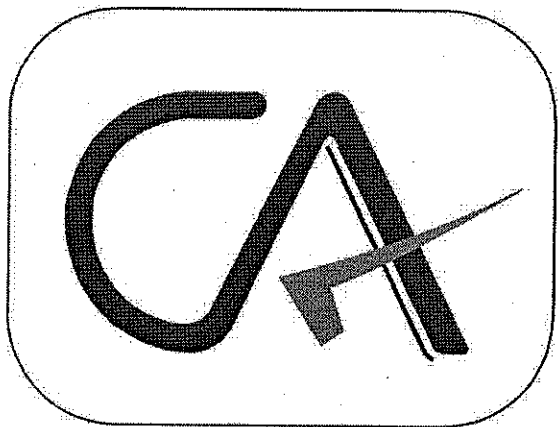


# ***BENGAL MERLIN HOUSING LIMITED***

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**AUDIT REPORT  
&  
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**



**Auditor:**  
**PASSARY & ASSOCIATES**  
Chartered Accountant  
10, Gurusday road  
8A, Ajanta Apartments  
Kolkata-700019

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF BENGAL MERLIN HOUSING LIMITED,**

**Report on the Financial Statements**

I have audited the accompanying financial statements of **BENGAL MERLIN HOUSING LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, 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.

**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.

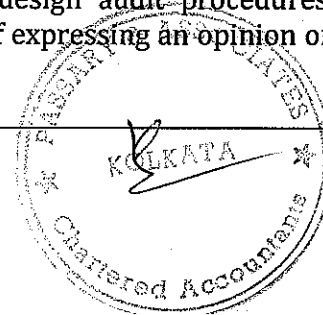
**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit.

I 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 there under.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I 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 in the circumstances, but not for the purpose of expressing an opinion on whether



the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

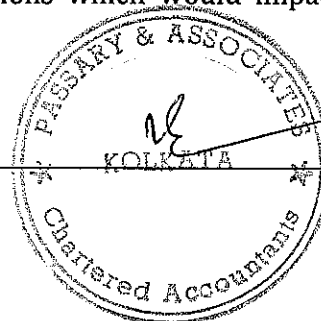
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

### **Opinion**

In my opinion and to the best of my information and according to the explanations given to me, 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, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, I report that:
  - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement dealt with by this Report are in agreement with the books of account.
  - (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of 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, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) 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 my opinion and to the best of my information and according to the explanations given to me:
    - i. The Company does not have any pending litigations which would impact its financial position.

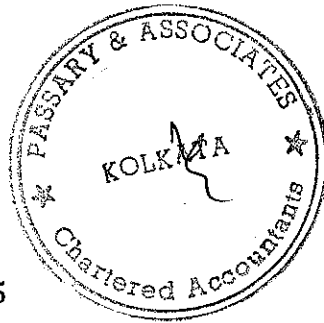


**PASSARY & ACCOCIATES**  
Chartered Accountant

**8A, Ajanta Apartments**  
**10, Gurusaday Road**  
**Kolkata - 700 019**

- 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 my report of even date  
For **Passary & Associates**  
Chartered Accountant  
Firm Registration No. 326506E



Place: Kolkata  
Date: 21<sup>st</sup> August, 2015

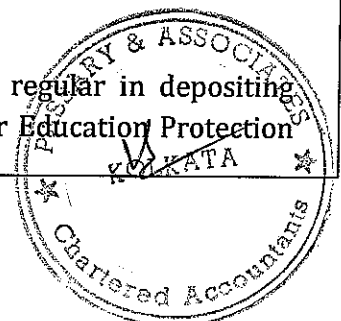
*P.B. Passary*

**P.B. Passary**  
Proprietor  
Membership No.012451

**ANNEXURE TO AUDITORS' REPORT**

The annexure referred to in my Independent Auditors' Report to the member of the company on the financial statement of the year ended 31<sup>st</sup> March 2015, I report that:

