

# MERLIN DEVELOPMENTS

## AUDIT REPORT & STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016



**Auditor:**

**B. JAIN & CO.**

Chartered Accountants

2, Ashutosh Mukherjee Road,

4<sup>th</sup> Floor, Kolkata – 700 020

Ph Nos.: 89810 10996/30996/40996

E - Mail: [info@bjaingroup.com](mailto:info@bjaingroup.com)

**B. Jain & Co.**  
Chartered Accountants

2, Ashutosh Mukherjee Road  
4<sup>th</sup> Floor Kolkata-700020  
Ph.Nos:8981010996/30996/40996  
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**AUDITORS' REPORT**

The Partners,  
**Merlin Developments**  
22, Prince Anwar Shah Road,  
Kolkata - 700 020

We have audited the Balance Sheet of **Merlin Developments** of 22, Prince Anwar Shah Road, Kolkata - 700 020 as at 31<sup>st</sup> March, 2016 and Profit & Loss Account for the year ended on that date, both attached herewith.

We certify that the Balance Sheet and Profit & Loss Account referred to above are drawn properly as per the books of account of the firm as shown to us.

For **B. Jain & Co.**  
Chartered Accountants  
Firm's Registration No. 307100E



Place: Kolkata

Date: 6<sup>th</sup> Day of July, 2016

**B. C. JAIN**  
Partner  
Membership No.: 012181

Branch at: Mumbai

**MERLIN DEVELOPMENTS**  
**BALANCE SHEET AS ON 31ST MARCH, 2016**

LIABILITIES	31.03.2016 ₹	ASSETS	31.03.2016 ₹
<b><u>PARTNERS' CAPITAL ACCOUNT:</u></b> (As Per Schedule - "A")	60213216	<b><u>FIXED ASSETS</u></b> (As per Schedule - "B")	20728
<b><u>NON CURRENT LIABILITIES</u></b> Secured Loans from LIC Housing Finance LTD	320000000	<b><u>NON CURRENT ASSETS</u></b> Security Deposits - to Landlord - to Others	80000000 100000
<b><u>CURRENT LIABILITIES &amp; PROVISIONS:</u></b>		<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES:</u></b>	
<b><u>A) Current Liabilities:</u></b>		<b><u>A) Current Assets :</u></b>	
i) Sundry Creditors	2596431	i) Cash in Hand (as certified by Partners)	-
ii) Statutory Liabilities	1793	ii) Bank Balance with Scheduled Banks - in Current Account	172711151
iii) Advances: - Against Bookings	95463117	iii) Sundry Debtors	3150
iv) Books Overdrawn (Due to Excess issue of Cheques)	1084602	<b><u>B) Inventories</u></b> Closing Work In Progress	75510492
v) Other Liabilities	92579	<b><u>B) Loans &amp; Advances :</u></b>	
vi) Security Deposits	97770	i) Loans	150000000
<b><u>SHORT TERM PROVISIONS</u></b>		ii) Advances	143972
Provision For Tax	8250	ii) Balances with Revenue Authority	1016650
		iii) Income Tax (subject to adjustments)	51615
	<b>479557758</b>		<b>479557758</b>

**Notes on Accounts - Schedule "C"**

In terms of our report of even date attached.

For **B. Jain & Co.**

Chartered Accountants

Firm's Registration No. 307100E



Place: Kolkata

Date: 6th Day of July, 2016

**B.C. JAIN**

Partner

Membership No. : 012181

MERLIN DEVELOPMENTS

Suman Choudhary

PARTNER

MERLIN DEVELOPMENTS

Prithvi Choudhary

PARTNER

**MERLIN DEVELOPMENTS**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR 31ST MARCH, 2016**

PARTICULARS	31.03.2016	PARTICULARS	31.03.2016
	₹		₹
To Opening Stock	-	By Cancellation Charges	73495
" Audit Fees	8625		
" Miscellaneous Expenses	2769		
" Rates & Taxes	4300		
" Depreciation	31090		
" Balance carried down	26711		
	73495		73495
To Provision for Tax	8250	By Balance Brought Down	26711
Net Profit transferred to Patners' Capital Account (As per Schedule "A")	18461		
	26711		26711

