I) Ltd.	-	-	-	57,745
Fortis Healthcare (Face value Of ₹ 10 each)	-	-	7,500	1,188,225
Hing Industries	-	-	25	39
Indiabulls Power Ltd. (Face value Of ₹ 10 each)	-	-	12,500	388,375
Indira Meize	-	-	88	112
INSICO Ltd.	-	-	10	100
Ispat Aloys Pvt Ltd	-	-	126	304
Jhunjhunwala Yanagpati Ltd	-	-	1,000	10,300
Kesaram Industry (Face value Of ₹ 10 each)	-	-	1,500	141,713
Modern Threads (I) Ltd	-	-	144	12,300
Redox Protech Ltd (Face value Of ₹ 10 each)	-	-	100	1,300
Shree Renuka Sugar (Face value Of ₹ 1 each)	-	-	2,500	353,215
Scintiller Commerce & Trade Ltd	43,900	1,351,917	43,500	1,354,317
Shivam Oil Ltd. (Face value Of ₹ 10 each)	-	-	8,000	1,936,560
Unimars India Ltd. (Face value Of ₹ 10 each)	-	-	1,000	14,500
Whirlpool of India Ltd (Face value Of ₹ 10 each)	-	-	106	2,361
Total		1,054,917		5,287,469

(Market Value of quoted shares ₹ 4,39,000/- . FY ₹ 31,63,403/-)

Details of Unquoted Shares:

Particulars	2015-2016		2014-2015	
	Nos.	₹	Nos.	₹
Acis Buildcon Pvt. Ltd.	10,000	1,00,000	10,000	1,00,000
Betwa Buildcon Pvt. Ltd.	1,260	8,701	1,260	8,701
Bengal Merlin Infrastructure Limited	93,000	930,000	93,000	930,000
Daga Ganani Developers Pvt Ltd	300	3,000	300	3,000
Merlin Maintenance Services Pvt Ltd	5,800	98,000	9,000	90,000
Rajath Merlin Projects (P) Ltd.	3,400	34,000	3,400	34,000
Olympia Merlin Developers Pvt Ltd	490,050	4,900,500	-	-
Merlin Infracore Projects Pvt Ltd	1,500	15,000	1,500	15,000
South City Projects (Kolkata) Ltd.	390,955	9,779,440	390,955	9,779,440
		15,868,641		10,968,141

Details of Unquoted Shares (In Subsidiary):

Particulars	2015-2016		2014-2015	
	Nos.	₹	Nos.	₹
Unquoted (In Subsidiary):				
Bengal Merlin Housing Limited	128,000	1,280,000	128,000	1,280,000
		1,280,000		1,280,000



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Details of Investment in Partnership Firms :

Particulars	2015-2016	2014-2015
	Amount (₹)	Amount (₹)
Jayshree Builders	(4,578,837)	7,641,380
Shaligram Corporation	120,295,024	81,301,077
Singhania Merlin Estate	136,175,240	149,301,921
MerLa Developers	39,276,791	(51,397,711)
MerLa TP Lakeview	(53,126,639)	(59,473,310)
East End Developers	6,882,604	6,070,365
MerLa Builders (Gujrat) LLP	10,030,765	15,962,188
MerLa Real Estate LLP	6,143,859	98,655,302
Rubicon Builders LLP	500,000	500,000
MerLa Projects and Estate (Chennai) LLP	4,861,903	3,352,878
MerLa RSH Alliance Developers LLP	50,000	50,000
	274,538,710	251,764,090

Note 13

Long Term Loans and Advances	31.03.2016	31.03.2015
	₹	₹
Security Deposit	4,725,940	24,714,940
	4,725,940	24,714,940

Note 14

Current Investments	31.03.2016	31.03.2015
	₹	₹
Investment in Partnership Firm [Refer Note 14(i)]	859,620,509	469,751,250
	859,620,509	469,751,250

Note 14(i): Details of Current Investment (Investment in Partnership Firms) :

Particulars	2015-2016	2014-2015
	Amount (₹)	Amount (₹)
Merlins	568,975,524	321,050,541
Merlin Corporation	382,454,497	148,700,709
Merlin Developments	60,157,216	-
PS Merlin developers	48,033,272	-
	859,620,509	469,751,250

Note 15

Inventories	31.03.2016	31.03.2015
	₹	₹
Closing Work In Progress	1,077,891,470	2,697,392,306
Closing Stock of Finished Goods	642,666,233	350,948,623
	1,720,557,703	3,048,341,929

Note 16

Trade Receivables	31.03.2016	31.03.2015
	₹	₹
Trade Receivables (Unsecured, Considered Good)		
- Exceeding Six Months	1,076,835	1,166,121
- Others	157,747,835	55,789,085
	158,824,720	56,955,206



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Note 17

Cash and Cash Equivalents	31.03.2016	31.03.2015
	₹	₹
(i) Cash and Cash Equivalents		
a) Cash in hand (As Certified by the Management)	1,348,966	1,379,943
b) Cash with Income Tax Department	1,100,000	1,100,000
c) Balances with banks		
- in Current Account	133,431,484	163,164,373
d) in Fixed Deposits (including accrued interest thereon)	59,906,516	72,695,700
	195,846,971	238,310,016