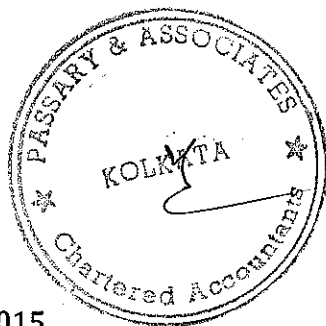
1. In respect of its Fixed Assets:
  - a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. As explained to me, all the fixed assets have been physically verified by the management in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
2. In respect of Inventories:
  - a. Physical verification has been conducted by the management at reasonable intervals in respect of goods.
  - b. In my opinion, 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.
  - c. In my opinion the Company is maintaining proper records of inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.
3. In respect of any loan granted, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, the company has not granted any loans. Hence in my opinion, Clause iii) a. to iii) b. of Paragraph 4 of the aforesaid order is not applicable.
4. In my opinion and according to the information and explanation given to me, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, I have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to me, 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 and the rules framed there under.
6. In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (I) of section 148 of the Companies Act.
7. In respect of Statutory Dues:
  - a. According to the records of the Company, 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, 2015 for a period of more than six months from the date they became payable.

- b. According to information and explanation given to me, there were no disputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
8. There are no accumulated losses of the company as at the end of the year. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on my audit procedures and on the basis of information and explanations given to me by the management, I am of the opinion that there is no default in repayment of dues to the Financial Institutions, banks or debenture holders as at the year end.
10. According to information and explanations given to us the Company has not given any guarantee for loan taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
11. In my opinion, the company has not taken any term loan during the financial year, so this clause is not applicable to the company.
12. Based upon the audit procedures performed and information and explanations given by the management, I report that, no fraud on or by the Company has been noticed or reported during the course of my audit for the year ended 31.03.2015.

In terms of my report of even date  
For **Passary & Associates**  
Chartered Accountant  
Firm Registration No. 326506E



Place: Kolkata  
Date: 21<sup>st</sup> August, 2015

*P.B. Passary*  
**P.B. Passary**  
Proprietor  
Membership No. 012451

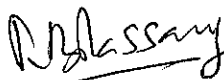
**BENGAL MERLIN HOUSING LIMITED**  
**BALANCE SHEET AS ON 31ST MARCH, 2015**

PARTICULARS	Note	31.03.2015	31.03.2014
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	2,000,000	2,000,000
Reserve & Surplus	4	9,116,076	8,531,378
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	272,570,775	188,299,954
<b>Current Liabilities</b>			
Trade Payables		47,550	316,978
Other Current Liabilities	6	17,019,059	65,589,831
Short-Term Provisions	7	1,131,294	11,788,343
		<b>301,884,754</b>	<b>276,526,484</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
- Tangible Asset	8	4,643,710	4,995,452
Deferred Tax Assets (Net)	9	155,930	107,910
<b>Current Assets</b>			
Inventories	10	281,515,250	250,090,329
Trade Receivables	11	2,967,784	2,946,283
Cash and Bank Balances	12	10,334,239	5,622,821
Short-Term Loans and Advances	13	2,267,840	12,763,689
		<b>301,884,754</b>	<b>276,526,484</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes to Financial Statements</b>	2		

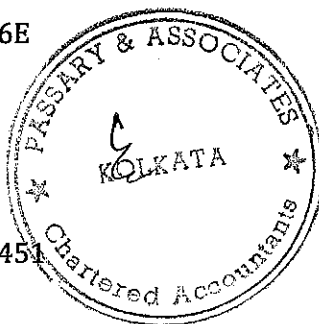
The annexed reports form an integral part of the Financial Statements.

As per my reports of even date and annexed.

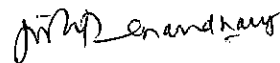
For **Passary & Associates**  
Chartered Accountant  
Firm Regn. No: 326506E



