



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MERLIN PROJECTS LIMITED,

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone IND AS financial statements of **MERLIN PROJECTS LIMITED**, ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss including the statement of Other Comprehensive Income, statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS 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 March 31, 2019, its *profit*, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the standalone financial statements and our auditor's report thereon.



Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS 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 standalone IND AS 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 Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone IND AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone IND AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with



SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the IND AS financial statements, including the disclosures, and whether the IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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" 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 my 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'
 - (g) In our opinion the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 of the Act, where applicable.



(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 my information and according to the explanations given to me:

- i. The Ind As financial statements disclose the impact of pending litigation on the financial position of the Company in accordance with the generally accepted accounting practice- Refer Note no. 37 to the Ind As financial statements.
- 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.

For S JAYKISHAN

Place: Kolkata
Date: 29.06.2019

Chartered Accountants
Firm Reg. No. 309005E

B.K. Newatia

CA B.K NEWATIA
Partner

Membership No.050251



ANNEXURE B 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 2019, we report that:

- I. In respect of its Property, Plant & Equipment:
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
 - b. As explained to us, the Company has a regular programme of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment 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 classified under "Property, Plant & Equipment" 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 granted unsecured loan to companies and firms covered in the register maintained under section 189 of the Companies Act, 2013; and

 - a. In our opinion, the rate of interest and the terms and conditions of the aforesaid loans are, prima facie, non-prejudicial to the interest of the Company;
 - b. Loans granted by the Company are repayable on demand and receipts of the same are regular;
 - c. In respect of the loans granted by the Company, the same are repayable on demand and therefore the question of overdue amount does not arise.

- 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 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, Income Tax, Goods & Services 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, 2019 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 A.Y 2016-17: Rs.17,97,150/- pending before ACIT, Circle-7(1), Kolkata.
- VIII. The Company has not defaulted in repayment of any loans or borrowings from any financial institutions, banks or government during the year. The company does not have any outstanding debentures.
- IX. According to the information and explanation given us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans raised by the company have been utilised for the purposes for which the same were obtained.
- X. According to the information and explanations given by the management, no fraud by the company or on the company by its officers and employees has been noticed or reported during the year.
- 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.
- 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.

For S JAYKISHAN

Place: Kolkata
Date: 29.06.2019

Chartered Accountants
Firm Reg. No. 309005E

B. K. Newatia



CA B.K NEWATIA
Partner
Membership No.050251

ANNEXURE C TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MERLIN PROJECTS LIMITED** (the Company) as of 31st March, 2019 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.

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-March-2019.

For S JAYKISHAN

B K Newatia


CA B K NEWATIA
Place: Kolkata
Date: 29.06.2019

Chartered Accountant
Firm Reg. No. 309005E

Partner
Membership No.050251

MERLIN PROJECTS LIMITED
CIN: U70109WB1984PLC038040
BALANCE SHEET AS ON 31ST MARCH 2019

	Notes	As at March 31, 2019 Rs	As at March 31, 2018 Rs
ASSETS			
I. Non-Current Assets			
a) Property, Plant and Equipment	4	67,810,712	61,706,805
b) Investment Property	4	386,593,079	233,715,826
c) Intangible Asset	4	469,587	626,116
d) Financial Assets			
i) Investments	3	59,634,818	43,175,343
ii) Loans	6	4,955,086	12,320,376
iii) Other Financial Assets	7	540,110,605	493,246,864
e) Deferred Tax Assets (Net)	8	16,779,309	5,572,168
		<u>1,076,353,197</u>	<u>850,363,498</u>
II. Current Assets			
a) Inventories	9	2,280,812,916	1,591,386,399
b) Financial Assets			
i) Trade Receivables	10	45,676,599	71,382,513
ii) Cash and Cash Equivalents	11	83,276,859	23,522,454
iii) Loans	12	832,430,371	831,103,763
iv) Other Financial Assets	13	6,783,331	5,875,781
c) Current Tax Assets (Net)	14	12,114,584	-
d) Other Current Assets	15	1,996,573,955	1,852,380,581
		<u>5,257,668,615</u>	<u>4,375,651,491</u>
TOTAL ASSETS		<u><u>6,334,021,812</u></u>	<u><u>5,226,014,989</u></u>
EQUITY AND LIABILITIES			
III. Equity			
a) Equity Share Capital	16	76,333,250	76,333,250
b) Other Equity	17	3,510,478,393	3,149,704,759
		<u>3,586,811,643</u>	<u>3,226,038,009</u>
IV. Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	18	591,664,337	290,843,221
ii) Other Financial Liabilities	19	1,021,152,983	780,215,589
b) Provisions	20	2,398,891	224,557
c) Other Non Current Liabilities	21	2,041,132	5,744,333
		<u>1,617,257,343</u>	<u>1,077,027,700</u>
V. Current Liabilities			
a) Financial Liabilities			
i) Borrowings	22	18,065,772	154,337,188
ii) Trade Payables	23	66,555,217	67,843,143
iii) Other Financial Liabilities	24	56,343,665	220,539,673
b) Other Current Liabilities	25	988,324,950	476,341,833
c) Provisions	26	683,222	2,174,334
d) Current Tax Liabilities (Net)	27	-	1,713,110
		<u>1,129,952,826</u>	<u>922,949,281</u>
TOTAL EQUITY AND LIABILITIES		<u><u>6,334,021,812</u></u>	<u><u>5,226,014,989</u></u>
Significant Accounting Policies	3		
See Accompanying Notes to Financial Statements	4-49		

As per our Report attached of even date

For S JAYKISHAN
Chartered Accountants
Firm Regn. No.309005E

B K Newatia
CA B K Newatia
(Partner)
Membership No. 030251



Place: Kolkata
Date: 29th June, 2019

For and on behalf of the Board of Directors

Sushil Kumar Mohita
SUSHIL KUMAR MOHTA
(Managing Director) (DIN - 00627506)

Dilip Kumar Choudhary
DILIP KUMAR CHOUDHARY
(Director) (DIN - 00605511)

Rajib Kumar Das
RAJIB KUMAR DAS
(Company Secretary) (M.No. FCS9003)

MERLIN PROJECTS LIMITED
STATEMENT OF PROFIT AND LOSS AS ON 31ST MARCH, 2019

	Notes	For the year ended	For the year ended
		March 31, 2019	March 31, 2018
		Rs	Rs
I. INCOME			
Revenue from Operations	28	354,169,249	766,932,098
Other Income	29	477,865,897	303,888,302
Total Income		832,035,146	1,070,820,400
II. EXPENSES			
Cost of Project Development Expenditure	30	857,736,868	569,112,274
Purchase of Stock in Trade	31	-	9,600,000
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	(689,426,517)	(177,259,428)
Employee Benefits Expense	33	45,239,927	45,721,969
Finance Costs	34	103,543,080	104,403,135
Depreciation and Amortization Expense	4	21,000,279	17,343,952
Other Expenses	35	63,714,532	47,744,714
Total Expenses		401,810,168	616,669,615
III. Profit before Tax		430,224,978	454,150,785
IV. Tax Expenses			
Current Tax		84,975,640	90,348,197
Deferred Tax		2,039,499	(1,123,216)
Earlier Year Tax		-	11,470,770
MAT Credit (Entitlement)/ utilised		(14,498,030)	27,171,483
Total Tax Expenses		72,517,309	127,867,234
V. Profit for the period		357,707,669	326,283,551
VI. Other Comprehensive Income / (Loss)			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/ (Losses) on Post Employment Defined Benefit Plans		(346,120)	534,002
(b) Equity Instrument through Other Comprehensive Income		4,643,475	(1,718,867)
(ii) Tax on Items that will not be reclassified subsequently to Profit and Loss		(1,251,390)	410,058
VII. Total Comprehensive Income for the period		360,773,634	325,501,745
VIII. Basic and Diluted Earnings per Equity Share of Face Value of Rs 10/- each	38	Rs. 48.88	Rs. 42.74
Significant Accounting Policies	3		
See Accompanying Notes to Financial Statements	1-48		

As per our Report attached of even date
 For S JAYKISHAN
 Chartered Accountants
 Firm Regn. No. 309003E



CA B K Newatia
 (Partner)
 Membership No. 850251

Place: Kolkata
 Date: 29th June, 2019

For and on behalf of the Board of Directors

Sushil Kumar Mohta

SUSHIL KUMAR MOHTA
 (Managing Director) (DIN - 00627508)

Delip Kumar Choudhary

DELIP KUMAR CHOUDHARY
 (Director) (DIN - 00605511)

Rajib Kumar Das

RAJIB KUMAR DAS
 (Company Secretary) (M.No. FCS9603)

MERLIN PROJECTS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Amount in Rs

A. EQUITY SHARE CAPITAL

Balance as at April 01, 2018	76,533,250
Changes in Equity Share Capital during the year 2018-19	-
Balance as at March 31, 2019	76,533,250

B. OTHER EQUITY

	Reserves and Surplus				Other Comprehensive Income	Total Other Equity
	Securities Premium	General Reserve	Amalgamation Reserve	Retained Earnings		
Balance as at April 01, 2017	264,209,000	200,000	32,818,520	2,509,773,213	17,203,281	2,824,203,014
Profit for the period	-	-	-	326,276,352	-	326,276,352
Other Comprehensive Income	-	-	-	-	(774,807)	(774,807)
Balance as at March 31, 2018	264,209,000	200,000	32,818,520	2,836,049,765	16,427,474	3,149,704,759
Balance as at April 01, 2018	264,209,000	200,000	32,818,520	2,836,049,765	16,427,474	3,149,704,759
Profit for the period	-	-	-	357,727,669	-	357,727,669
Other Comprehensive Income	-	-	-	-	3,045,963	3,045,963
Balance as at March 31, 2019	264,209,000	200,000	32,818,520	3,193,777,434	19,473,437	3,510,478,293

For S JAYKISHAN
 Chartered Accountants
 Firm Regn. No. 309025I

 S. K. Newatia
 (Partner)
 Membership No. 098251

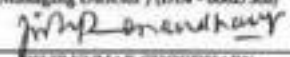


Place: Kolkata
 Date: 29th June, 2019

For and on behalf of the Board of Directors



SUSHIL KUMAR MOHITA
 (Managing Director) (DIN - 00627908)



DILIP KUMAR CHOUDHARY
 (Director) (DIN - 00605511)



RAJIB KUMAR DAS
 (Company Secretary) (M.No. FCS9003)

