

JMK Holdings Private Limited

Registered Office:

13TH Floor, Dr. Gopal Das Bhawan, 28 Barakhamba Road,
Connaught Place, New Delhi Central, Delhi 110001

Annual Financial Statements

2019-20



INDEPENDENT AUDITOR'S REPORT

To the Members of M/s JMK Holdings Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **M/s JMK Holdings Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, Profit and loss, and its cash flows for the year ended on that date

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Other Information, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal & Regulatory Requirements

1. 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 the paragraphs 3 and 4 of the Order.





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 purpose of our audit except for some customer advances & third party balance confirmations which have been taken as certified by the management.
- 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 referred to in 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 March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B"
- g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required and
- h. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The management has represented that the company does not have any pending litigations and hence no provision/disclosure has been made against the same.
 - (ii) The company has not entered into any long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N

Nitin Jain
(Partner)

Membership Number: 506898

UDIN Number- 20506898AAAADY6072



Place: Delhi

Date: September 25, 2020





Annexure 'A' to the Auditors' Report

The Annexure referred to in Independent Auditors' Report of even date to the members of **M/s JMK Holdings Private Limited** on the standalone financial statements for the year ended March 31, 2020, we report that:

- (i)
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The company is not in possession of any immovable property in the nature of fixed assets hence the provision of para (i) (c) are not applicable.
- (ii) The physical verification of inventory has been stated to be conducted at reasonable intervals by the company & no material discrepancies have been stated to be noticed on physical verification of the inventory during the year. The inventory has been taken as quantified, valued & certified by the management.
- (iii) That with regard to loan, guarantee & securities given to parties covered under Section 189 of the Companies act, 2013 as at 31st March, 2020, the conditions of such loan prima facie do not appear to be prejudicial to the interest of the company, Further the loans do not carry any stipulated repayment terms & are repayable on demand. Accordingly, As at 31st March, 2020, there was no delay in repayment & neither were any of the loans overdue for repayment.
- (iv) That the loans, guarantees & securities have been granted in compliance with the provision contained in Section 185 of the Companies Act, 2013. Further being engaged in the Business of Construction & Development of Affordable Housing infrastructure facilities the Provisions of Section 186 of the Companies act 2013 not applicable to the company.
- (v) The company has not accepted any deposits and hence paragraph (v) of the order is not applicable to the company.
- (vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii)
- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31st March'2020 for a period of more than six months from the date they become payable except Labour cess 73.93 lacs Payable & Labour Welfare fund Payable of Rs.0.08 Lacs. That the liability/credit admissibility of the taxes & duties are subject to acceptance & assessment under the relevant provision.
 - (b) According to the information and explanation given to us, there are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.





- (viii) That the company has not defaulted in repayment of made any borrowing from financial institution or bank and In the absence of any debentures, the reporting on the debenture dues is not applicable on the company.
- (ix) The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). The term loan as represented have been temporarily advanced as repayable on demand to body corporate to save on the interest cost pending utilization in the said project. The interest cost pertaining to such advance has been charged off to Profit and Loss Account along with corresponding Interest income on the same.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) Being a private limited company, the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the company.
- (xii) The company is not a nidhi company & hence paragraph (xii) of the order is not applicable to the company.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment of shares during the year under review in compliance with the provisions of Section 42 of the Companies Act, 2013.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N


Nitin Jain
(Partner)



Membership Number: 506898

UDIN Number- 20506898AAAADY6072

Place: Delhi
Date: September 25, 2020





Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of M/s JMK Holdings Private Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained subject to our comments reported in inherent limitations below are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Whereas most of the documents & transactions have been duly authenticated by the directors of the company, a more elaborate documentation is needed while testing such controls, considering the size of the company and the nature of operations. Such fact has been duly considered along with the limitation reported above in determining the nature, timing & extent of audit test applied in our audit of financial statements of the company and the limitation does not affect our opinion on the financial statements of the Company.