**P.B. Passary**  
Proprietor  
Membership No. : 012451



For and on behalf of the Board of  
**BENGAL MERLIN HOUSING LIMITED**



Director



Director

Place :Kolkata  
Date:21st August, 2015

# BENGAL MERLIN HOUSING LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note	31.03.2015 ₹	31.03.2014 ₹
<b>I. Income:</b>			
Revenue from Operation	14	10,184,915	8,895,704
Other Income	15	20,776	544
<b>Total Income</b>		<b>10,205,691</b>	<b>8,896,248</b>
<b>II. Expenses:</b>			
Cost of Development		40,080,201	29,318,356
Change in Inventories	16	(31,424,921)	(21,683,388)
Employee Benefit Expenses	17	325,120	197,100
Finance Cost	18	77,759	107,665
Depreciation	8	351,742	335,285
Other Expenses	19	152,857	94,749
<b>Total Expenses</b>		<b>9,562,758</b>	<b>8,369,767</b>
<b>III. Profit Before Tax (I-II)</b>		<b>642,933</b>	<b>526,481</b>
<b>IV. Tax Expenses</b>			
- Current Tax		368,660	232,000
- Deferred Tax		(48,020)	(32,230)
- Income Tax For Earlier Years		(262,405)	-
<b>Profit for the year (III-IV)</b>		<b>584,698</b>	<b>326,711</b>
<b>Earnings per equity share:</b>			
- Basic & Diluted		2.92	1.63
<b>Significant Accounting Policies</b>	1		
<b>Notes to Financial Statements</b>	2		

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

As per my reports of even date and annexed.

For **Passary & Associates**  
Chartered Accountant  
Firm Regn. No: 326506E

*P.B. Passary*  
**P.B. Passary**

Proprietor  
Membership No. : 012451

Place :Kolkata  
Date:21st August, 2015



For and on behalf of the Board of  
**BENGAL MERLIN HOUSING LIMITED**

*M. K. S. S. S.*

Director

Director



**BENGAL MERLIN HOUSING LIMITED**  
Cash Flow Statement for the year ended 31st March 2015

PARTICULARS	31st March, 2015	31st March, 2014
	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	642,933	526,481
Adjustment		
Add: Depreciation	351,742	335,285
Add: Interest Paid	77,759	107,665
<b>Operating Profit before tax working capital charges</b>	<b>1,072,434</b>	<b>969,431</b>
Adjustment for :		
Trade Payables	(7,023)	(987,160)
Other Current Liabilities	(48,570,772)	11,938,582
Inventories	(31,424,921)	(21,683,388)
Trade Receivables	(21,501)	924,213
Short Term Loans & Advances	(370,004)	(413,723)
Short Term Provisions	(11,025,709)	(13,223,125)
<b>Cash generated from operations</b>	<b>(90,347,497)</b>	<b>(22,475,170)</b>
Direct Taxes Received / (Paid)	(10,865,853)	9,399,804
(Net of refund received)		
<b>Net cash from operating activities (A)</b>	<b>(79,481,644)</b>	<b>(31,874,974)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	-	-
<b>Net Cash received from Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proposed Dividend (inclusive of CDT)		(172,263)
Borrowings	84,270,821	36,152,513
Interest Paid	(77,759)	(107,665)
<b>Net Cash received from financing Activities (C)</b>	<b>84,193,062</b>	<b>35,872,585</b>
<b>Net Increase in Cash and Cash Equivalents (D)</b>	<b>4,711,418</b>	<b>3,997,611</b>
<b>(A+B+C)</b>		
Cash and Cash Equivalents - Opening Balance (E)	5,622,821	1,625,210
<b>Cash and Cash Equivalents - Closing Balance (D+E)</b>	<b>10,334,239</b>	<b>5,622,821</b>

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

As per my reports of even date and annexed.

For Passary & Associates.

Chartered Accountant

Firm Regn. No: 326506E

*P.B. Passary*  
P.B. Passary  
Proprietor

Membership No. : 012451

Place :Kolkata

Date:21st August, 2015



For and on behalf of the Board of  
Bengal Merlin Housing Limited

*Jitendra Nath*

Director

*Sg*

Director

# **BENGAL MERLIN HOUSING LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2015**

## **Note 1: SIGNIFICANT ACCOUNTING POLICIES**

### **Accounting convention**

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.

### **Revenue Recognition**

Items of Income and Expenditure are recognized on accrual basis except rates and taxes and filing fees, which are accounted for on cash basis.

### **Cash Flow Statement**

Cash Flow Statement is prepared by the Company using Indirect Method as per the revised Accounting Standard - 3, issued by The Institute of Chartered Accountants of India.