MERLIN PROJECTS LIMITED

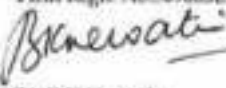
Statement of Cash Flows for the Year Ended March 31, 2019

PARTICULARS	March 31, 2019	March 31, 2018
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax :	430,244,978	454,143,785
Adjustment for:		
Depreciation/ Amortisation	21,000,279	17,345,952
Finance Cost	103,345,080	104,403,135
Interest Income	(235,123,785)	(188,096,553)
Profit on Fixed Assets Sold / Discarded (Net)	(206,430,916)	(66,344,462)
Dividend on Shares	-	(21,502,525)
Loss/(Profit) from Partnership Firm (Net)	(35,903,537)	(12,604,252)
Profit on sale of Investment	(116)	(2,808,000)
Operating Profit before Working Capital Changes	77,331,962	284,537,080
Adjustments for:		
(Increase)/Decrease in Non-Current/Current Financial and Other Assets	(495,589,813)	(454,488,572)
(Increase)/Decrease in Inventories	(689,426,517)	(177,259,428)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities/Provisions	697,143,688	438,309,356
Cash Generated from Operations	(410,540,681)	91,098,435
Direct Taxes Paid	(98,403,533)	(57,268,594)
Net Cash Flow from Operating Activities	(509,344,215)	33,829,841
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and Investment Property	(228,243,531)	(21,855,021)
Sale of Property, Plant & Equipment and Investment Property	254,649,537	82,490,899
Investment in Partnership Firm	35,472,673	14,372,252
Sale of Investment in Equity Instruments	(11,385,000)	-
Loans (Given)/ Repaid	336,277,296	(194,730,470)
Interest Received	234,216,235	186,702,943
Dividend Received	-	21,502,525
Net Cash Flow from/(Used in) Investing Activities	621,187,210	88,483,128
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Borrowings	(562,663,510)	(2,647,682,866)
Proceeds from Borrowings	613,520,000	2,551,102,810
Interest Paid	(103,345,080)	(104,598,206)
Net Cash Flow From/(Used in) Financing Activities	(52,088,590)	(201,178,262)
D: Net Increase/(Decrease) in Cash and Cash Equivalents	59,754,405	(78,865,293)
Cash and Cash Equivalents at the beginning of the period	23,522,454	102,387,747
Cash and Cash Equivalents at the end of the period	83,276,859	23,522,454

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our Report attached of even date

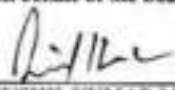
 For **AYKISHAN**
 Chartered Accountants
 Firm Regn. No. 309005E


CA B K Newatia
 (Partner)
 Membership No. 050251



Place: Kolkata

Date: 29th June, 2019

For and on behalf of the Board of Directors


SUSHIL KUMAR MOHTA
 (Managing Director) (DIN - 00627506)


DILIP KUMAR CHOUDHARY
 (Director) (DIN - 00605511)


RAJIB KUMAR DAS
 (Company Secretary) (M.No. FCS9003)

MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

1. Company Overview

Merlin Projects Limited ("the Company") is an unlisted public limited company incorporated in India having its registered office situated at Merlin Oxford, 2nd Door 22, Prince Anwar Shah Road, Kolkota - 700 001. The Company is primarily engaged in the business of real estate development and other allied activities. The operations of the Company span all aspects of real estate development, from the identification and acquisition of land to planning, execution, construction and marketing of projects. The Company is also engaged in earning "Rental Income" from Renting out Property and generate "Interest Income" from Surplus Funds.

2. Basis of Preparation of Financial Statements**I) Statement of Compliance**

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with relevant Rules which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 45.

II) Basis of Measurement

The Standalone financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Assets held for sale-measured at the lower of its carrying amount and fair value less costs to sell; and
- (iii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

III) Use of Estimates and Judgments

The preparation of the Company's Standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Standalone financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

IV) Critical Accounting Estimates and Key Sources of Estimation Uncertainty: Key Assumptions**(a) Useful Lives of Property, Plant and Equipment**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the accumulated depreciable amount is charged over the remaining useful life of the assets. See note 3(II) and 4 for details.

(b) Fair Value Measurement of Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss. See note 3(VII) and Note 47 for details.

(c) Defined Benefit Plan

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using Projected unit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. See note 3(XII) and 44 for details.



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

(d) Recognition of Current Tax and Deferred Tax

Current taxes are recognized at tax rates (and tax laws) enacted or substantively enacted by the reporting date and the amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. See note 3(XV) and 35 for details.

(e) Recognition and Measurement of Provisions and Contingencies

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for. See note 3(XI) and 36 for details.

3. Significant Accounting Policies**I) Revenue Recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction as below:

Principles of Ind AS 115 establishes a five step model to account for revenue arising from contracts with customers and requires that revenue be recognized at amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer, and

In case of real estate sales where agreement for sale is executed for under construction properties, revenue in respect of individual contracts is recognized when performance on the contract is considered to be completed.

Dividend income is recognized when the Company's right to receive dividend is established. Interest income is recognized using the effective interest method. Effective Interest Rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Share of profit/loss from firms in which the Company is a partner is accounted for in the financial year ending on (or immediately before) the date of the balance sheet. All other income are recognized on accrual basis.

II) Property, Plant & Equipment**Recognition and Initial measurement**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is provided on written down value method over the estimated useful lives of property, plant and equipment and are in line with the requirement of Part C of Schedule II of the Companies Act, 2013.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other 'Non-Current Assets' Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

III) Investment Properties

Recognition and Initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is provided on written down value method over the estimated useful lives of investment property and are in line with the requirement of Part C of Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

IV) Intangible Assets

Recognition and Initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation)

The cost of capitalised software is amortized over a period of 4 years from the date of its acquisition.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Company amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

V) Inventories

Inventories are valued at lower of cost or Net Realisable value, except for construction-work-in progress which is valued at cost.

Construction-work-in progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

VI) Financial Instruments

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

Subsequent measurement

I. Non derivative financial instruments

a) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial instruments are subsequently measured at amortised cost using the effective interest rate method.

b) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e) Investment in subsidiaries, associates and joint ventures

Investments subsidiaries, associates and joint ventures are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements, and Ind AS 28 Investments in Associates and Joint Ventures.

f) Investment in other equity instruments

Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless dividend clearly represents a recovery of part of the cost of the investment.

De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VII) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

VIII) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

IX) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

X) Foreign Currency Transactions & Translations

Functional and presentation currency

The financial statements are presented in Indian Rupees (Rs) which is also the functional and presentation currency of the Company.

Transactions and balances

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

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or statement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

XI) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

XII) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund and employees state insurance to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions for a specified percentage of the employee's salary.

Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through funded scheme. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

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 Project 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.

XIII) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.



MIRLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

XIV) Leases

Leases under which the company incurs substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit & Loss over the lease term.

XV) Taxation

Income tax expense is recognized in the Statement of Profit & Loss except the taxes recognized as other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ("MAT") credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset of liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. However, considering the reasonable uncertainty of reversal of timing difference management decided not to recognize deferred tax asset.

XVI) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XVII) Operating Segment

Based on the synergies, risks and returns associated with business operations and in terms of Ind AS 108, the Company's operating operation comprises of only two primary segments viz. construction and rental income. The Company also believes that even geographically, the Company faces similar risk and returns and there is no separate segment that can be identified for the purpose of reporting under Ind AS 108 on "Segment Reporting".

XVIII) Current and Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) expected to be realized or intended to be sold or consumed in the normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realized within twelve months after the reporting period, or
- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

- i) it is expected to be settled in the normal operating cycle,
- ii) it is due to be settled within twelve months after the reporting period, or
- iii) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

XIX) Recent Accounting Pronouncements**Ind AS 115 - Revenue from Contracts with Customers**

The Company is currently evaluating the impact of implementation of Ind AS 115 "Revenue from Contracts with Customers" which is applicable to it w.e.f. 01.04.2018. However, based on the evaluation done so far and based on the arrangements that the Company has with its customers for sale of its products, the implementation of Ind AS 115 will not have any significant recognition and measurement impact.

Ind AS 21 - The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.



MEERIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

4. Property, Plant & Equipment, Investment Property and Intangible Asset

(a) Property, Plant & Equipment (Current Year)

Particulars	GROSS BLOCK				DEPR. / AMORTISATION				NET BLOCK		
	As at 1st April 2018	Addition	Deletions/ Adjustment	As at 31st March 2019	As at 1st April 2018	Deductions/ Adjustments	For the Year	Short/(Excess) Depreciation/ Provision for earlier years	Up to 31st March 2019	As at 31st March 2019	As at 31st March 2018
Tangible Assets:											
a) Land	12,372,546	-	-	12,372,546	-	-	-	-	-	12,372,546	12,372,546
b) Land A2 30, PAS Road	144,014	-	-	144,014	-	-	-	-	-	144,014	144,014
c) Building (At Place)	16,104,535	-	-	16,104,535	783,873	-	796,127	-	(1,529,860)	14,574,755	15,200,882
d) Staff Quarters	197,436	-	-	197,436	18,839	-	8,734	-	27,273	169,883	178,617
e) Office & Godown	414,382	-	-	414,382	39,335	-	18,374	-	57,865	356,517	374,847
f) Plant & Machinery	19,185,338	3,202,554	36,253	22,351,479	150,549	17,873	4,312,648	-	4,411,224	17,940,155	19,008,829
g) Motor Cars	15,323,411	12,546,049	-	27,669,490	6,343,708	-	5,119,373	-	11,463,241	16,206,149	8,979,673
h) Electronic Installation	1,200,877	-	-	1,200,877	612,507	-	190,965	-	803,472	497,405	688,370
i) Computer	1,217,226	947,232	1,158,460	405,935	777,619	1,100,580	377,002	-	34,041	371,917	459,607
j) Furniture & Fixture	7,865,930	2,250,296	86,382	10,198,206	3,973,694	70,400	1,197,666	-	5,171,360	5,024,846	3,892,216
k) Air Conditioner	179,473	-	-	179,473	70,483	-	23,879	-	33,942	29,999	68,960
l) Rubber	170,459	-	-	170,459	66,803	-	22,825	-	89,630	86,929	103,654
m) Office Equipment	130,621	17,620	-	148,221	76,030	-	29,588	-	105,618	42,603	54,291
Total:	74,566,288	18,243,531	1,281,140	91,524,679	12,859,483	1,188,853	12,047,337	-	23,217,967	67,816,712	61,796,905

(b) Investment Property (Current Year)

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 1st April 2018	Addition	Deletions/ Adjustment	As at 1st April 2018	Deductions/ Adjustments	For the Year	Up to 31st March 2019	As at 31st March 2019
a) Building (As 18 ATM Road)	191,369,928	-	91,673,009	10,654,102	3,346,679	8,796,413	18,103,840	123,593,079
b) Land (Chennai)*	53,000,000	210,000,000	-	203,000,000	-	-	-	203,000,000
Total:	244,369,928	210,000,000	51,673,009	402,696,919	3,346,678	8,796,413	18,103,840	386,593,079

* Pending Registration in the name of the Company.

