

**STATEMENT OF ACCCOUNTS  
AS AT 31ST MARCH, 2015**

**JOLLY BROTHERS PRIVATE LIMITED**

**V. PAREKH & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**37, HAMAM STREET, FORT, MUMBAI - 400 001.**

**TEL. 2265 35 55, 2265 02 64, 2266 62 19,**

**FAX. 2265 43 70**

**E-mail : [mail@vparekh.com](mailto:mail@vparekh.com)**

## INDEPENDENT AUDITOR'S REPORT

The Members,  
**JOLLY BROTHERS PRIVATE LIMITED**  
MUMBAI,

### Report on the Financial Statements

We have audited the accompanying financial statements of **JOLLY BROTHERS PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



## JOLLY BROTHERS PRIVATE LIMITED (2014-2015)

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Profit and Loss Account, of the profit for the period ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.



JOLLY BROTHERS PRIVATE LIMITED (2014-2015)

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 107488W



*Rasesh V Parekh*

RASESH V. PAREKH PARTNER  
MEMBERSHIP NO. 38615

MUMBAI,  
DATED : 28<sup>th</sup> MAY, 2015

**ANNEXURE REFERRED TO IN PARAGRAPH 3 TO OUR REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015.**

1. In respect of it's Fixed Assets:
  - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) These fixed assets have been physically verified by the management at reasonable intervals. Discrepancies noticed during the course of such verification are dealt with adequately in the books of accounts.
2. In respect of it's inventories:
  - (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
  - (b) In our opinion and according to the explanations given to us, the procedures for physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) In our opinion and according to the explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were observed during the course of physical verification.
3. The company has granted loan, secured or unsecured, to the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) Receipt of the principal amount are also regular.
  - (b) In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise.
4. There an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control system.
5. The company has not accepted deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. The Central Government has prescribed maintenance of Cost Records Sec. 148 and as per the explanation given to us, the Company has maintained prima facie requisite records as per the Sec. 148.
7. a. The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, investor education fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues to the extent applicable to it. There is no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.



**JOLLY BROTHERS PRIVATE LIMITED (2014-2015)**

- b. The Company does not have any dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
  - c. The Company has transferred the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year..
  9. In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holder.
  10. In our opinion and according to the information and explanations given to us the Company has not given any guarantees for loans taken by others from banks and institutions
  11. Based on the information and explanations given to us by the Management, Term Loans obtained during the year were applied for the purpose for which the loans were obtained.
  12. Based on the audit procedures performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

**FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 107488W**



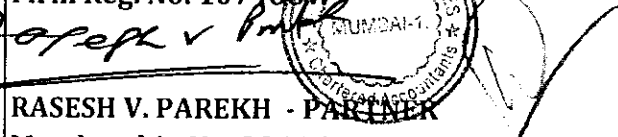


*Rasesh V. Parekh*

**RASESH V. PAREKH PARTNER  
MEMBERSHIP NO. 38615**

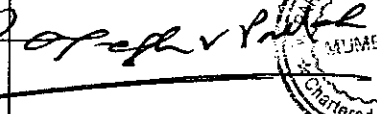

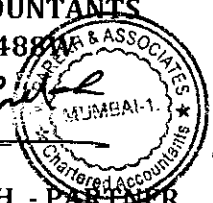
**MUMBAI,  
DATED : 28<sup>TH</sup> MAY, 2015.**

# JOLLY BROTHERS PRIVATE LIMITED

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

Particulars	Notes	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
		Amount in Rs.	Amount in Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	2,000,000	2,000,000
(b) Reserves and Surplus	4	9,927,395	9,927,395
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	242,690,131	150,092,901
(b) Other Long term liabilities	6	658,430	658,430
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	-	86,700,000
(b) Trade payables	8	125,872	101,301
(c) Other current liabilities	9	112,180	86,143
<b>Total</b>		<b>255,514,008</b>	<b>249,566,170</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Tangible assets	10	145,371,604	145,624,151
(b) Non-current investments	11	100	100
(c) Long term loans and advances	12	65,022,338	64,566,302
<b>(2) Current assets</b>			
(a) Inventories	13	43,839,160	38,791,319
(b) Cash and cash equivalents	14	730,805	584,298
(c) Short-term loans and advances	15	550,000	-
<b>Total</b>		<b>255,514,008</b>	<b>249,566,170</b>
Significant Accounting policies and notes to the Financial Statements	1		
The accompanying notes are an integral part of the Financial Statements			
As per our report of even date For and on behalf of <b>V. PAREKH &amp; ASSOCIATES</b> CHARTERED ACCOUNTANTS Firm Reg. No. 107488W  <b>RASESH V. PAREKH - PARTNER</b> Membership No. 38615 Mumbai Dated:- 28th May, 2015		For & on behalf of Board Of Directors of <b>JOLLY BROTHERS PRIVATE LIMITED</b>   <b>DIRECTOR</b> <b>DIRECTOR</b> Mumbai Dated:- 28th May, 2015	