Opinion

In our opinion, the Company has in material respects an adequate internal financial controls system over financial reporting and adequate measures have been taken for streamlining integration of data within various department & financial accounting system. As at 31st March 2020 such internal financial control over financial reporting have been fairly implemented based on the internal control over Financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N

Nitin Jain
(Partner)

Membership Number: 506898

UDIN Number- 20506898AAAADY6072



Place: Delhi
Date: September 25, 2020



JMK HOLDINGS PRIVATE LIMITED

13TH FLOOR, DR. GOPAL DAS BHAWAN, 28 BARAKHAMBHA ROAD, CONNAUGHT PLACE

CIN No. U70109DL2013PTC255232

Balance Sheet as at 31 March 2020

(All amounts are in Rs. unless otherwise specified)

	Note	As at 31 March 2020	As at 31 March 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	Note 1	30,000,000	30,000,000
Reserves and surplus	Note 2	201,940,602	147,899,121
		<u>231,940,602</u>	<u>177,899,121</u>
Non-current liabilities			
Other long term liabilities	Note 3	7,764,718	10,787,426
Long-term Provisions	Note 4	2,720,613	1,535,693
		<u>10,485,331</u>	<u>12,323,119</u>
Current liabilities			
Short-term borrowings	Note 5	106,433,333	392,272,145
Short-term Provisions	Note 6	18,267,273	16,011,722
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	Note 7	15,950,286	1,214,365
(B) total outstanding dues of creditors other than micro and small enterprises	Note 7	88,363,344	92,986,567
Other current liabilities	Note 8	485,486,385	355,865,491
		<u>714,500,621</u>	<u>858,350,291</u>
		<u>956,926,554</u>	<u>1,048,572,531</u>
ASSETS			
Non-current assets			
Fixed Assets			
Tangible Assets	Note 9	1,218,727	2,055,356
Investment	Note 10	1,100	-
Deferred Tax Asset (Net)	Note 11	4,302,616	4,233,125
Long Term Loan & Advances	Note 12	1,104,146	162,146
Other Non-current assets	Note 13	130,432	11,602,736
		<u>6,757,021</u>	<u>18,053,362</u>
Current assets			
Inventory	Note 14	162,417,813	156,584,839
Trade Receivable	Note 15	19,298,142	30,965,974
Cash and cash equivalents	Note 16	20,073,502	298,558,942
Short-term loans and advances	Note 17	716,865,382	524,132,193
Other current assets	Note 18	31,514,694	20,277,221
		<u>950,169,533</u>	<u>1,030,519,169</u>
		<u>956,926,554</u>	<u>1,048,572,531</u>

Significant Accounting Policies & Notes to Accounts Note 35
The accompanying notes form an integral part of these financial statements.

For Serva Associates

Chartered Accountants

FRN No. 000272N

Nitin Jain

(Partner)

M.No:

Date: 25 SEP 2020

Place: New Delhi

For and on behalf of the Board of Directors of
JMK Holdings Private Limited

Ravi Aggarwal

Director

DIN No 00203856

Lalit Kumar Aggarwal

Director

DIN No 00203664

JMK HOLDINGS PRIVATE LIMITED

13TH FLOOR, DR. GOPAL DAS BHAWAN, 28 BARAKHAMBA ROAD, CONNAUGHT PLACE

CIN No. U70109DL2013PTC255232

Statement of Profit & Loss Account for year ended 31 March 2020*(All amounts are in Rs. unless otherwise specified)*

	Note	As at 31 March 2020	As at 31 March 2019
Revenue From Operations	Note 19	271,990,529	733,603,220
Other Income	Note 20	93,307,302	84,763,585
Total Revenue		365,297,830	818,366,805
Expenses:			
Project Expenses Incurred	Note 21	239,787,958	604,425,994
Decrease/(Increase) in Inventory	Note 22	(6,008,311)	76,873,413
Employee Benefits Expense	Note 23	8,983,617	9,042,728
Finance Cost	Note 24	16,430,815	37,122,095
Depreciation cost	Note 9	107,897	131,748
Other Expenses	Note 25	30,240,435	28,579,510
Total expenses		289,542,411	756,175,488
Profit before tax		75,755,420	62,191,317
Tax expense:			
(1) Current tax		16,674,957	12,828,647
(2) Previous year Income Tax		-	1,778,833
(3) Deferred tax (Asset)/Liability	Note 11	(69,492)	(1,692,851)
(4) Minimum alternative tax		5,108,473	6,880,284
		21,713,938	19,794,914
Profit (Loss) for the period		54,041,481	42,396,404
Earnings per equity share:			
(1) Basic	Note 26	18.01	14.13
(2) Diluted	Note 26	18.01	14.13

Significant Accounting Policies & Notes to Accounts

Note 35

The accompanying notes form an integral part of these financial statements.