(c) Intangible Asset (Current Year)

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 1st April 2018	Addition	Deletions/ Adjustment	As at 1st April 2018	Deductions/ Adjustments	For the Year	Up to 31st March 2019	As at 31st March 2019
a) Computer Software	1,033,928	-	-	407,812	-	156,529	564,341	469,587
Total:	1,033,928	-	-	407,812	-	156,529	564,341	469,587



4. Property, Plant & Equipment, Investment Property and Intangible Asset												Amount in ₹		
(a) Property, Plant & Equipment (Previous Year)												NET BLOCK		
Particulars	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK	
	As at 1st April 2017	Addition	Deletion/ Adjustment	As at 31st March 2018	As at 1st April 2017	Deductions/ Adjustments	For the Year	Shorts/Excess) Depreciation Provision for earlier years	Up to 31st March 2018	As at 31st March 2018	As at 31st March 2017			
Tangible Assets :														
a) Land	12,372,546	-	-	12,372,546	-	-	-	-	-	12,372,546	12,372,546	12,372,546		
b) Land At 26 PAS Road	144,014	-	-	144,014	-	-	-	-	783,677	144,014	144,014			
c) Building (AI Pune)	15,884,250	220,303	-	16,104,553	10,597	-	773,076	-	13,039	15,320,882	15,320,882			
d) Staff Quarter	197,436	-	-	197,436	20,263	-	9,183	-	19,535	178,617	187,808			
e) Office & Godown	414,342	-	-	414,342	17,873	-	19,272	-	116,549	394,119	394,119			
f) Plant & Machinery	14,945,944	1,181,878	803,481	15,320,441	2,971,999	763,308	4,135,977	6,343,768	8,979,673	11,973,945	11,973,945			
g) Motor Cars	1,590,877	-	-	1,590,877	336,749	-	275,718	-	612,507	688,370	688,370			
h) Electronic Installation	2,300	-	-	2,300	2,300	-	-	2,300	-	-	-			
i) Cell Phones & Pagers	878,081	339,143	-	1,217,226	425,506	-	332,113	-	737,619	459,607	452,375			
j) Computer	7,670,994	195,916	-	7,866,910	2,253,338	-	1,720,336	3,973,684	3,973,684	3,892,216	5,417,638			
k) Furniture & Fixtures	80,379	53,044	-	133,423	49,339	-	21,124	70,463	70,463	68,960	37,940			
l) Air Conditioner	170,439	-	-	170,439	37,533	-	29,270	66,885	66,885	103,654	132,924			
m) Sealer	170,621	-	-	170,621	29,822	-	46,208	-	76,030	54,391	106,799			
Total :	54,233,656	21,336,413	803,481	74,568,488	6,164,097	763,308	7,466,994	-	12,861,783	61,706,505	48,049,533			
(b) Investment Property (Previous Year)												NET BLOCK		
Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK							
	As at 1st April 2017	Addition	Deletion/ Adjustment	As at 31st March 2018	As at 1st April 2017	Deductions/ Adjustments	For the Year	Shorts/Excess) Depreciation Provision for earlier years	Up to 31st March 2018	As at 31st March 2018	As at 31st March 2017			
a) Building (AI & ATM Road)	213,810,649	661,078	23,048,314	191,399,028	7,603,739	6,943,130	9,697,493	-	10,654,302	190,715,826	205,912,905			
b) Land (Chennai)	33,000,000	-	-	33,000,000	-	-	-	-	-	33,000,000	33,000,000			
Total :	246,810,649	661,078	23,048,314	244,399,028	7,603,739	6,943,130	9,697,493	-	10,654,302	233,715,826	238,912,905			
(c) Intangible Asset (Previous Year)												NET BLOCK		
Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK							
	As at 1st April 2017	Addition	Deletion/ Adjustment	As at 31st March 2018	As at 1st April 2017	Deductions/ Adjustments	For the Year	Shorts/Excess) Depreciation Provision for earlier years	Up to 31st March 2018	As at 31st March 2018	As at 31st March 2017			
a) Computer Software	918,998	114,930	-	1,033,928	215,347	-	192,465	-	407,812	628,116	703,651			
Total :	918,998	114,930	-	1,033,928	215,347	-	192,465	-	407,812	628,116	703,651			



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

	As at March 31, 2019 Rs	As at March 31, 2018 Rs
5 Investments (Non-Current)		
Investment in Equity Instruments		
Quoted Shares		
Investment Carried at Fair Value through Other Comprehensive Income		
Sciella Commercial & Credit Ltd	387,063	1,126,351
41,900 (41,900) Shares of Rs. 10/- each fully paid up		
to Subsidiary (Unquoted)		
Investments carried at Cost		
Bengal Merin Housing Limited	1,288,000	1,288,000
1,28,800 (1,28,800) Shares of Rs. 10/- each fully paid up		
In Associates (Unquoted)		
Mumbulkam Realty Private Ltd		
113800 Shares of Rs. 10/- each fully paid up	11,381,000	
Unquoted Shares		
Investment Carried at Fair Value through Other Comprehensive Income		
Bengal Merin Infrastructure Limited	89,556	71,520
28,000 (28,000) Shares of Rs. 10/- each fully paid up		
Daga Duman Developers Pvt Ltd	15,827	22,819
300 (300) Shares of Rs. 10/- each fully paid up		
Merin Maintenance Services Pvt Ltd	1,376,461	1,137,204
9,800 (9,800) Shares of Rs. 10/- each fully paid up		
Olypsia Merin Developers Pvt Ltd	-	77,027
1,80,250 (1,80,050) Shares of Rs. 10/- each fully paid up		
South City Projects (Kolkata) Ltd	30,962,872	33,661,741
3,70,055 (3,70,050) Shares of Rs. 10/- each fully paid up		
Investment in Partnership Firm (Refer Note: 43)		
Investments carried at Cost	4,330,000	3,790,000
Total	<u>19,634,818</u>	<u>43,175,343</u>
(a) Aggregate amount of quoted investments and market value thereof,	387,063	1,126,351
(b) Aggregate amount of unquoted investments	19,247,755	42,048,992
6 Loans (Non-Current)		
Financial Assets carried at Amortised Cost		
(Unsecured, Considered Good)		
Security Deposits	4,955,686	12,326,276
Total	<u>4,955,686</u>	<u>12,326,276</u>
7 Other Financial Assets (Non-Current)		
Financial Assets carried at Amortised Cost		
(Unsecured, Considered Good)		
Fixed Deposits with Banks with original maturity of More than 12 months	31,368,097	23,444,347
Partnership Firm (Fluctuating Capital)	216,843,508	469,891,517
Total	<u>248,211,605</u>	<u>493,335,864</u>
8 Deferred Tax Assets (Net)		
Deferred Tax Asset		
Timing difference in depreciable assets	6,937,828	11,641,065
Expenses allowable against taxable income in future years	891,687	836,208
Deferred Tax Liability		
Equity Investment	(5,348,236)	(6,631,518)
Loans measured at amortised cost	-	(261,788)
MAT Credit Entitlement	<u>16,498,039</u>	<u>16,583,967</u>
Measurement of Deferred Tax Assets/Liabilities Balances		
2018-19	Opening Balance	Recognised in P/L
Deferred Tax Assets/Liabilities in relation to:		
Equity investments	6,611,518	1,087,082
Loans measured at amortised cost	(261,788)	261,788
Total Deferred Tax Liability	<u>6,349,730</u>	<u>1,348,870</u>
Timing difference in depreciable assets	11,641,065	(4,701,234)
Expenses allowable against taxable income in future years	836,208	61,471
Total Deferred Tax Asset	<u>12,477,273</u>	<u>(4,639,763)</u>
Deferred Tax Asset (Net)	<u>5,571,348</u>	<u>(3,290,889)</u>
2017-18	Opening Balance	Recognised in P/L
Deferred Tax Assets/Liabilities in relation to:		
Equity investments	(7,238,183)	-
Loans measured at amortised cost	(347,221)	83,471
Total Deferred Tax Liability	<u>(7,577,404)</u>	<u>83,471</u>
Timing difference in depreciable assets	16,869,236	836,839
Expenses allowable against taxable income in future years	815,071	199,641
Total Deferred Tax Asset	<u>14,689,377</u>	<u>1,036,480</u>
Deferred Tax Asset (Net)	<u>4,038,894</u>	<u>1,123,216</u>



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

	As at March 31, 2019 Rs	As at March 31, 2018 Rs
9 Inventories		
(Carried at Lower of Cost and Net Realizable Value)		
Work-in-Progress	1,796,894,267	942,711,117
Finished Goods	492,917,245	648,670,142
Total	<u>2,289,811,512</u>	<u>1,591,381,259</u>
Cost of Project Development Expenditure	857,736,848	508,112,274
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(689,426,517)	(177,279,428)
10 Trade Receivables		
Financial Assets carried at Amortized Cost (Unsecured, Considered Good)		
Trade Receivables	45,676,599	71,382,513
Total	<u>45,676,599</u>	<u>71,382,513</u>
11 Cash and Cash Equivalents		
Financial Assets carried at Amortized Cost		
Balances with Banks in Current Accounts	81,241,996	21,697,185
Cash on Hand	814,869	814,869
Cash Seized by Income Tax Department*	1,200,000	1,100,000
Total	<u>83,256,865</u>	<u>23,612,054</u>
* A search & seizure operation was conducted by the income tax department against the company on 11th September, 2008. A sum of Rs. 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.		
12 Loans (Current)		
Financial Assets carried at Amortized Cost (Unsecured, Considered Good)		
Security Deposit	307,851,991	29,844,087
Loans		
Related Party	28,244,338	342,686,771
Body Corporates	482,247,288	450,379,905
Other than Body Corporates	41,886,841	8,500,000
Total	<u>860,429,371</u>	<u>831,350,763</u>
13 Other Financial Assets (Current)		
Financial Assets carried at Amortized Cost (Unsecured, Considered Good)		
Interest Accrued on Fixed Deposit	6,783,331	5,875,781
Total	<u>6,783,331</u>	<u>5,875,781</u>
14 Current Tax Assets (Net)		
Income Tax Payment (Not of Provision)	12,114,584	-
Total	<u>12,114,584</u>	<u>-</u>
15 Other Current Assets		
(Unsecured, Considered Good)		
Advances against Development Property**	1,913,768,593	1,781,200,000
Advances to Employees	4,914,063	1,461,894
Balances with Statutory Authorities	25,660,250	34,712,242
Advances to Suppliers	12,640,579	4,275,846
Others	36,188,848	40,998,640
Total	<u>1,993,172,333</u>	<u>1,862,348,582</u>
** Advances against Development Property* includes advances (interest bearing) 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 to Financial Statements as at and for the year ended March 31,2019