**JOLLY BROTHERS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	31st March, 2015	31st March, 2014
	AMOUNT IN Rs	AMOUNT IN Rs
<b>Cash Flow From Operating Activities</b>		
Profit before tax	-	-
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation/amortisation	-	-
Operating profit before working capital changes	-	-
Movements in working capital:		
Increase/(decrease) in trade payables	24,571	3,090
Increase/(decrease) in other current Liabilities	26,037	(452,534)
Decrease/(increase) in inventories	(5,047,841)	(10,015,251)
Decrease/(increase) in long term loans and advances	(456,037)	(10,062,011)
Decrease/(increase) in short term loans and advances	(550,000)	43,060,838
Cash generated from/(used in) operating activities	(6,003,271)	22,609,567
Direct taxes paid	-	-
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(6,003,271)</b>	<b>22,609,567</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets including intangible assets, CWIP and Capital advances	252,547	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>252,547</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Proceeds from long term borrowings	92,597,232	(55,998,375)
Proceeds from short term borrowings	(86,700,000)	33,700,000
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>5,897,232</b>	<b>(22,298,375)</b>
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	146,508	311,192
Cash and cash equivalents at the beginning of the year	584,298	273,107
<b>Cash and cash equivalents at the end of the year</b>	<b>730,805</b>	<b>584,298</b>
Significant Accounting policies and notes to the Financial Statements		
The accompanying notes are an integral part of the Financial Statements		
As per our report of even date		
For and on behalf of	For & on behalf of Board Of Directors of	
<b>V. PAREKH &amp; ASSOCIATES</b>	<b>JOLLY BROTHERS PRIVATE LIMITED</b>	
<b>CHARTERED ACCOUNTANTS</b>		
Firm Reg. No. 107488		
		
		
<b>RASESH V. PAREKH - PARTNER</b>	<b>DIRECTOR</b>	<b>DIRECTOR</b>
Membership No. 38615		
Mumbai		
Dated:- 28th May, 2015	Dated:- 28th May, 2015	



# JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

## Notes to Accounts

### 1. Corporate information

Jolly Brothers Private Limited is a Private Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in real estate business.

### 2. Significant Accounting Policy

#### a Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956, read with the general circular 15/2013 dated September 13, 2013 of the ministry of corporate affairs in respect of section 133 of the Companies Act, 2013. These financial statements have been prepared on an accrual basis and under the historical cost of convention.

#### b. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these adjustments are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

### **c. Current and Non Current Classification**

An asset is classified as current when it satisfies any of the following criteria :

i. It is expected to be realized/ settled, or is intended for sale or consumption, In the companies normal operating cycle or

ii. It is held primarily for the purpose of being traded or

iii. It is expected to be realized/ due to be settled within 12 months after the reporting date  
or

iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or

v. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non current

### **d. Tangible Fixed Assets**

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any .The cost comprises purchase price, borrowing costs 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 expenditure related to an item of fixed is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de recognition of fixed assets 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 and loss when the asset is derecognized.

### **e Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost..Following initial recognition, intangible assets are carried at cost less accumulated impairment losses, if any.



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. 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 and loss when the asset is derecognized.

### **f. Depreciation and Amortization**

"Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the schedule XIV to the companies Act, 1956. Whichever is higher.

Intangible assets are amortized on a straight line basis over the estimated useful economics of life"

### **g. Impairment of Tangible and Intangible Assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generated units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining net selling price, recent market transaction is taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

### **h. Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur

### **i Investments**

"Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investment.