Cash and Bank Balances for the purposes of cash flow statement comprise cash at bank and in hand and fixed deposits made with bank.

### **Segment Reporting Policies**

The Company is primarily engaged in the business of Real Estate Development, which as per Accounting Standard - 17 on "Segment Reporting" notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended) is considered to be the only reportable business segment. The Company is primarily operating in India which is considered as a single geographical segment.

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

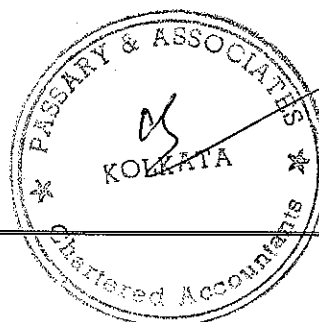
Development Work-in-Progress is stated at accumulated cost that includes payments made against agreement to purchase the land, development costs, direct and attributable towards the real estate development.

### **Changes in Accounting Policies**

On following the conservative view of accounting as per the Accounting Standard - 5 - Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies, the management has decided to debit interest, Salary & Motor Car Expenses in the ratio of the total expenses incurred on various sites. During the year Interest amounting ₹26640852/- (P.Y. ₹ 19687635/-) Salary amounting ₹ 6669604/- (P.Y. ₹ 3195892/-) and Motor Car expenses amounting to Rs. 190562/- (P.Y. 146027/-) has been debited to various sites which are under development work in progress.

### **Fixed Assets and Depreciation**

- a) Fixed Assets are stated at cost less accumulated depreciation.
- b) Depreciation on fixed assets is provided on written down value method at the rates as specified in schedule II of the Companies Act, 2013.



## **BENGAL MERLIN HOUSING LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2015**

### **Provision and Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

### **Taxation**

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively Provision for current taxation is ascertained on the basis of assessable profits as computed in accordance with the provisions of the Income Tax Act, 1961.

### **Employee benefits**

Management has accounted for provision for Gratuity based on provisions of Gratuity Act which is not accordance Accounting Standard 15 " Employee Benefits" issued by ICAI.

### **Earnings per Share**

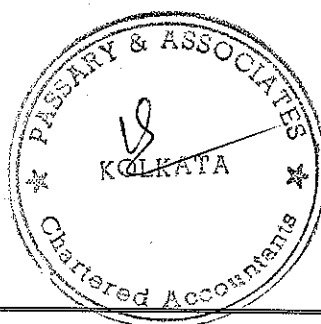
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders.

### **Impairment of Asset**

An Impairment loss is recognized wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the asset's net selling price and value in use, Hence no impairment in current year.

### **Borrowing Cost**

Borrowing cost attributable to the acquisition of land and 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. The interest incurred amounting to ₹ 2,66,40,852/- (P.Y ₹ 1,96,87,635/-) has been added with cost of respective property.



**BENGAL MERLIN HOUSING LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2015****Note 2: NOTES TO FINANCIAL STATEMENTS**

(i) Previous year figures have been re-arranged or re-grouped wherever deemed necessary to conform to current year figures.

(ii) Details Regarding Audit Fees:

Auditors' Remuneration:

For Statutory Audit (including Tax Audit) ₹ 18,000/- (P.Y. ₹ 18,000/-)

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

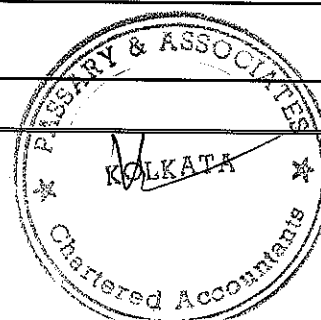
➤ Key Management Personnel & Their Relatives :

Name	Designation / Relationship
SUSHIL KUMAR MOHTA	Director
DINESH KUMAR G SANGHVI	Director
DILIP KUMAR CHOUDHARY	Director
SEEMA MOHTA	Director
SUNIL G. SANGHVI	Relative
RACHIT SANGHVI	Relative

➤ Merlin Project Limited is the holding company of Bengal Merlin Housing Limited from the date of incorporation of the company as the former company is holding 128000 equity shares in the latter Company, which account for 64% of issued, subscribed and paid up capital of Bengal Merlin Housing Limited.