For Serva Associates

Chartered Accountants

FRN No. 000272N

Nitin Jain

(Partner)

M.No:

Date: 25 SEP 2020

Place: New Delhi

For and on behalf of the Board of Directors of
JMK Holdings Private LimitedRavi Aggarwal
Director

DIN No 00203856

Lalit Kumar Aggarwal
Director

DIN No 00203664

JMK HOLDINGS PRIVATE LIMITED

13TH FLOOR, DR. GOPAL DAS BHAWAN, 28 BARAKHAMBA ROAD, CONNAUGHT PLACE

CIN No. U70109DL2013PTC255232

Cash Flow Statement for the year ended 31 March 2020

(All amounts are in Rs. unless otherwise specified)

	As at 31 March 2020	As at 31 March 2019
1 Cash flow from Operating Activities		
Profit / (Loss) for the Year	75,755,420	62,191,317
Add: Depreciation on Fixed Assets	526,022	826,088
Less: Advance Written off	-	-
Less: Interest earned on loan	(90,477,924)	(83,159,835)
Less: Gain on sale of Fixed Assets	(221,044)	-
Add: Interest paid on borrowing	16,430,815	37,122,095
Net Profit / (Loss)	(A) <u>2,013,289</u>	<u>16,979,666</u>
Adjustment for		
Decrease / (Increase) in Long Term Loan & Advances	(942,000)	137,874
Decrease / (Increase) in Other Non Current assets	11,472,304	254,366
Decrease / (Increase) in Trade Receivable	11,667,831	2,129,706
Decrease / (Increase) in Inventory	(5,832,974)	78,220,536
Decrease / (Increase) in Short-term loans and advances	(35,603,059)	46,557,722
Decrease / (Increase) in Fixed Deposits and other current assets	(11,237,473)	932,621
Increase / (Decrease) in Other Long Term Liabilities	(3,022,708)	3,072,319
Increase / (Decrease) in Trade payables	10,112,697	(70,941,857)
Increase / (Decrease) in Other Current Liabilities	129,620,894	136,861,439
Increase / (Decrease) in Short term Provisions	(1,590,759)	1,335,646
Increase / (Decrease) in Long term Provision	1,184,920	(164,095)
Net Change in current assets and current liabilities	(B) <u>105,829,674</u>	<u>198,396,275</u>
Less:- Direct Taxes Paid	17,937,119	32,815,336
Net Cash Flow from Operating Activity (A+B-C)	(I) <u>89,905,843</u>	<u>182,560,605</u>
2 Cash flow from Investing Activities		
Unsecured Loan Given	(157,130,131)	356,149
Interest earned on loan	90,477,924	83,159,835
Sale of Fixed Assets	580,000	-
Investment in corpus Fund	(1,100)	-
Purchase of Fixed Assets	(48,350)	(30,631)
Net Cash Flow from Investing Activity	(II) <u>(66,121,657)</u>	<u>83,488,353</u>
3 Cash flow from Financing Activities		
Increase in Short Term Borrowings	(285,838,812)	(257,783,362)
Interest paid on borrowings	(16,430,815)	(37,122,095)
Net Cash Flow from Financing Activity	(III) <u>(302,269,627)</u>	<u>(294,905,458)</u>
Net Cash Flow (I+II+III)	(278,485,440)	(28,859,500)
Add:- Opening Cash and Cash Equivalent	298,558,942	327,418,443
Closing Cash and Cash Equivalent	<u>20,073,502</u>	<u>298,558,943</u>