Note 18

Short-Term Loans and Advances	31.03.2016	31.03.2015
	₹	₹
(Unsecured, Considered Good)		
Loans and Advances		
- Advance Against Development of Property	503,155,732	303,593,062
- To Related Parties	241,603,485	305,504,604
- To Partnership Firm	10,010,344	11,526,479
- To Staff	2,230,313	2,538,990
- To Suppliers	178,055	-
- To Others	539,527,235	375,370,119
Balance with Revenue Authorities	3,733,942	2,008,617
Income Tax (Subject to Adjustment)	207,850,132	167,885,479
MAT Credit Refundment	58,120,295	92,538,827
Security Deposit	891,873	549,373
	1,575,377,416	1,261,765,550

Note 19

Revenue From Operations	31.03.2016	31.03.2015
	₹	₹
Sale of Property	2,009,008,827	804,846,992
Rent Received	72,929,243	67,502,120
Interest Income (Net)	7,700,000	1,666,114
Sale of Service	1,217,613	655,297
	2,090,865,771	874,670,523



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Note 20

Other Income	31.03.2016	31.03.2015
Profit From Partnership Firm (Net)	1,12,52,333	96,05,303
Dividend Received	3,51,85,950	1,77,24,944
Liability no Longer Required Written Back	4,12,909	81,201
Profit on sale of Fixed Assets (Property)	12,56,570	50,73,950
Long Term Capital Gains (Exempt)	-	1,33,601
Short Term Capital Gains (STT Paid)	64,054	15,916
Speculation Profit	-	5,071
Insurance Claim Received	-	3,09,63,871
Miscellaneous Income	1,57,064	71,996
	4,83,68,880	6,36,75,853

Note 21

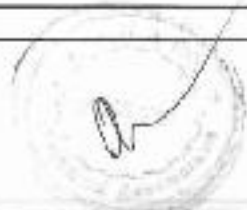
Change in Inventories	31.03.2016	31.03.2015
Work In Progress		
Opening Work-In-Progress	2,69,73,52,306	2,54,66,25,178
Less: Transferred to Partnership Firm	1,39,82,483	-
	2,68,34,09,823	2,54,66,25,178
Less: Closing Work-In-Progress	1,07,78,91,470	2,69,73,92,306
Change in Work-In-Progress (A)	1,60,55,18,353	-15,07,67,128
Finished Goods		
Opening Stock of Finished Goods	35,09,49,623	42,98,22,478
Less: Closing Stock Of Finished Goods	64,26,66,233	35,09,49,623
Change in Finished Goods (B)	-29,17,16,610	7,88,72,855
Changes In Inventories (A+B)	1,31,38,01,743	-7,18,94,273

Note 22

Finance Cost	31.03.2016	31.03.2015
Interest & Other Financial Charges	20,31,741	8,04,013
	20,31,741	8,04,018

Note 23

Employee Benefits Expense	31.03.2016	31.03.2015
Salary, Bonus & Allowances	2,24,44,118	1,19,57,150
Contribution to PF & ESI	10,01,222	6,90,777
Gratuity	9,72,699	4,74,808
Staff Welfare Expenses (Insurance)	5,30,727	-
	2,49,48,766	1,31,22,735



MERLIN PROJECTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Note 24

Other Expenses	31.03.2016	31.03.2015
	₹	₹
Audit Fees		
- Statutory Audit	300,000	312,000
- Internal Audit	974,100	842,000
Advertisement & Business Promotion	10,210,030	8,169,068
Bank Charges	18,764	552,715
Bad Debt	-	11,824
Corporate Social Responsibility	1,613,881	2,130,000
Donation	300,000	250,000
Electricity Charges	1,914,906	1,404,580
Key Man Insurance	2,612,248	2,611,953
Building Insurance	13,201	13,617
Investment Written Off	223,960	
Lease Rent	1,058,400	1,059,900
Legal & Consultancy Charges	2,159,931	2,010,898
Long Term Capital Loss (STT Paid) [Net]	2,457,266	406,324
Membership & Subscription	44,621	191,891
Miscellaneous Expenses	343,263	280,590
Motor Car Expenses	1,396,925	1,004,575
Office Maintenance	2,724,691	1,506,658
Printing, Stationary & Courier	746,203	674,772
Rates & Taxes	2,655,245	4,579,265
Repairing Charges	114,456	170,562
Telephone Expenses	627,485	434,060
Travelling & Conveyance	1,294,278	1,212,243
	34,114,555	29,910,091

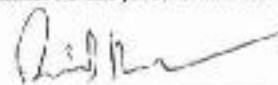
The annexed reports form an integral part of the Financial Statements.

As per our reports of even date and annexed.
For **B. Jain & Co.**
Chartered Accountants
FRN - 307100E

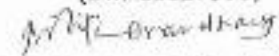

B. C. Jain
Partner
Membership No.: 012181

Place: Kolkata
Date: 4th September, 2016


For and on behalf of the Board of
MERLIN PROJECTS LIMITED



Sushil Kumar Mohita
(DIN-00627506)



Dilip Kumar Choudhary
(DIN-00605511)


Ruby Singhania
Company Secretary

