

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **JOLLY BROTHERS PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2018 and 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 standalone 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

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



## JOLLY BROTHERS PRIVATE LIMITED

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 standalone 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 standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31<sup>st</sup> March, 2018 and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid standalone 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<sup>st</sup> March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. the Company does not have any pending litigations which would impact its financial position.



**JOLLY BROTHERS PRIVATE LIMITED**

- ii. the Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**MUMBAI,  
DATED :24<sup>th</sup> MAY 2018**



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

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

## JOLLY BROTHERS PRIVATE LIMITED

### ANNEXURE-A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2018, we report that:

- (i)
  - (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.
  - (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 properties are held in the name of the Company.
- (ii)
  - (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.
- (iii) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). In respect of the said loans, the maximum outstanding during the year is 15,00,000 and the year end balance is 15,00,000
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
  - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) In our opinion and according to information and explanation given to us, the requirement of maintaining the Cost Records under Section 148 of the Act is not applicable to the Company.
- (vii)
  - a. The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax 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**

- 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.
- (viii) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**MUMBAI,  
DATED : 24<sup>th</sup> MAY 2018**



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

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

**JOLLY BROTHERS PRIVATE LIMITED**  
**BALANCE SHEET AS ON 31ST MARCH 2018**

Amount in Rupees

Particulars	Note No.	Amount in Rupees		
		31st March, 2018	31st March, 2017	31st March, 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant And Equipment	3	144,991,616	145,106,795	145,221,974
Financial Assets				
Investments	4	100	100	100
Loans	5	17,088,242	39,011,702	43,327,298
<b>Total Non-Current Assets</b>		<b>162,079,958</b>	<b>184,118,597</b>	<b>188,549,372</b>
<b>Current Assets</b>				
Inventories	6	78,382,694	65,069,441	53,006,008
Financial Assets				
Investments	4	14,668,057	-	-
Cash And Cash Equivalents	7	3,396,636	3,047,502	3,316,535
Loans	8	1,300,000	100,000	9,914,760
Other Financial Assets	9	308,620	308,620	-
Other Current Assets	10	1,717,927	1,347,511	-
		<b>99,773,934</b>	<b>69,873,074</b>	<b>66,237,303</b>
<b>TOTAL ASSETS</b>		<b>261,853,892</b>	<b>253,991,671</b>	<b>254,786,675</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	11	2,000,000	2,000,000	2,000,000
Other Equity	12	26,045,451	9,927,395	9,927,395
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
Borrowings	13	215,171,499	215,445,023	222,844,918
Other Non-Current Liabilities	14	658,430	658,430	658,430
		<b>243,875,380</b>	<b>228,030,848</b>	<b>235,430,743</b>
<b>Current Liabilities</b>				
Financial Liabilities				
Borrowings	15	17,323,215	25,265,492	19,100,000
Trade Payables	16	367,946	163,118	163,043
Other Current Liabilities	17	287,351	532,213	92,889
		<b>17,978,512</b>	<b>25,960,823</b>	<b>19,355,932</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>261,853,892</b>	<b>253,991,671</b>	<b>254,786,675</b>

Significant Accounting policies and notes to the Financial Statements

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As per our report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**

Chartered Accountants

Firm Reg. No. 107488W

*Rasesh V. Parekh*  
  
**RASESH V. PAREKH**  
**PARTNER**  
 Membership No. 38615  
 Place : Mumbai

Dated : 24th May 2018

For & on behalf of Board Of Directors of  
**JOLLY BROTHERS PRIVATE LIMITED**

*Nimish Ajmera*  
**NIMISH AJMERA**  
**DIRECTOR**  
 DIN No: 00012508  
 Place : Mumbai  
 Dated : 24th May 2018

*Atul Ajmera*  
**ATUL AJMERA**  
**DIRECTOR**  
 DIN No: 00013747

**JOLLY BROTHERS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

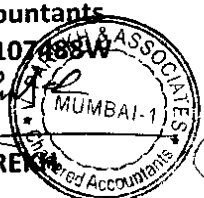
Amount in Rupees

Particulars	Note No.	31st March, 2018	31st March, 2017
Revenue From Operations	18	16,118,057	-
<b>Total Income</b>		<b>16,118,057</b>	-
<b>EXPENSES</b>			
<b>Total expenses</b>		-	-
Profit/(loss) before exceptional items and tax		16,118,057	-
Exceptional Items		-	-
Profit/(loss) before tax		16,118,057	-
Tax expenses :			
(1)Current tax		-	-
(2)Deferred tax		-	-
Profit/(loss) for the year		16,118,057	-
Earnings per equity share face value Rs.1000/-	19		
(1)Basic		8,059	-
(2)Diluted		8,059	-