In terms of our report of even date attached

**For B. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 307100E

*B. Jain*

**B.C. JAIN**  
Partner  
Membership No. : 012181

MERLIN DEVELOPMENTS

*Suman Chaudhary*

**PARTNER**

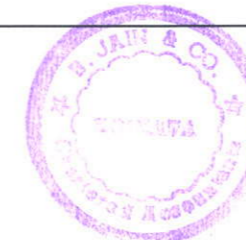
MERLIN DEVELOPMENTS

*M.P. Chaudhary*

**PARTNER**

Place: Kolkata

Date: 6th Day of July, 2016



**MERLIN DEVELOPMENTS**  
**SCHEDULE "A" - PARTNERS' CAPITAL ACCOUNT**

(Annexed to and forming part of the Balance Sheet as at 31st March, 2016)

Name of the Partner	Profit Sharing	(a) Opening Capital as on 01-04-15	(b) Amount Introduced	(c) Share of Profit/Loss	(d) Amount Withdrawn	(Amount in Rs.)
						(e=a+b+c-d) Closing Capital as on 31-03-16
MERLIN PROJECTS LIMITED	35%	-	129650755	6461	69500000	60157216
MERLIN LEISURES LIMITED	35%	-	-	6461	-	6461
EASTERN FINANCIAL CONSULTANTS PVT LTD	21%	-	35000	3877	-	38877
SAKET MOHTA	9%	-	9000	1661	-	10661
		-	<b>129694755</b>	<b>18461</b>	<b>69500000</b>	<b>60213216</b>



**MERLIN DEVELOPMENTS**  
**SCHEDULE "B" - FIXED ASSETS**

(Annexed to and forming part of the Balance Sheet as at 31st March, 2016)

Block	Rate	Opening W.D.V. as at 01.04.15	Additions		Deductions During the year	As at 31.03.16	Depreciation during the year	Closing W.D.V as at 31.03.16
			≥ 180 Days	< 180 Days				
Computer	60%	-	51818	-	-	51818	31090	20728
<b>Total</b>		-	51818	-	-	51818	31090	20728

(Amount in ₹)



**MERLIN DEVELOPMENTS**  
**SCHEDULE "C" - NOTES ON ACCOUNTS**

(Annexed to and forming part of the statement of accounts for the year ended 31<sup>st</sup> March, 2016)

1. As per AS - 22, Accounting for Taxes on Income, issued by The Institute of Chartered Accountants of India, Deferred Tax for timing difference between the book profit and tax profit for the year is accounted for, using the tax rates and laws that have been substantively enacted as at the balance sheet date. However, there being no timing difference, the same is not provided on the books.
2. 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.
3. Sundry Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation, if any.



## **SIGNIFICANT ACCOUNTING POLICIES**

### **Accounting convention**

The accounts are prepared on Historical Cost convention as going concern. Provision made for estimated expenses on completed projects likely to be incurred in next financial year are provided on the basis of recommendation given by the supervisors / contractors.

### **Revenue Recognition**

Items of Income and Expenditure are recognized on Accrual basis except, expenses incurred for minor works which are in excess/shortfall of provisions made in the year of completion of project are provided on cash basis.

### **Fixed Assets & Depreciation**

Fixed Assets are stated at cost. Depreciation on Fixed Asset is provided on written down value method at the rates specified in Income tax Act, 1961.

### **Work - in - Progress**

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

### **Borrowing Cost**

Borrowing cost attributable to Investment in Capital Work In Progress which is ready for sale is debited under cost of development. Other borrowing costs, if any, are recognized as an expense in the period in which they are incurred.

### **Taxation**

Provision for current tax has been made as per the existing provisions of the Income Tax Act, 1961.

Deferred tax is recognized, 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.

### **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) a reliable estimate can be made of the amount of obligation.



Suman Choudhary

PARTNER

MERLIN DEVELOPMENTS

jitip enand hary

PARTNER