➤ Enterprises over which the Key Management Personnel & Their Relatives have significant influence :

Name	Relationship
True Value Maintenance Services Pvt. Ltd.	Common Director in the said Company.
Merlin Projects Limited	Holding Company



**BENGAL MERLIN HOUSING LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2015****Transaction with related parties:**

<b>Nature of Transaction</b>	<b>Amount (₹) 31.03.2015</b>	<b>Amount (₹) 31.03.2014</b>
Interest	NIL	1,15,11,890/-
Salary	54,00,000/-	27,60,000/-
Director Sitting Fees	60,000/-	80,000/-

(iv) 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.

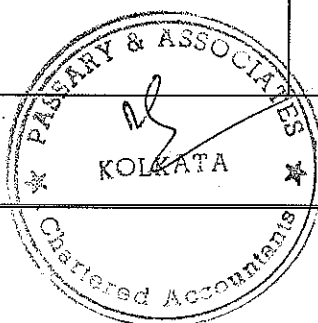
(v) As per AS - 15, "Employee Benefits", provision for Gratuity liability should be provided for in the books of accounts. The management has created provision for Gratuity amounting to ₹ 2,65,120/- based on method prescribed under the provisions of Gratuity Act but the same is not accordance with Accounting Standard 15 "Employee Benefits" issued by ICAI.

(vi) 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. During the year Deferred Tax Assets amounting to ₹ 48,020/- (P.Y. ₹ 32,230/-) has been created on difference between WDV of fixed assets as per Companies Act and as per Income Tax Act. Deferred tax on employee benefits has not been considered.

**(vii) Earnings Per Share**

The earnings per share has been disclosed as per the Accounting Standard - 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:

<b>Particulars</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Net Profit after tax available for Equity shareholders (Numerator used for calculation) (₹)	5,84,698/-	3,26,711/-
Weighted average number of Equity Shares used as denominator for calculating EPS	2,00,000	2,00,000
Basic earnings per share (₹)	2.92	1.63



**BENGAL MERLIN HOUSING LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

**Note 3**

Share Capital	31.03.2015		31.03.2014	
	Number	₹	Number	₹
<b>Authorised</b>				
Equity Shares of ₹ 10 each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
<b>Issued, Subscribed &amp; fully Paid up</b>				
Equity Shares of ₹ 10 each	200,000	2,000,000	200,000	2,000,000
	200,000	2,000,000	200,000	2,000,000

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)**

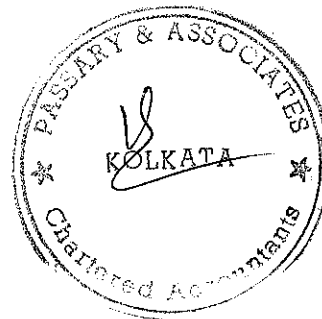
Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	2014-2015		2013-2014	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	200,000	2,000,000	200,000	2,000,000
Changes during the year	-	-	-	-
Outstanding at the end of the year	200,000	2,000,000	200,000	2,000,000

**Note 3(ii)**

Details of Shareholders holding more than 5% shares in the company:

Name of Shareholders	Equity Shares			
	31.03.2015		31.03.2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Merlin Projects Ltd.	128,000	64.00%	128,000	64.00%
West Bengal Housing Board	22,000	11.00%	22,000	11.00%
Sushil Kumar Mohta	17,940	8.97%	17,940	8.97%
Merlin's	16,000	8.00%	16,000	8.00%
Innocent Merchandise Pvt Ltd	-	-	16,000	8.00%
Seema Mohta	16,000	8.00%	-	-