Significant Accounting policies and notes to the Financial Statements  
As per our report of even date

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For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 107488W

*Rasesh V. Parekh*  


**RASESH V. PAREKH**  
PARTNER  
Membership No. 38615  
Place : Mumbai  
Dated : 24th May 2018

For & on behalf of Board Of Directors of  
**JOLLY BROTHERS PRIVATE LIMITED**

*Nimish Ajmera*

**NIMISH AJMERA**  
DIRECTOR  
DIN No: 00012508  
Place : Mumbai  
Dated : 24th May 2018

*Atul Ajmera*

**ATUL AJMERA**  
DIRECTOR  
DIN No: 00013747

**JOLLY BROTHERS PRIVATE LIMITED**  
**Statement of Changes in Equity**

Amount in Rupees

**(a) Equity Share Capital**

	Notes	As at					
		March 31, 2018		March 31, 2017		April 1, 2016	
		No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of reporting year	11	2,000	2,000,000	2,000	2,000,000	2,000	2,000,000
<u>Add:</u>							
<u>Less:</u>							
Balance at the end of the reporting period	11	2,000	2,000,000	2,000	2,000,000	2,000	2,000,000

**(b) Other Equity**

	Notes	Reserve and Surplus				
		Capital Reserve	Securities Premium	General Reserve	Surplus/ (deficit) in the statement of profit and loss	Total
Balance as on April 1, 2016	12	10,547,921	-	-	(620,526)	9,927,395
<u>Add:</u>						
Transfer from Profit & Loss		-	-	-	-	-
Profit /(Loss) for the Year		-	-	-	-	-
Adjustment to Construction Cost and WIP & ECL		-	-	-	-	-
<u>Less:</u>						
Interim & Final Equity Dividend		-	-	-	-	-
Tax on Proposed Equity dividend		-	-	-	-	-
Transfer to General Reserve		-	-	-	-	-
Balance as at March 31, 2017	12	10,547,921	-	-	(620,526)	9,927,395
<u>Add:</u>						
Transfer from Profit & Loss		-	-	-	-	-
Profit for the Year		-	-	-	16,118,057	16,118,057
Adjustment to Construction Cost and WIP & ECL		-	-	-	-	-
<u>Less:</u>						
Interim & Final Equity Dividend		-	-	-	-	-
Tax on Proposed Equity dividend		-	-	-	-	-
Transfer to General Reserve		-	-	-	-	-
Balance as at March 31, 2018	12	10,547,921	-	-	15,497,530	26,045,451

As per our report of even date

For and on behalf of

V. PAREKH & ASSOCIATES

Chartered Accountants

Firm Reg. No. 107488

*Rasesh V. Parekh*

RASESH V. PAREKH

PARTNER

Membership No. 38615

Place : Mumbai

Dated : 24th May 2018



For & on behalf of Board Of Directors of  
**JOLLY BROTHERS PRIVATE LIMITED**

*Nimish Ajmera*

NIMISH AJMERA  
 DIRECTOR

DIN No: 00012508

Place : Mumbai

Dated : 24th May 2018

*Atul Ajmera*

ATUL AJMERA  
 DIRECTOR

DIN No: 00013747

**JOLLY BROTHERS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

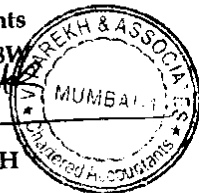
(Amount in Rs.)