For Serva Associates

Chartered Accountants

FRN No. 000272N

Nitin Jain

(Partner)

M.No:

Date:

Place: New Delhi

For and on behalf of the Board of Directors of

JMK Holdings Private Limited

Ravi Aggarwal

Director

DIN No 00203856

Lalit Kumar Aggarwal

Director

DIN No 00203664

JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 1

Share Capital

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10 each	3,000,000	30,000,000	3,000,000	30,000,000
	<u>3,000,000</u>	<u>30,000,000</u>	<u>3,000,000</u>	<u>30,000,000</u>
Issued, Subscribed & Paid up				
Equity Shares of Rs. 10 each	3,000,000	30,000,000	3,000,000	30,000,000
	<u>3,000,000</u>	<u>30,000,000</u>	<u>3,000,000</u>	<u>30,000,000</u>

Reconciliation of the Number of share outstanding at the beginning and closing of the reporting period

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Opening Number of Shares	3,000,000	30,000,000	3,000,000	30,000,000
Shares Issued during the year	-	-	-	-
Shares Outstanding as at the end of the Year	<u>3,000,000</u>	<u>30,000,000</u>	<u>3,000,000</u>	<u>30,000,000</u>

Details of Shareholders holding more than 5% of the Share Capital

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	Number	% of Holding	Number	% of Holding
Rajat Goel	-	0%	715,000	24%
Signatureglobal (India) Private Limited	3,000,000	100%	2,285,000	76%
	<u>3,000,000</u>	<u>100.00%</u>	<u>3,000,000</u>	<u>100.00%</u>

JMK Holdings Private Limited is the wholly owned subsidiary company of Signatureglobal (India) Private Limited (P.Y. 76%)

The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

Terms / 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 Shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, the holders of equity shares will be entitled to receive assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the no. of equity shares held by shareholders.

Note 2

Reserves and Surplus

	As at 31 March 2020	As at 31 March 2019
a. Surplus		
Opening balance	147,899,121	105,502,717
(+) Net Profit/(Net Loss) For the current year	54,041,481	42,396,404
Closing Balance	<u>201,940,602</u>	<u>147,899,121</u>
Total	<u>201,940,602</u>	<u>147,899,121</u>



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 3

Other Long term Liabilities

	As at 31 March 2020	As at 31 March 2019
Security Retained	7,764,718	10,787,426
	<u>7,764,718</u>	<u>10,787,426</u>

Note 4

Long-term Provisions

	Non-Current Part		Current Part	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
1 Gratuity(a)	1,930,007	1,047,408	36,150	19,619
Leave Encashment Payable(a)	790,606	488,285	56,166	43,456
	<u>2,720,613</u>	<u>1,535,693</u>	<u>92,316</u>	<u>63,075</u>

(a) As per Actuarial valuation (Refer to Note 27)

Note 5

Short Term Borrowings

	As at 31 March 2020	As at 31 March 2019
Secured Loans		
(i) Term Loan from Yes Bank (a)	77,133,333	231,400,000
(ii) Bank Overdraft (a)	-	125,851,933
Unsecured Loans (#)		
Intercompany loan from Related Party (b)		
*From Holding company	-	5,720,212
Deferred Payment Liabilities (c)	29,300,000	29,300,000
	<u>106,433,333</u>	<u>392,272,145</u>

Terms of Sanction (Term Loan and Overdraft Facility)

Company has availed Term loan facility from Yes Bank Limited of Rs.500 million out of which Rs.462.80 million has been taken as term loan and balance Rs.37.18 has been utilised for bank guarantee. The Company has to repay the said term loan in 42 months (including moratorium period of 9 months from the date of first disbursement) in 6 equal half yearly installments i.e. repayment of Rs.77.13 million every 6 months from 04 April 2018 to 04 October 2020.

The Company has paid 5 installments till 31 March 2020 and the outstanding balance as on 31 March 2020 is Rs.77,133,333 (PY : Rs.231,400,000).