	As at March 31,2019 Rs	As at March 31,2018 Rs
16 Equity Share Capital		
a) Authorised:		
1,20,00,000 (1st March 2019- 120,00,000; 31st March 2018- 120,00,000)	120,000,000	120,000,000
Equity Shares of Rs 10/- each	<u>120,000,000</u>	<u>120,000,000</u>
b) Issued, Subscribed and Paid-up Capital		
76,33,325 (1st March 2019- 76,33,325; 31st March 2018- 76,33,325)	76,333,250	76,333,250
Equity Shares of Rs 10/- each fully paid up	<u>76,333,250</u>	<u>76,333,250</u>

c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at March 31,2019		As at March 31,2018	
	No. of shares	% Holding	No. of shares	% Holding
Tushil Kumar Mohla	2,838,610	37.45	2,838,610	37.45
Family of Shiv Kumar Mohla	494,845	6.48	494,845	6.48
Shiv Kumar Mohla & Sons (PVT)	689,401	9.03	689,401	9.03
Jupiter Mercantiles Private Limited	715,464	9.37	715,464	9.37

d) Reconciliation of the shares outstanding is set out below:

Particulars	March 31,2019		March 31,2018	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	7,633,325	76,333,250	7,633,325	76,333,250
Add: Shares issued	-	-	-	-
Outstanding at the end of the period	<u>7,633,325</u>	<u>76,333,250</u>	<u>7,633,325</u>	<u>76,333,250</u>

e) Terms/rights attached to each class of shares
Equity Shares:

The Company has only one class of equity shares having a par value of Rs 10/- Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17 Other Equity

	As at March 31,2019 Rs	As at March 31,2018 Rs
A. Securities Premium		
As per last Balance Sheet	264,209,000	264,209,000
Add: Addition during the period	-	-
Balance as at the end of the period	<u>264,209,000</u>	<u>264,209,000</u>
B. General Reserve		
As per last Balance Sheet	200,000	200,000
Add: Addition during the period	-	-
Balance as at the end of the period	<u>200,000</u>	<u>200,000</u>
C. Amalgamation Reserve		
As per last Balance Sheet	32,818,520	32,818,520
Add: Addition during the period	-	-
Balance as at the end of the period	<u>32,818,520</u>	<u>32,818,520</u>
B. Surplus in the statement of profit and loss		
As per last Balance Sheet	2,836,045,765	1,999,773,213
Add: Profit for the period	337,727,669	326,276,592
Less: Transferred to General Reserve	-	-
Balance as at the end of the period	<u>3,173,773,434</u>	<u>2,326,049,765</u>
E. Other Comprehensive Income		
As per last Balance Sheet	16,427,474	(7,202,28)
Add: Addition during the period	2,041,965	(774,807)
Balance as at the end of the period	<u>18,469,439</u>	<u>16,427,474</u>
	<u><u>3,510,478,293</u></u>	<u><u>3,149,704,709</u></u>

The description of the nature and purpose of each reserve within equity is as follows:

Securities premium: Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares and also pursuant to Schemes of amalgamation in earlier years.

General Reserve: This Reserve is created out of the profits of the Company and pursuant to Schemes of amalgamation in earlier years. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Amalgamation reserve: This reserve was created pursuant to schemes of amalgamation in earlier years.

Surplus in the statement of profit and loss: This Reserve represents the cumulative profit (losses) of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Other Comprehensive Income: This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at Fair Value through Other Comprehensive Income and effects of remeasurement of defined benefit obligations.



NERLAN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

	As at March 31, 2019 Rs	As at March 31, 2018 Rs
18 Borrowings (Non-Current)		
Financial Liabilities carried at Amortised Cost		
Secured		
Term Loans from Banks		
Rupay Loan		
ICICI Bank Ltd	20,289,387	20,861,197
Kotak Mahindra Bank Ltd	150,000,000	196,040,492
State Bank of India	-	41,883,132
Term Loans from Financial Institution		
Rupay Loan		
Tata Capital Housing Finance Ltd	413,225,420	-
Car Loan	3,148,530	4,320,312
Unsecured		
Loans from Body Corporate	5,990,000	18,773,085
Total	<u>591,664,337</u>	<u>296,841,211</u>
Notes:		
The Current maturities of Long Term Borrowings, as above, have been shown under Other Financial Liabilities (Note No 24), as Current Maturities of long term debt. Refer Note 42 for disclosure on L1 Loans.		
19 Other Financial Liabilities (Non-Current)		
Financial Liabilities carried at Amortised Cost		
Security Deposit	123,826,784	113,809,796
Partnership Firm (Fluctuating Capital)	897,432,299	655,320,801
Total	<u>1,021,259,083</u>	<u>769,130,607</u>
20 Provisions (Non-Current)		
Provisions for Employee Benefits		
Gratuity	3,398,891	221,557
Total	<u>3,398,891</u>	<u>221,557</u>
21 Other Non-Current Liabilities		
Pre Received Rent	2,841,132	2,794,322
Total	<u>2,841,132</u>	<u>2,794,322</u>
22 Borrowings (Current)		
Secured		
From Banks		
Loans Replicable on Demand		
Axis Bank Ltd	2460	378,177
Kotak Mahindra Bank	2460	17,687,896
Total	<u>18,065,772</u>	<u>184,337,188</u>
Notes:		
(i) Secured against land at Narasimha Datta Road, Kulkarni - 700008 & Personal Guarantee of Mr. Sushil Kumar Mehta & Mrs. Sooma Mehta.		
(ii) Secured against property of Director Mr. Sushil Kumar Mehta at 0A, Alipora Road, Personal Guarantee of Mr. Sushil Kumar Mehta, Restrictable of the property and cash margin given to the said bank.		
23 Trade Payables		
Financial Liabilities carried at Amortised Cost		
Micro, Small and Medium Enterprises*	1,938,681	12,071
Others	44,614,836	47,831,064
Total	<u>46,553,517</u>	<u>47,843,135</u>
Notes:		
Disclosure of payables to MSME category as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the information received from them on requests made by the Company.		
There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors as the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.		
24 Other Financial Liabilities (Current)		
Financial Liabilities carried at Amortised Cost		
Current Maturity of Term Loans		
Rupay Loans		
ICICI Bank Ltd	5,573,810	8,876,057
Kotak Mahindra Bank Ltd	-	16,951,877
State Bank of India	-	99,790,614
Car Loans	6,486,912	4,541,484
Employee Benefits	280,000	25,176
Cheques Overdrawn	23,174,507	-
Provisions for Expenses	16,828,437	91,300,560
Total	<u>58,343,666</u>	<u>220,509,673</u>
25 Other Current Liabilities		
Advances against Bookings	983,058,832	460,192,051
Security Deposits	1,119,216	9,34,162
Pre Received Rent	-	838,746
Others Payables	4,147,122	4,056,873
Total	<u>988,325,160</u>	<u>474,361,832</u>
26 Provisions (Current)		
Provisions for Employee Benefits		
Gratuity	663,222	2,174,334
Total	<u>663,222</u>	<u>2,174,334</u>
27 Current Tax Liabilities (Net)		
Provision for Income tax (Net of payments)	-	1,713,110
Total	<u>-</u>	<u>1,713,110</u>



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

	For the year ended March 31, 2019 Rs	For the year ended March 31, 2018 Rs
28 Revenue from Operations		
Sale of Real Estate Units	252,656,382	676,830,142
Rent Received	95,269,777	88,501,077
Sale of Service	6,243,090	1,600,916
Total	354,169,249	766,932,098
29 Other Income		
Interest Income	235,123,785	188,096,553
Dividend on Shares of Non Current Investments	-	21,502,525
Other Non-Operating Income		
Profit/Loss From Partnership Firm/ LLP (Net)	35,903,557	12,604,252
Profit from sale of Current Investment (Mutual Funds)	-	-
Profit on sale of Fixed Assets (Property)	206,430,916	66,344,462
Profit on sale of Non Current Investment	116	2,808,003
Consultancy Charges	-	6,957,838
Liability no Longer Required Written Back	13,462	1,098,652
Sundry Balance Written Off	-	7,900
Miscellaneous Income	414,061	4,460,120
Total	477,885,697	303,890,302
30 Cost of Project Development Expenditure		
Cost of Construction and Related Expenses*	857,736,868	569,112,274
	857,736,868	569,112,274
*Cost of construction and related expenses for the year include expenses incurred under the following heads:		
Construction Materials	241,659,337	189,316,744
Labour Charges and Payment to Contractors	122,500,984	87,079,852
Power & Fuel Expenses	2,799,999	2,484,215
Selling, Marketing & Allied Cost	50,417,035	72,322,094
Salaries and Allowances	19,336,559	16,855,627
Land, Sanction & Other Allied Expenses	375,211,931	160,404,799
Security Charges	3,400,992	1,986,420
Amount t/t from Opening Advances to Work in Progress	-	38,662,613
Administration Overhead	6,786,688	-
Finance Cost	15,623,343	-
	857,736,868	569,112,274
31 Purchase of Stock in Trade		
Purchase of Flats	-	9,600,000
	-	9,600,000
32 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Opening Stock		
Finished Goods	448,670,842	305,544,593
Work in Progress	942,715,557	908,582,796
	1,391,386,399	1,414,126,971
Closing Stock		
Finished Goods	493,917,949	648,670,842
Work in Progress	1,786,894,967	962,715,557
	2,280,812,916	1,591,386,399
	(689,426,517)	(177,259,628)
33 Employee Benefits Expense		
Salaries, Wages and Bonus	39,928,378	40,057,546
Contribution to Provident & other funds	2,288,203	1,791,031
Gratuity	1,719,902	1,348,339
Staff Welfare Expenses	1,383,644	2,525,833
Total	45,239,927	45,722,749