Particulars	March 31, 2018	March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations	16,118,057	-
<b>Adjustments for Non Cash and Non Operating Items</b>		
Interest Expense	-	-
Operating profit before working capital changes	16,118,057	-
<b>Movements in working capital :</b>		
Decrease/(increase) in inventories	(13,313,253)	(12,063,433)
Decrease/(increase) in long term loans and advances	21,923,460	4,315,595
Decrease/(increase) in non current assets	115,179	115,179
Decrease/(increase) in Other Financial Assets	-	(308,620)
Decrease/(increase) in Other Current Assets	(370,416)	(1,347,511)
Decrease/(increase) in short term loans and advances	(1,200,000)	9,814,760
Increase/(decrease) in trade payables	204,828	75
Increase/(decrease) in short term provisions	(244,862)	439,324
Cash Generated from/(used in ) operations	23,232,993	965,369
Direct Taxes paid (net of refunds)	-	-
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>23,232,993</b>	<b>965,369</b>
<b>Cash flow from investing activities</b>		
Proceeds from non-current investments	(14,668,057)	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(14,668,057)</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Proceeds from Long Term borrowings	(273,524)	(7,399,895)
Proceeds from Short term borrowings	(7,942,277)	6,165,492
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(8,215,801)</b>	<b>(1,234,403)</b>
Net increase/(decrease) in cash & cash equivalents (A+B+C)	349,134	(269,033)
Cash & cash equivalents at the beginning of the year	3,047,502	3,316,535
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>3,396,636</b>	<b>3,047,502</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	96,477	112,656
Balance with banks	3,300,159	2,934,846
	<b>3,396,636</b>	<b>3,047,502</b>

This is the Cash flow statement referred to in our report of even date.  
The accompanying notes are an integral part of the financial statements.

For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 107488W

**RASESH V. PAREKH**  
PARTNER  
Membership No. 38615  
Place : Mumbai  
Dated : 24th May 2018



For & on behalf of Board Of Directors of  
**JOLLY BROTHERS PRIVATE LIMITED**

**NIMISH AJMERA**  
DIRECTOR  
DIN No: 00012508

**ATUL AJMERA**  
DIRECTOR  
DIN No: 00013747

Place : Mumbai  
Dated : 24th May 2018

**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

**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 business of construction and development of property.

**2. Significant Accounting Policy**

**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of of The Companies Act, 2013 Read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA') as amended by the Companies (Indian Accounting Standards) rules, 2016.

For all periods up to and including the year ended March 31<sup>st</sup> 2016 the Company prepared its financial statements in accordance with Accounting Standards notified under the section 133 of The Companies Act, 2013 Read with rule 7 of the Companies (Indian Accounting Standards) Rules 2014 (Indian GAAP) as amended from time to time.

The financial statements for the year ended March 31<sup>st</sup> 2018 are the company's first Ind As financial statement. The company had adopted Ind AS standards effective from April 1, 2016 with comparative for the year ended March 31<sup>st</sup> 2017 and April 1, 2016 being restated and the adoptions were carried out in accordance with Ind AS 101 - first time adoption of Indian Accounting standards. All applicable Ind AS have been applied consistently and retrospectively wherever required. Please refer to note 2.24 for information on how the Company has adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in Accounting Policies below.

**2.2 Current and Non Current Classification**

An asset/liabilities 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



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

- 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

**2.3 Property, Plant and Equipment (PPE)**

**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 on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (asset-out below) prescribed in Schedule II to the Act:

<b>Asset Category</b>	<b>Estimated Useful Life</b>
Plant & Equipments	15 Years
Furniture & fixtures	10 Years
Vehicles	8 Years
Office equipments	5 Years
Computer Hardware	3 Years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

**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



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

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.

**2.4 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 capitalized software is amortized over a period of 6 years from the date of its acquisition.

**2.5 Borrowing cost**

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

**2.6 Investments**

**Investment in equity instruments of subsidiaries, joint ventures and associates**

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'

**2.7 Inventories:**

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/items purchased specifically for projects are taken as consumed as and when incurred/ received.



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

**Work-in-progress** - Contractual: Cost of work yet to be certified/ billed, as it pertains to contract costs that relate to future activity on the contract, are recognised as contract work-in-progress provided it is probable that they will be recovered. Contractual work-in-progress is valued at lower of cost and net realisable value.

**Work-in-progress** - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

**Finished goods** - Flats: Valued at lower of cost and net realisable value.

Building materials purchased, not identified with any specific project are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

**Land inventory**: Valued at lower of cost and net realisable value.

## 2.8 Revenue Recognition

i. 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.