On initial recognized, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statement at lower of cost and fair value determined on an individual investment basis. Long-term investment is carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### **j Inventories**

"Construction Materials and Consumables

Construction Materials and Consumables are valued at lower of cost or net realizable value. The Construction materials and consumables purchased for construction work issued to construction work in progress are treated as consumed.



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

### Construction Work in Progress

Construction Work in Progress are valued at lower of cost or net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

- i. Unsold Flats & Convenient Units are valued at cost.
- ii. Valuation of construction material is not considered on year to year basis.

### k Revenue Recognition

"Revenue from Real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers commitment to make the complete payment.

Revenue from real estate under development is recognized upon transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreement, except for the contracts where the company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognized on percentage of completion method, when the stage of completion of each project reaches a reasonable level of progress. The revenue is recognized in proportion that the contract cost incurred for work performed up to the reporting date bear to the estimated total contract cost. Land cost are not included for purpose of computing the percentage completion

Sales:

Sales Revenue has been recognized by applying project completion method with respect to transferring significant risk and rewards of ownership to the buyers based upon agreement / allotment entered with them.

ii. Interest Income



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### iii.Dividend Income

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

### iv.Other Income

Other Income is accounted on accrual basis

## I Foreign Currency Transactions

"Foreign currency transaction are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

### Exchange differences

- i. Exchange difference arising on a monetary item that, in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relates to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- ii. Exchange difference arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

foreign currency monetary items", if it has a term of 12 months or more at the date of its origination.

iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

iv. All other exchange differences are recognized as income or as expenses in the period in which they arise.

### **m Retirement and Employee Benefits**

"Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates two defined benefit plans for its employee, viz., gratuity and post employment medical benefit liability. The costs of providing benefits under these plans are determined on the basis actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short - term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave excepted to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### **n Income Taxes**



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

"Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situation where the company is entitled to a tax holiday under the income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdiction where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which after the tax holiday is recognized in the year in which the timing differences originate. "

"However , the restrict recognition of deferred tax assets to the extent that it has become reasonable certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax can be realized. For recognition of deferred taxes, the timing difference which originates first is considered to reverse first.





## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognized unrecognized deferred asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain , as the case may be , that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down is reserved to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specific period, i. e, the period for which MAT credit is allowed to be carried forward. In the year in which the company recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the income -tax Act,1961,the said is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement."

The company reviews the "MAT credit entitlement "asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

### **o Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reserve share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

### **p Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### **q Contingent Liabilities**

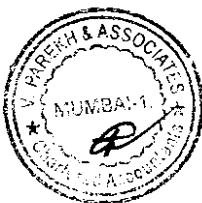
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statement.

### **r Cash and Cash Equivalents**

Cash and cash an equivalent for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **s Regrouping of Previous Year Figures.**

The company has regrouped / rearranged and reclassified previous year figures to conform to current year's classification.



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

### 16.. Related Party Disclosures:

The related party and relationships, as identified by the Management and relied upon by the auditors, with whom transactions have taken place during the year are:

#### a. Name of Related Parties and Related Party Relationship

##### Key Management Personnel

- i] **Shri. Rajnikant S. Ajmera**  
(Managing Director)
- ii] **Shri. Ishwarlal S. Ajmera**  
(Wholetime Director)

#### b. Relatives of Key Management Personnel

- ATUL C. AJMERA HUF
- ATUL C. AJMERA
- BHOGILAL S. AJMERA
- BINAL S. AJMERA
- JYOTI N. AJMERA
- SANJAY C. AJMERA
- DHAVAL R. AJMERA
- DHAVAL R. AJMERA HUF
- ISHWARLAL S. AJMERA HUF
- JAYANT I. AJMERA
- JAYANT I. AJMERA HUF
- MANOJ I. AJMERA HUF
- MEGHA S. AJMERA
- NATWARLAL S. AJMERA
- NATWARLAL S. AJMERA HUF
- RAJNIKANT S. AJMERA HUF
- SANJAY C. AJMERA HUF
- SONALI A. AJMERA
- SURENDRA I. AJMERA HUF
- TANVI M. AJMERA



## JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

### C. Related Parties Where Control exists

#### Associates

- i. Ultratech Property Developers Private limited
- ii. A.G. Estate Private Limited
- iii. Ajmera Cement Private Limited
- iv. Ajmera Citi Developers Private Limited
- v. Ajmera Housing Corporation
- vi. Ajmera Housing Corporation Bangalore
- vii. Ajmera Realcon Private Limited
- ix. Ajmera Bora Associates
- x. Ajmera Water N Amusement Park Private Limited
- xi. Bombay Freezco Private Limited
- xii. Four Brothers
- xiii. V.M. Procon Private limited
- xiv. Nilkanth Tech Park Private Limited
- xv. Pramukh Development Corporation
- xvi. Sankalp Holdings Private Ltd
- xvii. Shree Precoated Steel Limited
- xviii. Vijay Nagar Corporation
- xix. Yogi Nagar Vasahat Private Limited
- xx. Rushab Investments Private limited
- xxi. Omkar Builders



**JOLLY BROTHERS PRIVATE LIMITED**

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

**c. Related Party Transactions:**

Transactions	Associates/ Subsidiary		Directors and Relatives	
	2014-2015	2013-2014	2014-2015	2013-2014.
Finance received / (paid) in form of Loans	<b>12,38,1750</b>	<b>5409401</b>	<b>NIL</b>	<b>NIL</b>

Figures in Bold represents current financial year & others represents for previous year.

**d. Disclosure in respect of material transactions with related parties**

Name of Related Party	Relationship	Advance Paid/Repaid	Advance Received	Maximum O/S during the Period 31.03.2014
				Amount (Rupees)
Ajmera Realty and Infra India Ltd	Holding Company	<b>64,84,520</b>	<b>NIL</b>	<b>(22,63,22,788)</b>
		<b>NIL</b>	<b>NIL</b>	<b>(23,28,06,799)</b>
Omkar Builders	Associate in which Company is Partner	<b>NIL</b>	<b>NIL</b>	<b>28478101.96</b>
		<b>5,157,778.00</b>	<b>NIL</b>	<b>28478101.96</b>
Ajmera Cement Private Limited	Associate	<b>NIL</b>	<b>45,45,000</b>	<b>93,96,353</b>
		<b>NIL</b>	<b>NIL</b>	<b>93,96,353</b>
Ajmera Housing Corporation	Associate	<b>NIL</b>	<b>13,52,230</b>	<b>13,52,230</b>
		<b>NIL</b>	<b>251,623.00</b>	<b>2,911,833.00</b>



# JOLLY BROTHERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
	Amount in Rs.	Amount in Rs.
<b>3 Share capital</b>		
<b>Authorised</b> 5,000 (Previous year 5,000 ) Equity Shares of Rs. 1000/- each	5,000,000	5,000,000
	<b>5,000,000</b>	<b>5,000,000</b>
<b>Issued, subscribed and fully paid up</b> 2,000 (Previous year 2,000 ) Equity Shares of Rs. 1000/- each	2,000,000	2,000,000
	<b>2,000,000</b>	<b>2,000,000</b>

**a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**  
**Equity shares**

	No.	Amount	No.	Amount
At the beginning of the period	2,000	2,000,000	2,000	2,000,000
Issued during the period - Bonus	-	-	-	-
Issued during the period - ESOP	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>2,000</b>	<b>2,000,000</b>	<b>2,000</b>	<b>2,000,000</b>

**b. Term/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. 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.

During the year ended 31st March, 2015, the amount of per share dividend recognised as distributions to equity shareholders was Rs. NIL (Previous year Rs. NIL).

**c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

Ajmera Realty and Infra India Limited - Holding Co.2000 (PY 2000) equity shares of Rs. 1000 each fully paid	2,000	2,000
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**d. Aggregate numbers of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:**

For the period of five years starting from preceding date

	Shares issued for Consideration Other Than Cash
	No. of Shares
Year 2014-2015	Nil
Year 2013-2014	Nil
Year 2012-2013	Nil
Year 2011-2012	Nil
Year 2010-2011	Nil



**JOLLY BROTHERS PRIVATE LIMITED**  
Notes to financial statements for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
	Amount in Rs.	Amount in Rs.