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

	For the year ended March 31, 2019 Rs	For the year ended March 31, 2018 Rs
34 Finance Costs		
Interest Expense	101,437,894	131,106,085
Other Borrowing Cost	2,107,186	3,294,040
Total	103,545,080	134,400,125
* Borrowing Cost capitalised during the year to work in progress amounts to Rs. 3,46,07,002/-		
35 Other Expenses		
Payments to the auditors		
As auditors	300,000	300,000
Advertisement & Business Promotion	9,154,167	12,893,639
Bank Charges	106,693	167,132
Bad Debts	-	702,381
Corporate Social Responsibility	7,896,023	6,632,898
Donation	-	-
Electricity Charges	2,152,884	1,637,298
Key Man Insurance	2,500,000	2,618,151
Building Insurance	-	-
Lease Rent	2,005,320	1,886,400
Legal & Consultancy Charges	5,217,880	3,939,328
Membership & Subscription	225,900	271,595
Motor Car Expenses	3,122,833	2,093,738
Office Maintenance	3,704,420	6,715,040
Printing, Stationary & Courier	579,496	822,787
Rates & Taxes	600,076	199,324
Corporation Tax (Horseland Mall) (including arrears)	20,376,116	1,871,607
Repairing Charges (Others)	177,535	126,943
Telephone Expenses	839,680	1,242,535
Travelling & Conveyance	1,991,172	2,568,767
Miscellaneous Expenses	1,051,954	1,092,655
PPE Written off	92,287	-
Sundry Balance Written Off	19,990	-
Total	63,714,532	47,744,714



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

26. Effective Tax Reconciliation

The reconciliation of Estimated Income Tax to Income Tax Expensed is as follows:

Particulars	March 31, 2019	March 31, 2018
Income Tax Recognized in Statement of Profit & Loss		
Current Tax	84,971,840	90,348,197
Deferred Tax	2,034,499	11,232,256
Earlier Year Tax	-	1,476,730
MSY Credit Encashment	(14,438,030)	27,173,082
Total Income Tax Expense recognized in the current year	72,568,309	130,230,265
Profit Before Tax	490,248,976	459,145,783
Applicable Tax Rate	29.42%	34.009%
Computed Tax Expense	143,207,337	157,176,081
Tax Effect of:		
Temporary Income	(11,072,017)	18,362,080
Standard Deductions of Income property	(3,913,523)	(647,847)
Advantages/losses on Capital Gains	(23,321,080)	(12,371,848)
Expenses Disallowed	1,244,747	(2,295,425)
Lower Tax Impact on Capital Gains	(5,854,833)	(6,036,474)
Deduction w/o MSY	(4,903,237)	(7,663,310)
Other Tax Differences	(2,216,163)	2,395,000
Current Tax Provision (A)	76,477,819	128,998,219
Timing differences in appreciable assets	4,765,234	(871,819)
Expenses allowable against taxable income in future years	(64,478)	(199,343)
Losses incurred in earlier year	(20,790)	(81,431)
Equity Investment	(1,097,082)	-
Tax Impact on OCI	(1,211,799)	-
Deferred Tax Provision (B)	1,098,688	(1,071,213)
Tax expense recognized in the Statement of Profit & Loss (A+B)	77,576,507	127,927,006
Effective Tax Rate	15.83%	28.10%

27. Contingencies and Commitments

E. Contingent Liabilities

Claims against the company (legal liabilities not acknowledged in DNB)

Particulars	March 31, 2019	March 31, 2018
Income Tax	1,797,130	7,246,915
Total	1,797,130	7,246,915

F. Guarantees given

Particulars	March 31, 2019	March 31, 2018
Guarantees given by the Company not acknowledged in DNB	800,000,000	800,000,000
Total	800,000,000	800,000,000

a) The Company is a Co-borrower on the loan taken by the firm Merlin developments from LIC Housing Finance Ltd for its project "Merlin Meadows" amounting to Rs. 20 crores. The outstanding balance as on 31st March 2019 is Rs. 21.65 Crores (For March 2018 is Rs. 40.89 Crores)

b) The Company is a Co-borrower on the loan taken by the firm Merlin Real Estate LLP from LIC Housing Finance Ltd for its project "Merlin Woodleaf" amounting to Rs. 41 crores. The outstanding balance as on 31st March 2019 is Rs. 30.30 Crores (For March 2018 is Rs. 31.21 Crores)

c) The Company is a Co-borrower on the loan taken by the firm Merlin Real Estate LLP from Axis Capital Housing Finance Ltd for its project "Merlin Woodleaf" amounting to Rs. 34 crores. The outstanding balance as on 31st March 2019 is Rs. 32.14 Crores

28. Earnings per share

Particulars	March 31, 2019	March 31, 2018
Profit as per Statement of Profit and Loss	357,071,669	336,276,053
Weighted average number of equity shares	7,644,318	7,633,323
Normalized value per equity share (Rs)	47	44
Company per share - Basic and Diluted (Rs)	47	44

29. Information regarding income and expenditure of Investment property

Particulars	March 31, 2019	March 31, 2018
Income derived from investment property	36,888,186	42,127,359
Less: Direct operating expenses (including repair and maintenance) generating income from investment property	(91,679)	1,233,739
Profit arising from investment property before depreciation and indirect expenses	36,796,507	40,893,620
Less: Depreciation	(8,796,413)	(6,052,491)
Profit arising from investment properties before indirect expenses	28,000,094	34,841,129

30. Reconciliation of fair value of Investment property

Particulars	March 31, 2019	March 31, 2018
Fair value of opening balances of Investment property	811,884,797	820,300,000
Fair value adjustment on opening balance of Investment property	-	(13,372,819)
Fair value of transfer in/for	(11,296,246)	(81,787,798)
Fair value of closing balances of Investment property	799,588,551	719,896,383

31. Corporate Social Responsibility

Particulars	March 31, 2019	March 31, 2018
Professional Corporation	1,30,000	300,000
Subsidies for books and computer	740,323	132,608
Total	8,70,000	6,29,608
Public Welfare	100,000	-
Total	8,80,000	6,29,608

Note: (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 (read with Schedule VI) is Rs. 8,70,000 for the year 2018-19 (Previous Year - 6,29,608)

(b) Expenditure related to Corporate Social Responsibility is 788,000 (Previous Year - 6,29,608)



MIRLES PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

C) Borrowings				Amount in Rs.	Amount in Rs.
Bank	Particulars of Borrowings	Repayment Terms	Interest rate	March 31, 2019	March 31, 2018
KFCI Bank Ltd	Secured against the amount by the Director Mr. Dhanraj D. Sanghvi and his relatives located at Kulkarni and his personal guarantee.	Term Loan of Rs. 1,00,00,000 is repayable in 20 structured equal monthly installments commencing from May, 2017.	1 Year + 2.75%	4,791,479	6,641,279
KFCI Bank Ltd	Secured against the amount by the Director Mr. Dhanraj D. Sanghvi and his relatives located at Kulkarni and his personal guarantee.	Term Loan of Rs. 79,90,000 is repayable in 120 structured equal monthly installments commencing from March, 2017.	1 Year + 2.50%	4,430,000	3,198,017
KFCI Bank Ltd	Secured against the amount by the Director Mr. Dhanraj D. Sanghvi and his relatives located at Kulkarni and his personal guarantee.	Term Loan of Rs. 62,30,000 is repayable in 120 structured equal monthly installments commencing from March, 2017.	1 Year + 2.50%	2,951,480	3,838,706
KFCI Bank Ltd	Secured against the amount by the Director Mr. Dhanraj D. Sanghvi and his relatives located at Kulkarni and his personal guarantee.	Term Loan of Rs. 85,00,000 is repayable in 120 structured equal monthly installments commencing from May, 2017.	1 Year + 2.75%	3,262,960	4,342,350
KFCI Bank Ltd	Secured against the amount by the Director Mr. Dhanraj D. Sanghvi and his relatives located at Kulkarni and his personal guarantee.	Term Loan of Rs. 2,40,00,000 is repayable in 74 structured equal monthly installments commencing from October, 2017.	1 Year + 1.00%	14,126,941	16,162,841
Bank Maharashtra Bank Ltd-11	First and exclusive hypothecation charge on all the loans made available from the various loans of Mirles Handloom Mill. Secured against properties of Director Mr. Sushil Kumar Mirles at 50, Alpura Park Phase, (Old) New, Malwa Chhat 22, Prasad Avenue Bank Road owned by the Company & others and (disposable area of "Handloom Mill" located at an 180 Acharshi Maldeviya Road, Kulkarni, Mumbai owned by the Company.	Term Loan of Rs. 24,00,00,000 is repayable in 120 structured equal monthly installments commencing from Nov, 2017.	MRU 0.00% + 0.00%	-	21,290,369
Bank Maharashtra Bank Ltd-11	First and exclusive hypothecation charge on all the loans made available from the various loans of Mirles Handloom Mill. Secured against properties of Director Mr. Sushil Kumar Mirles at 50, Alpura Park Phase, (Old) New, Malwa Chhat 22, Prasad Avenue Bank Road owned by the Company & others, and (disposable area of "Handloom Mill" located at an 180 Acharshi Maldeviya Road, Kulkarni, Mumbai owned by the Company.	Term Loan of Rs. 22,00,00,000 is repayable in 108 structured equal monthly installments commencing from April 2019.	MRU 0.00% + 1.00%	18,000,000	-
New Bank of India	Secured against specific area of Property "ALPURA PARK" at 18/181 Badkhera Main Road, Kulkarni - 400107.	Term Loan of Rs. 90,00,00,000 is repayable in 11 structured quarterly installments commencing from Feb, 2016, and of this 7 installments of Rs. 1,00,00,000 each, 4 installments of Rs. 1,70,00,000 each, 8 installments of Rs. 2,80,00,000 each.	MRU 0.00% + 1.00%	-	14,298,740
KFCI Bank	Secured against Car.	Car Loan of Rs. 1,20,00,000 is repayable in 60 structured equal monthly installments commencing from January, 2017 of Rs. 2 Lacs.	0.20%	2,252,769	4,916,796
KFCI Bank	Secured against Car.	Car Loan of Rs. 70,00,000 is repayable in 60 structured equal monthly installments commencing from Nov, 2017 of Rs. 1,40,000.	0.25%	2,888,954	4,789,336
HDFC Bank	Secured against Car.	Car Loan of Rs. 9,15,000 is repayable in 60 structured equal monthly installments commencing from July, 2014 of Rs. 15,217.	0.50%	78,408	181,047
Aiaa Bank	Secured against Car.	Car Loan of Rs. 70,20,000 is repayable in 60 structured equal monthly installments commencing from December, 2017 of Rs. 48,000.	0.25%	3,716,183	-
The Capital Group Finance Limited	Secured against Property at Bida Jambhikar River Road and surroundings from the Project.	Term Loan of Rs. 10,00,00,000 is repayable in 60 months, after completion of 30 months, repayable in next 30 months with monthly installments of Rs. 21,00,000.	MRU 0.00% + 0.25%	41,225,426	-