The projects commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012.

Revenue from real estate projects including revenue from sale of undivided share of land [group housing] is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which



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generally coincides with the firming of the sales contracts/ agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognised by applying the percentage of completion method only if the following thresholds have been met:

- (a) all critical approvals necessary for the commencement of the project have been obtained;
- (b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25 % of the total estimated construction and development costs;
- (c) at least 25 % of the saleable project area is secured by contracts/agreements with buyers; and
- (d) at least 10 % of the contracts/agreements value are realised at the reporting date in respect of such contracts/agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue (including from sale of undivided share of land) and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs). Revenue is recognized on execution of either an agreement or a letter of allotment

**ii. Interest Income**

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.

**2.9 Unbilled Revenue**

Revenue recognized based on percentage of completion method, as per policy on revenue, over and above the amount due as per the payment plans agreed with the customers.



**2.10 Cost of revenue**

Cost of constructed properties includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

**2.11 Foreign Currency Transactions**

**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 restatement 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.

**2.12 Employee Benefit Expenses**

**Provident Fund**

The Company makes contribution to statutory provident funding accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

**Gratuity**

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized



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actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

**Other long-term employee benefits**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

**Short-term employee benefits**

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.

**2.13 Taxation**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in 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).



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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 tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for Taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant on-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

**2.14 Impairment of 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.



**2.15 Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**2.16 Trade Receivables**

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**2.17 Other financial assets**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.



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**2.18 Cash and Cash Equivalent**

Cash and cash equivalents comprise cash in hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

**2.19 Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

**2.20 Operating leases**

Leases in which the lesser does not transfer substantially all the risks and rewards of ownership of an asset to the lessee are classified as operating leases.

**Company as a lessee**

Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

**Company as a lessor**

Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

**2.21 Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair Value



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adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

**Subsequent measurement of Financial Assets**

i) Financial assets carried at amortised cost - a financial asset is measured at the amortised cost, if both the following conditions are met:

•The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii) Investments in equity instruments of subsidiaries, joint ventures and associates - Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

**De-recognition of financial assets**

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Subsequent measurement of Financial Assets**

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the Same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.



**2.22 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) 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 including a bonus issue.

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

**2.23 Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

**Significant management judgements**

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

**Revenue and inventories** – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes



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of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available Contractual and historical information.

**Useful lives of depreciable/ amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group used valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. 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 i.e. significant to the fair value measurement as a whole.;

Level 1. Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2. Input other than quoted prices included within level 1 that are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3. Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

#### **2.24 First Time Adoption Policies**

##### **Explanation of transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies have been applied consistently in preparing the financial statements for



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the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from financial statements prepared in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows is set-out in the following tables and notes:

Reconciliation of total equity as at 31st March 2017 and 1st April 2016 - NIL

Reconciliation of total comprehensive income for the year ended 31st March 2017 -NIL

**2.25 IND-AS Optional Exemptions**

**1. Deemed cost for property, plant and equipment and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**2. Investment**

Ind AS 101 permits a first-time adopter to continue previous GAAP carrying value for investment in equity instrument of subsidiaries, associates and joint ventures. Accordingly, the Company has elected to apply the said exemption.

**3. Business Combination**

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date.

Business combinations occurring prior to the transition date have not been restated.



**2.26 Ind AS mandatory exceptions**

**1. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP: Impairment of financial assets based on expected credit loss model.

**2. Classification and measurement of financial assets and liabilities**

Classification of financial asset is required to be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, if it is impracticable for the Company to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.

**2.27 RECENT ACCOUNTING PRONOUNCEMENTS**

**1. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:**

Appendix B to Ind AS 21, foreign currency transactions and advance consideration:

On 28 March 2018, Ministry of corporate Affairs ("MCA") has notified the companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The group is evaluating the requirement of the amendment and impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.



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**2. Ind AS 115, Revenue from contract with customers:**

In March 2018, the ministry of corporate Affairs has notified the companies ( Indian Accounting Standards) Amended Rules 2018, ("amended rules"). As per the amended rules, Ind AS 115, "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18 "Revenue" and is applicable for all accounting periods commencing on or after April 1, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from April 1, 2018.