**BENGAL MERLIN HOUSING LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**Note 4**

<b>Reserves &amp; Surplus</b>	<b>31.03.2015</b>		<b>31.03.2014</b>	
	₹	₹	₹	₹
<b>i) General Reserve</b>				
Balance at the beginning of the year	3,104,864		3,097,502	
Add: Transfer from Profit & Loss Account	-		7,362	
Balance at the end of the year		3,104,864		3,104,864
<b>ii) Surplus in the Statement of Profit &amp; Loss</b>				
Balance at the beginning of the year	5,426,514		5,279,428	
Add: Net Profit for the year	584,698		326,711	
Less: Proposed Dividend	-		147,240	
Less: Corporate Dividend Tax	-		25,023	
Less: Transfer to General Reserve	-		7,362	
Balance at the end of the year		6,011,212		5,426,514
		9,116,076		8,531,378

**Note 5**

<b>Long Term Borrowings</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
	₹	₹
<b>Secured loans</b>		
- HDFC Car Loan (Secured against Hypothecation of Motor Car)	247,689	589,005
<b>Unsecured Loans</b>		
- From Body Corporates	272,323,086	159,710,949
- From Directors	-	28,000,000
	272,570,775	188,299,954

**Note 6**

<b>Other Current Liabilities</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
	₹	₹
Advance Against Booking	6,397,369	48,600,991
Book Overdrawn (due to excess issuance of cheque)	1,265,636	9,797,193
Short Term Maturity to Long Term Debt	341,316	308,197
Security Deposit	6,965,450	6,865,450
Statutory Liabilities	1,572,481	-
Other Payables	476,807	18,000
	17,019,059	65,589,831

**Note 7**

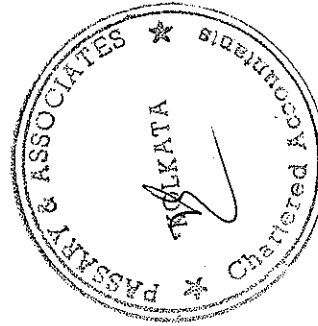
<b>Short Term Provisions</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
	₹	₹
For Income Tax	600,660	11,401,580
Proposed Dividend	-	147,240
Corporate Dividend Tax	-	25,023
For Expenses	59,014	8,000
For Gratuity	471,620	206,500
	1,131,294	11,788,343



**BENGAL MERLIN HOUSING LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**Note 8**

Fixed Assets	ORIGINAL COST				DEPRECIATION			NET BOOK VALUE	
	As At 01.04.14	Additions	Deductions	As At 31.03.15	Upto 01.04.14	For The Year	Upto 31.03.15	As At 31.03.15	As At 31.03.14
LAND	4035698	-	-	4035698	-	-	-	4035698	4035698
MOTOR CAR	1958625	-	-	1958625	998871	351742	1350613	608012	959754
<b>Current Year</b>	<b>5994323</b>	<b>-</b>	<b>-</b>	<b>5994323</b>	<b>998871</b>	<b>351,742</b>	<b>1350613</b>	<b>4643710</b>	<b>4995452</b>
Previous Year	5994323	-	-	5994323	663586	335285	998871	4995452	-





**BENGAL MERLIN HOUSING LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

**Note 9**

Deferred Tax Assets (Net)	31.03.2015	31.03.2014
	₹	₹
Provision as at the beginning of the year	107,910	75,680
Provision Created Due to Written Down Value**	48,020	32,230
	155,930	107,910
Add: Deferred Tax Assets Reversed Back	-	-
	<b>155,930</b>	<b>107,910</b>
<b>**Provision Due to Written Down Value</b>		
Written Down Value as Per Companies Act	4,643,710	959,754
Written Down Value as Per Income Tax Act	5,148,326	1,308,974
Change in Written Down Value	504,616	349,220
Tax on Above	155,926	107,909
Rounded off	155,930	107,910
Less: Opening Deferred Tax Assets	107,910	75,680
Provision Made During The Year	48,020	32,230

**Note 10**

Inventories	31.03.2015	31.03.2014
	₹	₹
Finished Goods	6,532,133	12,603,175
Work in Progress	274,983,117	237,487,154
	<b>281,515,250</b>	<b>250,090,329</b>