481,71,947

48,77,148



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

42. Detail of Investments in Partnership Firms

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

Name of the Partners	Profit Sharing Ratio (%)		Partners Capital as at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Amount in Rs				
(a) Investment in Merlin Apparel Hub LLP				
Merlin Projects Limited	50.00%	50.00%	500,000	50,000
Merlin Acropolis Projects Pvt. Ltd.	50.00%	50.00%	500,000	50,000
(b) Investment in Merlin Corporation				
Merlin Projects Limited	10.00%	10.00%	794,084	16,795,534
Merlin Acropolis Projects Pvt. Ltd.	1.00%	1.00%	(78,029)	(95,100)
Merlin Indicon Pvt. Ltd.	1.00%	1.00%	(7,770,025)	(7,365,100)
Merlin India Projects Pvt. Ltd.	1.00%	1.00%	20,320,971	16,230,896
Merlin Leisure Ltd.	1.00%	1.00%	1,680	8,405
Sushil Kumar Mohla	1.00%	1.00%	2,020,971	2,030,896
Seema Mohla	1.00%	1.00%	6,520,971	6,120,810
Saket Mohla	1.00%	1.00%	(55,461,474)	(55,402,540)
Ardent Commerce Pvt. Ltd.	4.00%	4.00%	8,250,868	(8,248,372)
Bhawal Bhattar Pvt. Ltd.	1.00%	1.00%	34,532,201	36,828,228
Chetak Vyapar Pvt. Ltd.	1.00%	1.00%	3,810,601	8,017,528
Crypton Electronics Pvt. Ltd.	1.00%	1.00%	(20,282,402)	(17,491,507)
Dabonix Vastya Pvt. Ltd.	1.00%	1.00%	(37,590,020)	(31,585,134)
Dignity Sales Pvt. Ltd.	1.00%	1.00%	971,418	(9,327,659)
Rachet Sanghvi	11.00%	1.00%	16,896	18,022
Dinesh Sanghvi	10.00%	10.00%	15,360	17,211
Yashraj Bhattar Pvt. Ltd.	1.00%	1.00%	22,900,972	21,080,896
(c) Investment in Merlin's				
Merlin Projects Limited	32.00%	32.00%	188,631,428	58,933,876
Merlin Acropolis Projects Pvt. Ltd.	1.00%	1.00%	187,911	78,905,382
Merlin India Projects Pvt. Ltd.	1.00%	1.00%	(1,612,142)	(1,665,711)
Merlin Leisure Ltd.	1.00%	1.00%	6,980,694	(5,948,229)
Merlin Recreation Pvt. Ltd.	1.00%	1.00%	130,240,953	118,288,024
Planet Commercial Pvt. Ltd.	1.00%	1.00%	17,946,858	(2,165,711)
Sushil Kumar Mohla	1.00%	1.00%	(17,416,170)	(8,256,177)
Sushil Kumar Mohla & Sons (HUF)	1.00%	1.00%	9,021,548	7,209,978
Saket Mohla	1.00%	1.00%	(93,784,798)	(80,728,382)
Seema Mohla	1.00%	1.00%	14,080,986	20,311,237
Biza House Pvt. Ltd.	1.00%	1.00%	(6,894)	(19,402)
Daga Damani Pvt. Ltd.	1.00%	1.00%	(17,044,578)	(11,077,147)
Sudhanshu Mercantile Pvt. Ltd.	1.00%	1.00%	(83,303,898)	(83,316,467)
Tribune Commerce Pvt. Ltd.	1.00%	1.00%	10,855,425	(1,957,147)
Wave Vastya Pvt. Ltd.	1.00%	1.00%	(32,140,743)	(32,553,309)
Wiederland Vastya Pvt. Ltd.	1.00%	1.00%	12,500	1,684,289
Zoom Vastya Pvt. Ltd.	1.00%	1.00%	(11,155,642)	(108,567,711)
(d) Investment in Rabison Builders LLP				
Merlin Projects Limited	33.33	50.00%	500,000	500,000
Vishal Khatawat	33.33	50.00%	500,000	500,000
Jugal Khatawat	33.33	-	500,000	-
(e) Investment in Merlin Real Estate LLP				
Merlin Projects Limited	65.00%	65.00%	(305,428,179)	(214,251,881)
Dinesh G Sanghvi	25.00%	25.00%	1,404,415	84,793
Satyam Sanghvi	10.00%	10.00%	541,675	338,219
(f) Investment in Merlin Developers				
Merlin Projects Limited	13.00%	13.00%	(71,907,083)	(18,846,766)
Merlin Acropolis Projects Pvt. Ltd.	4.00%	4.00%	2,751,951	1,528,897
Seema Mohla	4.00%	4.00%	2,943,021	1,715,967
Sushil Kumar Mohla	7.00%	7.00%	1,228,481	3,288,136
Biliskum Commercial Pvt. Ltd.	4.00%	4.00%	32,996,156	1,281,502
Collinson Suppliers Pvt. Ltd.	4.00%	4.00%	17,980,907	1,963,833
Geatus Commercial Pvt. Ltd.	4.00%	4.00%	(2,334,900)	11,471,840
Hoddy Suppliers Pvt. Ltd.	4.00%	4.00%	11,370,434	10,007,440
Integral Distributors Pvt. Ltd.	4.00%	4.00%	(21,758,712)	(26,178,318)
Lily Distributors Pvt. Ltd.	4.00%	4.00%	8,188,180	1,283,559
Muskan Commercial Pvt. Ltd.	4.00%	4.00%	11,280,000	10,086,946
Nikkar Supplier Pvt. Ltd.	4.00%	4.00%	12,151,948	10,028,894
Rams Marketing Pvt. Ltd.	4.00%	4.00%	11,771,027	10,648,572
Sarvam Agencies Pvt. Ltd.	4.00%	4.00%	11,264,428	10,641,374
Sign Suppliers Pvt. Ltd.	4.00%	4.00%	12,461,150	11,200,096
Splendid Marketing Pvt. Ltd.	4.00%	4.00%	1,893,226	1,777,572
Splendid Suppliers Pvt. Ltd.	4.00%	4.00%	14,230,818	1,714,664
Dinesh Sanghvi	10.00%	10.00%	16,795,028	(8,208,288)
Dip Kumar Choudhary	10.00%	10.00%	25,879,872	32,822,237



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

43 Partnership Firms (contd.)

Name of the Partners	Profit Sharing Ratio (%)		Partners Capital	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(g) Investment in Singhania Merlin Estate				
Merlin Projects Limited	40.00%	40.00%	99,581,318	116,840,347
Singhania Builders Pvt. Ltd.	50.00%	50.00%	(10,419,001)	3,841,673
Sri. Mansi Singhania	4.00%	4.00%	(1,148,627)	(1,131,323)
(h) Investment in Merlin TF Lakeside				
Merlin Projects Limited	34.00%	34.00%	(40,884,711)	(58,427,827)
Terra Firma Investments & Trading Pvt. Li	66.00%	66.00%	70,045	268,879
(i) Investment in Shaligram Corporation				
Merlin Projects Limited	25.00%	25.00%	28,096,297	71,028,458
Anuradha C. Ajella	1.20%	1.20%	2,618,390	1,311,302
Gopabhai M. Patel	26.15%	26.15%	8,351,487	24,702,641
Jayashree K. Patel	1.20%	1.20%	4,501,649	1,280,341
Jyotsnabai F. Patel	6.25%	6.25%	19,061,662	10,887,817
Kartishkoti P. Savali	8.74%	8.74%	(25,188,471)	8,793,447
Kanchanbai K. Raghavi	21.52%	21.52%	8,831,644	20,286,315
Prachi V. Kachhade	1.20%	1.20%	(273,375)	1,274,337
Rameshbabai N. Antia	8.74%	8.74%	(24,751,131)	8,161,787
(j) Investment in East End Developers				
Merlin Projects Limited	33.33%	33.33%	7,511,619	7,517,432
Jugal Khator Khatarav	33.34%	33.34%	8,692,284	8,623,426
Vidul Khatarav	33.33%	33.33%	5,204,430	5,208,421
(k) Investment in Merlin Builders (Go) LLP				
Merlin Projects Limited	60.00%	60.00%	188,558,378	181,994,376
Bhuvan Kumar G. Sanghi	10.00%	10.00%	(6,181,723)	(4,281,624)
Dinesh Kumar G. Sanghi	11.00%	11.00%	(6,889,332)	(4,213,822)
Trilok Commodal Pvt. Ltd.	10.00%	10.00%	18,899,328	44,695,127
(l) Investment in Merlin Projects and Estate, Chennai LLP				
Merlin Projects Limited	50.00%	50.00%	50,000	50,000
Nishik Sanghi	10.00%	10.00%	10,000	10,000
Dinesh Kumar G. Sanghi	21.00%	21.00%	21,000	21,000
Gaurav Sanghi	10.00%	10.00%	10,000	10,000
Merlin Projects Limited (Floating)	50.00%	50.00%	76,834,477	32,364,953
Nishik Sanghi (Floating)	10.00%	10.00%	45,000	45,000
Dinesh Kumar G. Sanghi (Floating)	21.00%	21.00%	-	-
Gaurav Sanghi (Floating)	10.00%	10.00%	-	-
(m) Investment in Merlin R&B Alliance Developers LLP				
Merlin Projects Limited	50.00%	50.00%	1,392,441	1,392,441
Hari Sharma	50.00%	50.00%	1,394,941	1,394,941
(n) Investment in Merlin Developments				
Merlin Projects Limited	35.00%	35.00%	(244,485,663)	(165,224,129)
Merlin Leisure Limited	35.00%	35.00%	2,401,573	388,184
Saket Mittal	9.00%	9.00%	627,649	110,824
Eastern Financial Consultants Pvt. Ltd.	21.00%	21.00%	1,480,232	372,439
(o) Investment in PS Merlin Developers LLP				
Merlin Projects Limited	60.00%	60.00%	(229,741,644)	(125,281,241)
PS Group Realty Ltd.	26.67%	26.67%	(70,793,045)	(85,619,357)
Arun Kumar Sanchel	13.33%	13.33%	1,201,414	1,863,793
(p) Investment in Merlin Ganges Projects				
Merlin Projects Limited	15.00%	15.00%	23,424,284	25,233,880
Supertek Dealers Pvt. Ltd.	15.00%	15.00%	27,378,761	27,375,439
Kalfra Agencies Pvt. Ltd.	10.00%	10.00%	22,850,601	22,828,445
Sulindas Agro Pvt. Ltd.	10.00%	10.00%	17,291,573	17,295,257
Ganges Garden Resizes Pvt. Ltd.	12.50%	12.50%	37,121,765	21,718,995
Karbhaya Builders Pvt. Ltd.	12.50%	12.50%	34,244,447	21,741,678
Sobhagwardhan Nirman Pvt. Ltd.	12.50%	12.50%	23,550,234	23,547,485
Lakshya Construction Pvt. Ltd.	12.50%	12.50%	21,744,447	21,741,678
Total (Merlin Projects Limited) (Net of Credit Balances)			(374,358,090)	(190,723,286)