The Standard permits two possible methods of transition:

- i) Retrospective approach- Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS8 - Accounting Polices, Changes in Accounting Estimates and Errors
- ii) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (cumulative catch- up approach)

The Group is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant.



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Note 3 : Property, Plant and Equipment (PPE)

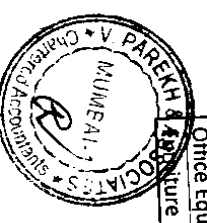
DESCRIPTION	Gross Block				Accumulated Depreciation				Net Block			
	April 1, 2017	Additions	Deductions	March 31, 2018	April 1, 2017	Additions	Deductions	March 31, 2018	March 31, 2018	March 31, 2017	April 1, 2016	
	Land	144,667,710	-	-	144,667,710	-	-	-	144,667,710	144,667,710	144,667,710	144,667,710
Office Equipment	512,340	-	-	512,340	305,761	-	-	305,761	206,579	206,579	206,579	
Furniture & Fitting	807,253	-	-	807,253	574,747	115,179	-	689,926	117,327	232,506	347,685	
<b>TOTAL</b>	<b>145,987,303</b>	<b>-</b>	<b>-</b>	<b>145,987,303</b>	<b>880,508</b>	<b>115,179</b>	<b>-</b>	<b>995,687</b>	<b>144,991,616</b>	<b>145,106,795</b>	<b>145,221,974</b>	

**Assets taken on lease**  
Assets under lease shall be separately specified under each class of assets.

Description of the Asset	Group of Asset	Gross Block		Accumulated Depreciation		Net Block	
		April 1, 2016	March 31, 2017	April 1, 2016	March 31, 2017	March 31, 2017	April 1, 2016
KANJURMARG	LAND	144,667,710	144,667,710	305,761	305,761	206,579	206,579
		512,340	512,340	115,179	574,747	232,506	347,685
		807,253	807,253	459,568	880,508	232,506	347,685
<b>TOTAL</b>		<b>145,987,303</b>	<b>145,987,303</b>	<b>765,329</b>	<b>880,508</b>	<b>145,106,795</b>	<b>145,221,974</b>

**Depreciation**  
Disclosures regarding the depreciation method used, the useful lives or the depreciation rates used and other general disclosures.

Asset Category	Estimated Useful Life/ Depreciation Rate
Land	NA
Office Equipment	5 Years
Furniture & Fitting	10 Years



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**Note 4 : Investments**

Particulars	Ownership Interest (%)	Country of Origin	Face value	No. of Shares			Amount		
				March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Investment in equity instruments (Unquoted, fully paid-up)									
		India					100	100	100
Bombay Mercantile Co-Op Bank							100	100	100
<b>Total Investments</b>									

Particulars	Ownership Interest (%)	Country of Origin	Face value	No. of Shares			Amount		
				March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Investment in equity Instruments (Unquoted, fully paid-up)									
Investment in associates		India					14668057	-	-
Omkar Builder							14668057	0	0
<b>Total Investments</b>									



**JOLLY BROTHERS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Sr.No	Particulars	31st March, 2018		31st March, 2017		31st March, 2016	
			Amount in Rupees		Amount in Rupees		Amount in Rupees

**5 Loans and Advances**

	<b>Security deposits</b>						
	- Unsecured Considered good	8,036,030		8,034,490			8,034,490
	Loans and Advances to related parties - Unsecured Considered good	1,500,000		1,500,000			-
	Other Loans and advances - Unsecured Considered good	7,552,212		29,477,212			35,292,808
	<b>Total</b>	<b>17,088,242</b>		<b>39,011,702</b>			<b>43,327,298</b>

**6 Inventories**

	<b>Opening Balance</b>						
	Cost of Land	-		-			-
	Cost of Infrastructure, Development and Filling	65,069,441		53,006,008			43,839,161
		<b>65,069,441</b>		<b>53,006,008</b>			<b>43,839,161</b>
	<b>Additions</b>						
	Construction & Other Expenses	13,313,253		12,063,433			9,166,847
	<b>Total</b>	<b>78,382,694</b>		<b>65,069,441</b>			<b>53,006,008</b>
	Less: Transferred to Statement of Profit & Loss	-		-			-
	Less : Adjustment for interest and processing fees	-		-			-
	Less : Adjustment to construction cost	-		-			-
	<b>Total</b>	<b>78,382,694</b>		<b>65,069,441</b>			<b>53,006,008</b>