**Note 11**

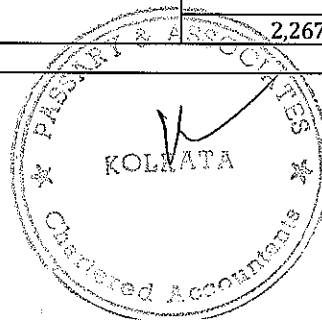
Trade Receivables	31.03.2015	31.03.2014
	₹	₹
- Exceeding Six Months	25,750	60,750
- Others	2,942,034	2,885,533
	<b>2,967,784</b>	<b>2,946,283</b>

**Note 12**

Cash and Bank Balances	31.03.2015	31.03.2014
	₹	₹
<b>a) Cash &amp; cash Equivalents</b>		
i) Cash in hand (As Certified by the Management)	50,000	50,000
ii) Balances with Banks		
- in Current Account	5,112,946	798,253
(A)	<b>5,162,946</b>	<b>848,253</b>
<b>b) Other Bank Balances</b>		
- in Fixed Deposits (including Accrued Interest)	(B) 5,171,293	4,774,568
(A+B)	<b>10,334,239</b>	<b>5,622,821</b>

**Note 13**

Short-Term Loans and Advances	31.03.2015	31.03.2014
	₹	₹
<b>(Unsecured, considered good)</b>		
Advances (recoverable in cash or in kind or for value to be received or adjusted)		
- To Staff	68,811	20,863
- For Property	200,000	200,000
- Others	5,000	9,500
Income Tax (Subject to Adjustment)	1,054,313	11,920,166
Deposit With Revenue Authorities	859,716	533,160
Security Deposit (CESG)	80,000	80,000
	<b>2,267,840</b>	<b>12,763,689</b>



**BENGAL MERLIN HOUSING LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

**Note 14**

<u>Revenue from Operation</u>	31.03.2015	31.03.2014
	₹	₹
Revenue from Operation		
- Sale of Flats	9,780,000	8,762,900
- Interest Received	404,915	132,804
	10,184,915	8,895,704

**Note 15**

<u>Other Income</u>	31.03.2015	31.03.2014
	₹	₹
Registration Charges Received	20,000	-
Miscellaneous Income	776	544
	20,776	544

**Note 16**

<u>Change in Inventories</u>	31.03.2015	31.03.2014
	₹	₹
<u>Work in Progress:</u>		
Opening Work in Progress	237,487,154	210,906,941
Less: Closing Work In Progress	274,983,117	237,487,154
Change in Work In Progress	A (374,959,63)	(265,802,13)
<u>Finished Goods:</u>		
Opening Stock of Finished Goods	12,603,175	17,500,000
Less: Closing Stock of Finished Goods	6,532,133	12,603,175
Change in Finished Goods	B 6,071,042	4,896,825
Change in Inventories	(A+B) (31,424,921)	(21,683,388)

**Note 17**

<u>Employee Benefit Expenses</u>	31.03.2015	31.03.2014
	₹	₹
Salary, Bonus & Allowances	265,120	117,100
Director Remuneration	60,000	80,000
	325,120	197,100

**Note 17(i)**

The Employee Benefit Expenses has been capitalised to development work in progress except provision for gratuity.



**BENGAL MERLIN HOUSING LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

**Note 18**

<b>Finance Cost</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
	₹	₹
Interest Expenses	77,759	107,665
	77,759	107,665

**Note 19**

<b>Other Expenses</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
	₹	₹
Audit Fees	18,000	18,000
Bank Charges	12,494	1,242
Business Promotion Expenses	24,500	-
Consultancy Charges	3,000	2,000
Car Hire Charges	15,036	
Filing Fees	7,800	3,000
Interest on TDS	160	
Misc. Expenses	13,439	21,510
Rates & Taxes	4,400	5,950
Service Tax & Interest thereon	21,842	19,162
Telephone Expenses	32,186	23,886
	152,857	94,749

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

As per my reports of even date and annexed.

For **Passary & Associates**  
Chartered Accountant  
Firm Regn. No: 326506E

  
**P.B. Passary**

Proprietor

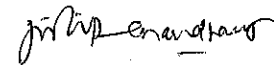
Membership No. : 012451

Place :Kolkata

Date:21st August, 2015



For and on behalf of the Board of  
**BENGAL MERLIN HOUSING LIMITED**



Director



Director