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

44 Related Party Transactions

List of Related Parties with whom transactions have taken place during the year

<u>Subsidiary Company</u>	<u>Relation</u>	<u>Country of Incorporation</u>	<u>Extent of Holding</u>
Bengal Merlin Housing Ltd.	Subsidiary	India	64%
Partnership Firms			
Merlin's	Subsidiary	India	52%
PS Merlin Developers	Subsidiary	India	60%
Merlin Real Estate LLP	Subsidiary	India	65%
Merlin Builders (Gujarat) LLP	Subsidiary	India	69%
Merlin TF Lakeview	Associate	India	34%
Jaythree Builders	Associate	India	50%
Shaligram Corporation	Associate	India	25%
Singhania Merlin Estate	Associate	India	40%
Rubicon Builder LLP	Associate	India	50%
East End Developers	Associate	India	33%
Merlin Projects and Estate, Chennai LLP	Associate	India	50%
Merlin Apparel Hub LLP	Associate	India	50%
Merlin Developments	Associate	India	35%
Merlin RSH Alliance Developer LLP	Associate	India	50%
Merlin Corporation	Joint Venture	India	10%
Merlin Developers	Joint Venture	India	13%
Merlin Ganges Projects	Joint Venture	India	15%
Key Managerial Personnel			
Sushil Kumar Mohla	Managing Director		
Ruby Singhania (till 15th April, 2018)	Company Secretary		
Rajib Kumar Das (w.e.f 16th April, 2018)	Company Secretary		
Other Directors			
Saket Mohla	Director		
Dinesh Kumar G Sanghvi	Director		
Dilip Kumar Choudhury	Director		
Mukesh Balasra (till 6th Dec, 2018)	Independent Director		
Mukta Dasrani	Independent Director		
Their Relatives			
Satyen Sanghvi	Relative of Dinesh Sanghvi		
Aarti Sanghvi	Relative of Dinesh Sanghvi		
Gaurav Sanghvi	Son of Dinesh Sanghvi		
Shruti Sanghvi	Daughter in Law of Dinesh Sanghvi		
Rachit Sanghvi	Son of Dinesh Sanghvi		
Rakshita Sanghvi	Wife of Rachit Sanghvi		
Seema Mohla	Wife of Sushil Mohla		



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

64 Related Party Transactions (contd.)**Entities over which KMPs and their relatives have significant influence**

Aniket Commerce Pvt. Ltd.	Muskan Commercial Pvt. Ltd.
Bengal Park Chambers Housing Development Ltd.	MPL Agencies Pvt. Ltd.
Bengal Merlin Infrastructure Ltd.	Merlin Green Maintenance Services Pvt. Ltd.
Billionium Commercial Pvt. Ltd.	New Airport Trexim Pvt. Ltd.
Bona Service Point Pvt. Ltd.	Nikhar Suppliers Pvt. Ltd.
Collusian Suppliers Pvt. Ltd.	Oxford Tradecom Pvt. Ltd.
Concur Vyapar Pvt. Ltd.	Planet Commercial Pvt. Ltd.
Crypton Electronics Pvt. Ltd.	Raina Marketing Pvt. Ltd.
Debonair Vanija Pvt. Ltd.	Saket Vanija Pvt. Ltd.
Elna Garden Vista Projects Pvt. Ltd.	Suzelha Merlin Promoters Pvt. Ltd.
Galaxy Tradecom Pvt. Ltd.	Sanket Agencies Pvt. Ltd.
Gautam Commercial Pvt. Ltd.	Sipra Suppliers Pvt. Ltd.
Springville Greens Pvt. Ltd.	Splendid Marketing Pvt. Ltd.
Active Vanija Pvt. Ltd.	Splendid Suppliers Pvt. Ltd.
Wonderland Vanija Pvt. Ltd.	Super Complex Pvt. Ltd.
Geet Vanija Pvt. Ltd.	Sunbeam Mercantile Pvt. Ltd.
Hesky Suppliers Pvt. Ltd.	Temple Tradecom Pvt. Ltd.
Ibiza Hotels Pvt. Ltd.	Tide Vanija Pvt. Ltd.
Integral Distributors Pvt. Ltd.	Tiger Vyapar Pvt. Ltd.
Jivan Vanija Pvt. Ltd.	Tribune Commerce Pvt. Ltd.
Lily Distributors Pvt. Ltd.	Tudor Sales Pvt. Ltd.
Merlin Acropolis Pvt. Ltd.	Twins Vanija Pvt. Ltd.
Merlin Leisure Pvt. Ltd.	Trust Value Maintenance Services Pvt. Ltd.
Merlin Recreation Pvt. Ltd.	Unique Vanija Pvt. Ltd.
Merlin Intracon Pvt. Ltd.	Wales Tradecom Pvt. Ltd.
Merlin Intra Projects Pvt. Ltd.	Wave Vanija Pvt. Ltd.
Murthy Sales Pvt. Ltd.	



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

44 Related Party Transactions (contd.)

The following table summarises Related-Party Transactions and Balances included in the Financial Statements as at and for the year ended March 31, 2019 and March 31, 2018.

Nature of Transactions	Subsidiary	Partnership Firm/ LLP	Key Managerial Personnel, Other Directors & Their Relatives	Entities where KMP and relatives have significant influence	Amount in Rs
					Total
Salary	-	-	1,65,00,000	-	1,65,00,000
Other Benefits- Keyman Insurance	-	-	1,65,00,000	-	1,65,00,000
			25,00,000		25,00,000
			26,18,151		26,18,151
Staging Fees	-	-	45,000	-	45,000
Purchase of Land	-	-	45,000	-	45,000
Rent Received	-	-	-	36,000	36,000
Profit/Loss From Partnership Firm/ LLP (Net)*	-	3,80,22,037	-	36,000	3,80,22,037
		1,26,04,152			1,26,04,152
Advance Against Property	-	-	-	-	-
		90,00,000			90,00,000
Interest Income recognised	-	23,50,664	-	4,47,63,708	4,70,94,349
		35,33,164		4,90,49,905	5,25,81,169
Loan Received Back	-	-	-	33,35,40,695	33,35,40,695
				4,63,45,002	4,63,45,002
Loan Given- Outstanding	-	-	-	-	-
				92,21,839	92,21,839
Investment	-	(37,45,99,690)	-	-	(37,45,99,690)
		(19,07,23,266)			(19,07,23,266)
#Profit/Loss From Partnership Firm/ LLP (Net)				March 31, 2019	March 31, 2018
Merlin's				2,17,879	20,18,933
IS Merlin Developers				28,79,204	1,46,111
Merlin Real Estate LLP				14,52,469	3,59,103
Merlin Bullicon (Gujarat) LLP				(1,23,93,000)	(1,14,58,490)
Merlin TF Lakeview				(99,334)	10,773
Jyshore Builders				-	6,410
Shaligram Corporation				4,01,51,838	1,05,40,194
Singhania Merlin Estate				66,948	6,660
East End Developers				(4,002)	(86,876)
Merlin Projects and Estate, Chennai LLP				(2,30,250)	(23,709)
Merlin Developments				20,12,989	3,56,307
Merlin Corporation				(1,851)	(1,427)
Merlin Developers				39,74,922	49,50,519
Merlin Ganges Projects				3,325	(2,096)

Note : Figures in italics represent comparative figures of previous years.