**7 Cash and Cash Equivalents**

	<b>Cash and cash equivalents</b>						
	Bank Deposits	3,300,159		2,934,846			3,227,799
	Cash in hand	96,477		112,656			88,736
	<b>Total</b>	<b>3,396,636</b>		<b>3,047,502</b>			<b>3,316,535</b>

**8 Loans and Advances**

	Loans and Advances to related parties	-		-			8,799,600
	Other Loans and advances	1,300,000		100,000			1,115,160
	<b>Total</b>	<b>1,300,000</b>		<b>100,000</b>			<b>9,914,760</b>

**9 Other Financial Assets**

	TDS Refundable	308,620		308,620			-
	<b>Total</b>	<b>308,620</b>		<b>308,620</b>			-

**10 Other Current Assets**

	Balance with Government Authorities	1,717,927		1,347,511			-
	<b>Total</b>	<b>1,717,927</b>		<b>1,347,511</b>			-



**JOLLY BROTHERS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Sr.No	Particulars	31st March, 2018		31st March, 2017		31st March, 2016	
		Amount in Rupees		Amount in Rupees		Amount in Rupees	
<b>11 EQUITY SHARE CAPITAL</b>							
	<b>Authorised</b>	5,000,000		5,000,000		5,000,000	
	5,000 (Previous year 5,000 ) Equity Shares of Rs. 1000/- each (Previous year 10,000 Equity shares of Rs. 10 each)						
	<b>ISSUED SUBSCRIBED AND PAID UP</b>	2,000,000		2,000,000		2,000,000	
	2,000 (Previous year 2,000 ) Equity Shares of Rs. 1000/- each						
	<b>Total</b>	<b>2,000,000</b>		<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

	Nos.	Amount in Rs.	Nos.	Amount in Rs.	Nos.	Amount in Rs.
<b>Equity shares</b>						
At the beginning of the year	2,000	2,000,000	2,000	2,000,000	2,000	2,000,000
Issued during the year	-	-	-	-	-	-
Bought-back during the year	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>2,000</b>	<b>2,000,000</b>	<b>2,000</b>	<b>2,000,000</b>	<b>2,000</b>	<b>2,000,000</b>

b. **Term/rights attached**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.  
 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	No. of shares	No. of shares	No. of shares
Ajmera Realty & Infra India Limited - The holding Company	2,000	2,000	2,000
2000(Previous Year 2000) equity shares Rs.1000 each fully paid			

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	No. of Shares	No. of Shares	No. of Shares
Year 2017-2018	-	-	-
Year 2016-2017	-	-	-
Year 2015-2016	-	-	-
Year 2014-2015	-	-	-
Year 2013-2014	-	-	-
Year 2012-2013	-	-	-

In addition, the company has issued total Nil shares (PY NIL) during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan(ESOP) wherein part consideration was received in form of employee services.

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

	Nos.	% holding	Nos.	% holding	Nos.	% holding
Ajmera Realty and Infra India Limited - Holding Co.2000 (PY 2000) equity shares of Rs. 1000 each fully paid	2,000	100	2,000	100	2,000	100

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.

e. **Details of securities convertible into Equity shares**

The company has issued 8% non-cumulative preference shares having par value of Rs. 10 per share. Preference shares are convertible into equity shares anytime after 30 months but not later than 48 months in the ratio of 1:1. The earliest date of conversion is 30th September, 2014.