**e. Details of shareholders holding more than 5% shares in the company**

Equity shares of Rs. 1000 each fully paid	No	Per Share	No	Per Share
Holding company - Ajmera Realty and Infra India Limited	2,000	1,000	2,000	1,000

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**4 Reserves and surplus :**

**Capital Reserve**

Balance as per last financial statements	10,547,921	10,547,921
Add: Transfer during the year	-	-
Less: Utilized during the year	-	-
<b>Closing Balance</b>	<b>10,547,921</b>	<b>10,547,921</b>

**Surplus/(deficit) in the statement of profit and loss**

Balance as per last financial statements	(620,526)	(620,526)
Add: Profit/(Loss) for the Year	-	-
Less: Appropriations	-	-
	<b>(620,526)</b>	<b>(620,526)</b>

**Total Reserves and Surplus**

	<b>9,927,395</b>	<b>9,927,395</b>
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**5 Long term borrowings**

From Holding Company	230,140,461	138,895,461
From Related Parties	1,352,230	-
From Others	11,197,440	11,197,440
	<b>242,690,131</b>	<b>150,092,901</b>

**The above amount includes**

Unsecured borrowings	242,690,131	150,092,901
<b>Net Amount</b>	<b>242,690,131</b>	<b>150,092,901</b>

**6 Other long term liability**

Trade payables	-	-
others	658,430	658,430
	<b>658,430</b>	<b>658,430</b>

**7 Short term borrowings**

Interest free loans and advances from related parties repayable on demand (unsecured)	-	86,700,000
	<b>-</b>	<b>86,700,000</b>

**The above amount includes**

Unsecured borrowings	-	32,152,377
<b>Net Amount</b>	<b>-</b>	<b>87,358,430</b>



**JOLLY BROTHERS PRIVATE LIMITED**  
Notes to financial statements for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
	Amount in Rs.	Amount in Rs.
<b>8 Trade payables</b>		
Trade payables		
Due to micro and small enterprises (Refer note no.17)	-	-
Others	125,872	101,301
	<u>125,872</u>	<u>101,301</u>
<b>9 Other current liabilities</b>		
Others		
Due to Government Authorities	71,652	86,143
Tds on Professional Fees	40,528	-
	<u>112,180</u>	<u>86,143</u>
<b>11 Non current investments</b>		
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
10 (PY 10 shares of Bombay Mercantile Co-operative Bank Ltd)	100	100
	<u>100</u>	<u>100</u>
<b>12 Long term loans and advances</b>		
Security deposits		
unsecured, considered good	8,034,490	8,034,490
	8,034,490	8,034,490
Provision for doubtful advances	-	-
	<u>(A) 8,034,490</u>	<u>8,034,490</u>
Loans and advances to related parties		
unsecured, considered good	28,478,102	28,478,102
	<u>(B) 28,478,102</u>	<u>28,478,102</u>
Other loans and advances		
Advances Receivable in Cash or Kind (unsecured)	25,096,945	24,846,945
Balance with statutory/government authorities	3,412,801	3,206,765
	<u>(c) 28,509,746</u>	<u>28,053,710</u>
<b>Total (A)+(B)+(C)</b>	<u>65,022,338</u>	<u>64,566,302</u>
<b>Loans and advances due by directors and other officers, etc.</b>		
Loans to related parties includes		
dues from associates	<u>28,478,102</u>	<u>28,478,102</u>





# JOLLY BROTHERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2015

Particulars	31st March, 2015	31st March, 2014
	Amount in Rs.	Amount in Rs.
<b>13 Inventories (valued at lower of cost and net relisable value)</b>		
Opening Balance	38,791,319	28,776,068
Addition during the Period		
Material Purchase	-	1,541
Labour Charges	60,394	48,795
Rent,Rates & Taxes	321,217	4,789,322
Legal & Professional Expenses	1,349,150	3,807,934
Other Expenses	3,317,080	1,367,659
	<u>5,047,841</u>	<u>10,015,251</u>
Closing Balance	<u>43,839,160</u>	<u>38,791,319</u>
<b>14 Cash and cash equivalent</b>		
<b>Balance with banks:</b>		
On current accounts	599,968	529,067
Cash on Hand	130,837	55,231
<b>Total</b>	<u>730,805</u>	<u>584,298</u>
<b>15 Short term loans and advances</b>		
<b>Loans and advances to related parties</b>		
unsecured, considered good	550,000	-
<b>(A)</b>	<u>550,000</u>	<u>-</u>
<b>Security deposits</b>		
unsecured, considered good	-	-
Doubtful	-	-
<b>(B)</b>	<u>-</u>	<u>-</u>
<b>Other loans and advances</b>		
Advances Recoverable in Cash or Kind (unsecured)	-	-
Balance with statutory/government authorities	-	-
<b>(C)</b>	<u>-</u>	<u>-</u>
<b>Total (A)+(B)+(C)</b>	<u>550,000</u>	<u>-</u>
<b>Loans and advances due by directors and other officers, etc.</b>		
<b>Loans to related parties includes</b>		
dues from associates	550,000	-