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

45 Employee Benefits
i) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows:

Particulars	March 31, 2019	March 31, 2018
Employer's Contribution to Provident Fund & ESI	3,751,756	1,061,222

ii) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through funded scheme. The present value of obligation is determined based on actuarial valuation using 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.

a) Change in Defined Benefit Obligations:

Particulars	March 31, 2019	March 31, 2018
Present Value of Defined Benefit Obligations at beginning of year	8,218,418	7,164,561
Current Service cost	1,368,671	946,519
Interest cost	614,971	494,285
Past Service Cost	-	239,214
Re-measurement (or Actuarial (gain)/ (loss)) arising from:		
Change in financial assumptions	162,212	(194,562)
Experience Variance (i.e. Actual experience vs assumptions)	130,359	(338,769)
Benefits paid	-	-
Present Value of Defined Benefit Obligations at the end of year	16,578,721	8,218,418

b) Change in fair value of plan assets

Particulars	March 31, 2019	March 31, 2018
Fair value of plan assets as at the start of the year	5,911,527	4,899,489
Returns on plan assets	47,453	(329)
Investment Income	(53,449)	331,849
Actuarial loss/(gain)	-	-
Contributions	1,211,887	770,598
Benefits paid	-	-
Fair value of plan assets as at the end of the year	7,616,618	5,911,527

c) Net Asset / (Liability) recognized in Balance Sheet:

Particulars	March 31, 2019	March 31, 2018
Net Asset/(Liability) recognized in Balance Sheet at beginning of year	(2,298,891)	(2,255,152)
Expense recognized in Statement of Profit and Loss	1,238,189	1,348,318
Expense recognized in Other Comprehensive Income	246,128	(534,002)
Employer contributions	(1,331,887)	(770,598)
Net Asset / (Liability) recognized in Balance Sheet at end of year	(3,862,113)	(2,298,891)

d) Expenses recognized in the Statement of Profit and Loss consist of:

Particulars	March 31, 2019	March 31, 2018
Current Service Cost	1,368,671	946,519
Past Service Cost	-	239,214
Loss / (Gain) on settlements	-	-
Net Interest Income on the Net Defined Benefit Liability	177,518	162,506
Net Amounts recognized	1,538,189	1,348,239

e) Expenses recognized in the Other Comprehensive Income consist of:

Particulars	March 31, 2019	March 31, 2018
Actuarial (gain) / losses due to:		
Change in demographic assumptions	-	-
Change in financial assumptions	162,212	(194,562)
Experience Variance (i.e. Actual experience vs assumptions)	130,359	(338,769)
Returns on Plan Assets	53,449	329
Re-measurement arising because of change in effect of asset-liability	-	-
Net Amounts recognized	346,128	(534,002)



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2018

45. Employee Benefits (contd.)
h) Actuarial Assumptions

Particulars	March 31, 2019	March 31, 2018
Financial Assumptions		
Discount Rate p.a.	7.18%	7.48%
Rate of increase in salaries p.a.	6.00%	6.00%
Demographic Assumptions		
Mortality Rate (% of IAMM 06-08)	100.00%	100.00%
Normal Retirement Age	60 Years	60 Years
Attrition Rates, based on age (% p.a.)		
Up to 30 years	0.00%	0.00%
From 31 years to 44 years	25.00%	25.00%
More than 44 years	5.00%	5.00%

g) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	March 31, 2019		March 31, 2018	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)		10,787.1		8,310,418
Discount Rate (- / + 1%)				
% change compared to base due to sensitivity	5.49%	-4.82%	5.21%	-4.69%
Salary Growth Rate (- / + 1%)				
% change compared to base due to sensitivity	-4.82%	5.06%	-4.56%	4.68%
Attrition Rate (- / + 30%)				
% change compared to base due to sensitivity	2.88%	-1.18%	1.54%	-1.95%
Mortality Rate (- / + 10%)				
% change compared to base due to sensitivity	0.04%	-0.04%	0.00%	0.09%

h) Maturity Profile of Defined Benefit Obligation

Particulars	March 31, 2019	March 31, 2018
Weighted average duration (based on discounted cashflow)	6 Years	6 Years
Expected cash flows over the next (valued on undiscounted basis)		
1 Year	1,909,033	2,174,334
2 to 5 years	4,055,582	3,947,965
6 to 10 years	2,740,648	2,484,291
More than 10 years	5,944,893	4,509,831

i) Summary of Assets and Liability (Balance Sheet Position)

Particulars	March 31, 2019	March 31, 2018
Present value of Obligation	10,578,731	8,310,418
Fair Value of Plan Assets	7,511,618	5,911,527
Unrecognized Past Service Cost	-	-
Effects of Asset Ceiling	-	-
Net Asset / (Liability)	(3,067,113)	(2,398,891)

ii) Windup Liability / Discontinuation Liability

Particulars	March 31, 2019	March 31, 2018
Discontinuation Liability *	10,222,990	8,260,315
Present Value of Obligation	10,578,731	8,310,418
Ratio (PV of Obligation / Discontinuation Liability)	103%	100%

* Discontinuation Liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

ki) Allocation of Plan Asset at the end Measurement Period

As per standard LIC policy, where the gratuity fund is maintained, invests 85% in government securities and 15% in listed equity securities of the amount contributed by Merlin Projects Limited.



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

46 Segment Reporting
I) Business Segment

Particulars	Amount in Ru	
	March 31, 2019	March 31, 2018
Segment Revenue		
Construction	258,899,472	678,431,061
Rental	95,269,777	88,901,037
Total	354,169,249	766,932,098
Net Sales/Income from operations	354,169,249	766,932,098
Segment Results		
Segment Results (Profit +) / Loss (-) before Tax & Interest from each segment):		
Construction	223,772,612	296,662,893
Rental	74,893,661	73,787,474
Total	298,666,273	370,450,367
Less: Interest Expenses	103,545,080	104,405,135
	195,121,193	266,047,232
Add: Interest Income	235,127,785	188,096,553
	430,244,978	454,143,785
Less: Other un-allocable expenditure net of un-allocable (income)	-	-
Total Profit/(Loss) before Tax	430,244,978	454,143,785
Segment Assets		
Construction	6,142,795,454	5,027,207,662
Rental	190,226,358	198,807,327
Total	6,334,021,812	5,226,014,989
Segment Liabilities		
Construction	2,714,830,427	1,963,288,284
Rental	32,379,742	36,688,696
Total	2,747,210,169	1,999,976,980

II) Geographical Segment

The Company is operating in India (viz. Kolkata, Ahmedabad, Chennai, Pune and Raipur) which is considered as single geographical segment.

47 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

Particulars	March 31, 2019	March 31, 2018
Equity Share Capital	76,333,250	76,333,250
Other Equity	3,510,478,393	3,149,704,759
Total Equity (A)	3,586,811,643	3,226,038,009
Borrowings	625,790,831	590,395,063
Less: Cash and Cash Equivalents	83,276,859	23,522,454
Net Debt (B)	542,513,972	566,872,609
Net Debt to Equity (B/A)	0.15	0.18



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

48 Disclosures on Financial Instruments
**D) Financial Instruments by Category
As at March 31, 2019**

Amount in Rs

Particulars	Amortised Cost	Fair Value through OCI	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	-	40,739,818	40,739,818	40,739,818
Trade Receivables	45,676,599	-	45,676,599	45,676,599
Cash and Cash Equivalents	83,276,859	-	83,276,859	83,276,859
Other Bank Balances	-	-	-	-
Loans	837,385,457	-	837,385,457	837,385,457
Other Financial Assets	546,893,936	-	546,893,936	546,893,936
Total Financial Assets	1,513,232,851	40,739,818	1,553,972,670	1,553,972,670
Financial Liabilities				
Borrowings	609,730,109	-	609,730,109	609,730,109
Trade Payables	66,555,217	-	66,555,217	66,555,217
Other Financial Liabilities	1,077,496,648	-	1,077,496,648	1,077,496,648
Total Financial Liabilities	1,753,781,974	-	1,753,781,974	1,753,781,974

As at March 31, 2018

Amount in Rs

Particulars	Amortised Cost	Fair Value through OCI	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	-	36,096,343	36,096,343	36,096,343
Trade Receivables	71,382,513	-	71,382,513	71,382,513
Cash and Cash Equivalents	23,522,454	-	23,522,454	23,522,454
Loans	843,424,139	-	843,424,139	843,424,139
Other Financial Assets	499,122,645	-	499,122,645	499,122,645
Total Financial Assets	1,437,451,751	36,096,343	1,473,548,094	1,473,548,094
Financial Liabilities				
Borrowings	445,180,409	-	445,180,409	445,180,409
Trade Payables	67,843,143	-	67,843,143	67,843,143
Other Financial Liabilities	1,000,755,262	-	1,000,755,262	1,000,755,262
Total Financial Liabilities	1,513,778,814	-	1,513,778,814	1,513,778,814



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2019

48 Disclosures on Financial Instruments (contd.)

II) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Investments, which have been fair valued using following Hierarchy.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis

Particulars	Fair Value Hierarchy Level	Amount in Rs	
		March 31, 2019	March 31, 2018
Financial Assets			
Investments	Level 1	385,003	1,126,035
Investments	Level 3	40,354,815	34,970,308

III) Financial Risk Management

In the course of its business, the Company is exposed primarily to market, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company's board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. This note explains the sources of risk which the entity manages the risk and the related impact in the financial statements.

A) Market Risk –

Market Risk Comprises of Interest Rate Risk & Equity Price Risk

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate risk exposure

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	March 31, 2019	March 31, 2018
Variable rate borrowing	614,303,919	548,729,457
Fixed rate borrowing	14,636,441	27,604,884
Total borrowings	628,940,360	574,334,341

Sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	March 31, 2019	March 31, 2018
Interest Sensitivity*		
Interest rates – increase by 100 basis point	6,143,039	5,467,295
Interest rates – decrease by 100 basis point	(6,143,039)	(5,467,295)

* Holding all variables constant

ii) Equity Price Risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted & unquoted investments held by the Company exposes the Company to equity price risks.

Sensitivity Analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods.

Particulars	Amount in Rs	
	March 31, 2019	March 31, 2018
Price Sensitivity		
Price increase by (5%) - FVTOCI	2,036,991	1,804,817
Price decrease by (5%) - FVTOCI	(2,036,991)	(1,804,817)



MERLIN PROJECTS LIMITED

Notes to Financial Statements as at and for the year ended March 31,2019

45 Disclosures on Financial Instruments (contd.)**B) Liquidity Risk –**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

The Company has obtained fund and non-fund based working capital facilities from various banks. The Company invests its surplus funds in bank fixed deposit which carry no or low market risk.

The following below analyses the Company's financial liabilities into relevant maturity groupings based on their maturities:

Particulars	Amount in Rs	
	March 31,2019	March 31,2018
One Year or less		
Borrowings	18,065,772	154,337,188
Trade Payables	66,555,217	67,843,143
Other Financial Liabilities	56,343,665	220,539,673
More than One Year		
Borrowings	591,664,337	290,843,221
Other Financial Liabilities	1,021,152,983	780,215,589

C) Credit Risk –

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

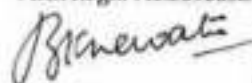
The Company has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

As per our Report attached of even date For and on behalf of the Board of Directors

For S JAYKISHAN

Chartered Accountants

Firm Regn. No.309005E



CA B K Newatia

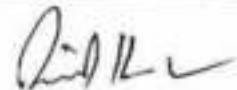
(Partner)

Membership No. 050251

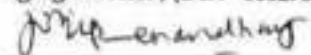


Place: Kolkata

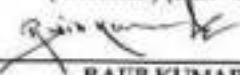
Date:



SUSHIL KUMAR MOHTA
(Managing Director) (DIN - 00627506)



DILIP KUMAR CHOUDHARY
(Director) (DIN - 00605511)



RAJIB KUMAR DAS
(Company Secretary)(M.No. FCS9003)