**JOLLY BROTHERS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Sr.No	Particulars	31st March, 2018		31st March, 2017		31st March, 2016	
			Amount in Rupees		Amount in Rupees		Amount in Rupees
<b>12 OTHER EQUITY</b>							
<b>Reserves and Surplus</b>							
	Capital Reserve		10,547,921		10,547,921		10,547,921
	Opening Balance		-		-		-
	Add:/Less During the year:	A	10,547,921		10,547,921		10,547,921
	Closing Balance						
	<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		(620,526)		(620,526)		(620,526)
	As per last accounts		16,118,057		-		-
	Add: Profit for the Year		15,497,530		(620,526)		(620,526)
	<b>Add: Adjustment as per IND-AS</b>		-		-		-
	Unwinding of Interest on rental deposit		-		-		-
	Adjustment to Construction Cost and WIP	B	15,497,530		(620,526)		(620,526)
	Closing Balance						
	<b>Total</b>	(A+B)	<b>26,045,451</b>		<b>9,927,395</b>		<b>9,927,395</b>
<b>13 NON CURRENT BORROWINGS</b>							
	From Related Parties		203,974,059		204,247,583		211,647,478
	Others		11,197,440		11,197,440		11,197,440
	<b>Total</b>		<b>215,171,499</b>		<b>215,445,023</b>		<b>222,844,918</b>
<b>14 OTHER NON CURRENT LIABILITIES</b>							
	Others		658,430		658,430		658,430
	<b>Total</b>		<b>658,430</b>		<b>658,430</b>		<b>658,430</b>
<b>15 SHORT TERM BORROWINGS</b>							
	From Related Parties		17,323,215		25,265,492		19,100,000
	<b>Total</b>		<b>17,323,215</b>		<b>25,265,492</b>		<b>19,100,000</b>
<b>16 TRADE PAYABLES</b>							
	Due to micro and small enterprises (refer note. No.23)		-		-		-
	Others		367,946		163,118		163,043
	<b>Total</b>		<b>367,946</b>		<b>163,118</b>		<b>163,043</b>
<b>17 OTHER CURRENT LIABILITIES</b>							
	Due to Government Authorities		287,351		348,071		92,889
	Other Provisions		-		184,142		-
	<b>Total</b>		<b>287,351</b>		<b>532,213</b>		<b>92,889</b>



**JOLLY BROTHERS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Sr.No	Particulars	Amount in Rupees	
		31st March, 2018	31st March, 2017

**18 REVENUE FROM OPERATIONS**

	Share of Profit from Investment	16,118,057	-
	Exchange fluctuation Gain	-	-
	<b>Total</b>	<b>16,118,057</b>	

**19 Earning per Share (EPS)**

<b>Earning per Share (EPS)</b>		
The following reflects the profit and share data used in the basic and diluted EPS computations.		
Profit/(loss) after tax	16,118,057	-
Weighted average number of equity shares outstanding during the period	2,000	2,000
Earning per share (EPS)	8059	-
Diluted EPS	8059	-



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

20. Audit Fees paid

(Amount in Rupees)

Particulars	2017-2018	2016-17
Audit	20000	17250
<b>Total</b>	<b>20000</b>	<b>17250</b>

21. The Company primarily deals in the business of Real Estate and hence there is no Primary reportable segment in the context of Ind AS 108.

22. Related Party Disclosures:

A. Related Parties Where Control exists

Holding Company : Ajmera Realty and Infra India Limited

B. Other Related Parties

- ii. Ajmera Estate Karnataka Private Limited
- iii. Ajmera Housing Corporation

a. Disclosure in respect of material transactions with related parties

Transactions	Associates/ Subsidiary		Directors and Relatives		Maximum Outstanding		Closing Balances		
	FY 16-17	FY 17-18	FY 16-17	FY 17-18	FY 16-17	FY 17-18	31.03.16	31.03.17	31.03.18
Finance Received / (Given)	29,710,198	(8,213,147)	NIL	NIL	229,495,213	240,073,463.08	-221,947,878.45	-228,013,075.45	-219,797,274.01

D. Disclosure in respect of material transactions with related parties

Name of Related Party	Relationship	Advance Paid	Advance Received	Maximum O/S during the Period
<b>AJMERA REALTY AND INFRA INDIA LTD</b>	Holding Company	2,76,189	2,655	20,42,50,249
Previous Year		15,00,000	-	20,42,47,583
<b>AJMERA HOUSING CORPORATION</b>	Associates	2,40,15,199	1,60,75,586	3,73,23,215
Previous Year		85,02,576	3,97,12,774	2,67,47,630
<b>AJMERA ESTATE KARNATAKA PVT LTD</b>	Associates	-	-	15,00,000
Previous Year				15,00,000
		2,42,91,388	1,60,78,241	24,00,73,463



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

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

- a) The principal amount NIL (P.Y NIL) and the interest due thereon is NIL (P.Y NIL) remaining unpaid to any supplier at the end of each accounting year 2017-18
- b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.
- c) The amount of Interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
- d) The amount of Interest accrued and remaining unpaid at the end of each accounting year Nil
- e) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil

The above information and that given in note no.16 –“Trade Payables” regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of available with the company. This has been relied upon by the auditors.