**JOLLY BROTHERS PRIVATE LIMITED**  
 Note. No. 10 Tangible and Intangible Assets

Sr. No	Particulars	Gross Block				Depreciation				Net Block		
		As at 01.04.2014	Additions During the year	Deletions During the year	As at 31.03.2015	Rate of %	Dep. On 01.04.2014	For the Year	On Deletion	Upto 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
1	Tangible Assets											
1	Leasehold Land	144,667,710	-	-	144,667,710	-	270,060	-	-	321,159	144,667,710	144,667,710
2	Furniture and Fixtures	807,253	-	-	807,253	0.06	93,092	51,099	-	117,428	486,094	537,193
3	Office equipment	512,340	-	-	512,340	0.05	-	24,336	-	-	394,912	419,248
	<b>TOTAL</b>	<b>145,987,303</b>	<b>-</b>	<b>-</b>	<b>145,987,303</b>		<b>363,152</b>	<b>75,435</b>	<b>-</b>	<b>438,587</b>	<b>145,548,716</b>	<b>145,624,151</b>

Note. No. 10 Tangible and Intangible Assets

Sr. No	Particulars	Gross Block				Depreciation				Net Block		
		As at 01.04.2013	Additions During the year	Deletions During the year	As at 31.03.2014	Rate of %	Dep. On 01.04.2013	For the Year	On Deletion	Upto 31-Mar-14	As at 31-Mar-14	As at 31-Mar-13
1	Tangible Assets											
1	Leasehold Land	144,667,710	-	-	144,667,710	-	218,961	51,099	-	270,060	144,667,710	144,667,710
2	Furniture and Fixtures	807,253	-	-	807,253	0.06	68,756	24,336	-	93,092	537,193	588,292
3	Office equipment	512,340	-	-	512,340	0.05	-	75,435	-	-	419,248	443,584
	<b>TOTAL</b>	<b>145,987,303</b>	<b>-</b>	<b>-</b>	<b>145,987,303</b>		<b>212,282</b>	<b>75,435</b>	<b>-</b>	<b>363,152</b>	<b>145,624,151</b>	<b>145,699,586</b>
	Previous Year	145,987,303			145,987,303		136,846	55,166		192,013	145,795,290	145,850,457



JOLLY BROTHERS PRIVATE LIMITED

Notes forming part of Financial Statements for the Year ended 31<sup>st</sup> March, 2015.

**17. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:**

"There are no delays in payment to Micro and Small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information and that given in Note No.8 -"Trade Payables" regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors."

**18.** Earning and expenditure in foreign currency is Rs. NIL (previous year Rs. NIL).

**19. Capital and other commitments**

Capital and other commitments on account of revenue as well as capital nature is Rs. NIL (previous year Rs. NIL).

**20. Contingent Liabilities**

Contingent Liabilities as on the end of the reporting period is Rs. NIL (previous year Rs. NIL).

**21.** The Balance in Debtors, Creditors and Advances accounts are subject to confirmation and reconciliation, if any. However as per management opinion no material impact on financial statements out of such reconciliation is anticipated.

**22. Taxation**

**Deferred Tax**

The company does not envisage any deferred tax assets/liability.

**23. Subsequent events**

There is not any subsequent event reported after the date of financial statements.

As per our report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**

Chartered Accountants

Firm Reg. No. 107488W

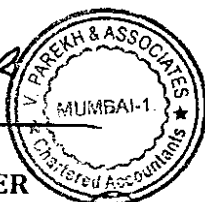


**RASESH V. PAREKH - PARTNER**

Membership No. 38615

Place : Mumbai

Dated : 28<sup>th</sup> May, 2015





For & on behalf of Board Of Directors of

**JOLLY BROTHERS PRIVATE LIMITED**



Director

Place : Mumbai

Dated : 28<sup>th</sup> May, 2015



Director