- 24.** The Company has re - assessed the useful life of assets for the purpose of determination of depreciation in the manner prescribed under the Schedule II of the Companies Act, 2013.

**25. Capital Management Policy**

- Safeguard our ability to continue as a going concern, and
- Maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, subject to relevant permissions and compliances, adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	31.03.2018	31.03.2017	01.04.2016
<b>Net Debt</b>			
Non-Current Borrowings	215,171,499	215,445,023	222,844,918
Current Borrowings	17,323,215	25,265,492	19,100,000
Current Maturities of LTD			
(-) Cash and Cash Equivalent	-3,396,636	-3,047,502	-3,316,535
<b>Total</b>	<b>229,098,078</b>	<b>237,663,013</b>	<b>238,628,383</b>



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
Notes forming part of Financial Statements for the year ended 31st March, 2018

<b>Total Equity</b>			
Equity Share Capital	2,000,000	2,000,000	2,000,000
Other Equity	26,045,451	9,927,395	9,927,395
<b>Total</b>	<b>28,045,451</b>	<b>11,927,395</b>	<b>11,927,395</b>
<b>Debt to Equity Ratio</b>	<b>8.17</b>	<b>19.93</b>	<b>20.01</b>

**26. Financial Risk Management: Disclosure of Financial Instruments by category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31.03.2018			31.03.2017			01.04.2016		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
<b>Financial Assets</b>									
Investment in associates	-	-	14,668,157	-	-	100	-	-	100
Security Deposits	-	-	-	-	-	-	-	-	-
Loans advanced to related parties	-	-	1,500,000	-	-	1,500,000	-	-	-
Other loans and Advances	-	-	16,888,242	-	-	37,611,702	-	-	53,242,058
Other financial assets	-	-	308,620	-	-	308,620	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	3,047,502	-	-	3,316,535
Cash & Cash Equivalent	-	-	3,396,636	-	-	-	-	-	-
Other Bank Balances	-	-	36,761,656	-	-	42,467,925	-	-	56,558,693
<b>Financial Liabilities</b>									
Borrowings	-	-	232,494,714	-	-	240,710,515	-	-	241,944,918
Trade Payables	-	-	367,946	-	-	163,118	-	-	163,043

\* All the investments in associates are stated at cost as per Ind AS 27 'Separate Financial Statements'.

**Types of Risk and its management**

The Group's activities expose it to market risk, liquidity risk and credit risk. Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**a. Credit Risk**

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

**b. Liquidity Risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.



**JOLLY BROTHERS PRIVATE LIMITED (2017-18)**  
**Notes forming part of Financial Statements for the year ended 31st March, 2018**

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

**c. Foreign Currency Risk**

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the Group's functional currency.

**27. Capital and other commitments**

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

**28.** The Balance in Debtors, Creditors, few Bank Accounts balances 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.

**29. Subsequent events**

There is no subsequent event reported after the date of financial statements.

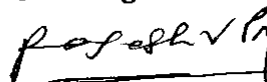
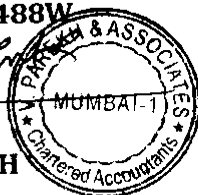
**30. Regrouping of Previous Year Figures.**

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

**V. PAREKH & ASSOCIATES**

Chartered Accountants

Firm Reg. No. 107488W

**RASESH V. PAREKH**

**PARTNER**

**Membership No. 38615**

**Place: Mumbai**

**Dated: 24<sup>TH</sup> May 2018**

For & on behalf of Board Of Directors of  
**JOLLY BROTHERS PRIVATE LIMITED**



**NIMISH AJMERA**

**DIRECTOR**

**DIN No: 00012508**

**Place: Mumbai**

**Dated: 24<sup>TH</sup> May 2018**



**ATUL AJMERA**

**DIRECTOR**

**DIN No: 00013747**