The Company has also availed Dropline Overdraft facility from Yes Bank Limited of Rs.250 Million with sub-limit of Rs.100 Million for Letter of Credit and sub-limit of Rs.50 Million for Undertaking for Buyer's Credit. The Company has utilised entire limit for Dropline Overdraft Facility with reducing limit of Rs.41.67 Million in every 6 months. The balance outstanding as on 31 March 2020 is Rs.Nil (PY : Rs.125,851,933)

The Company has secured the above mentioned facilities by way of following securities:

1.First and exclusive charge on the land & building (both present & future) of the affordable housing project "GRAND IVA" at sector 103, Gurgaon to provide minimum security cover of 1.75 times of the outstanding amount;
2.Exclusive charge on current and movable fixed assets (both present & future) including the sold/unsold receivables of the project "GRAND IVA";

3.Unconditional and irrevocable personal guarantee of Mr. Lalit Aggarwal, Mr. Ravi Aggarwal, Mr. Pradeep Aggarwal and Mr. Devender Aggarwal to remain valid during the entire tenure of YBL facilities;



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 5 (a) (Contd.)

4.Unconditional & irrevocable corporate guarantee of Signature Global (India) Pvt Ltd to remain valid during the entire tenure of YBL facilities;
5.Non-disposal undertaking of 51% shareholding of the promoter shareholding of JMK Holdings Pvt Ltd to remain valid during the entire tenure of the facility.

Further, company has booked fixed deposit of Rs.5.58 million under lien with bank against 15% margin money for bank guarantee for external development charges and internal development work.

(b) In the absence of any stipulation & as represented by the management the said loan being repayable on demand have been treated as short term in nature

(c) Under deferred payment option, External Development charges are payable in 10 equal half yearly instalments of Rs.9,767,400 each from 10 October 2014. As on 31 March 2020, Rs.29,300,000 is outstanding comprising 3 instalments overdue.

#The said loans and the terms & conditions are subject to confirmation from the respective parties

Note 6

Current term Provisions

	As at 31 March 2020	As at 31 March 2019
Provision for Tax	16,674,957	12,828,647
Provision for Contingent Expenses	1,500,000	3,120,000
Gratuity Payable	36,150	19,619
Leave Encashment Payable	56,166	43,456

18,267,273

16,011,722

(a) Expenditure on CSR activities during the year

CSR Activities	Paid	Yet to Paid	Total	Provision made in current year
(i) Construction/acquisition of any assets	-	-	-	-
(ii) On purpose other than (i) above	1,383,745	-	1,383,745	-

Note 7

Trade Payables#

	As at 31 March 2020	As at 31 March 2019
Total outstanding dues of micro enterprises and small enterprises		
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid any supplier at the end of each accounting year;	15,918,977	1,205,051
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 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 (which has been paid but beyond the appointed day during the year) 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; and	31,309	9,314
(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.	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	88,363,344	92,986,567
	104,313,630	94,200,932

The Trade Payables are subject to confirmation from the parties. Further, Small & Micro enterprises have been represented and certified by management.



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 8

Other Current Liabilities

	As at 31 March 2020	As at 31 March 2019
Statutory Dues Payable (a)	10,103,582	10,937,950
Cheque issued but not presented for payment	1,574,089	4,365,479
Employees Expense payable	616,141	1,684,606
Customers Advance(Net) (b)	460,671,397	328,497,577
Security From Applicants (c)	-	345,996
Security Retained	993,446	1,043,162
Interest accrued but not due		
*Interest Payable on External Development Charges (Refer Note 5)	10,337,015	5,946,724
*Interest Payable on term loan (Refer Note 5)	1,025,134	2,875,400
Other Advance from Customers	165,581	168,596
	485,486,385	355,865,491

Statutory dues are subject to assesment under relevant acts/laws

(a) As represented and certified by the management and includes amount refundable against cancelled units & amount collected from customers and deposited under protest with the Haryana Sales tax Department. Management has represented that the amount if any remaining after final assessment of liability shall be duly refunded back to customers.

(c) Being security for applications received from customers for subsequent re-draws

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JMK HOLDINGS PRIVATE LIMITED

13TH FLOOR, DR. GOPAL DAS BHAWAN, 28 BARAKHAMBA ROAD, CONNAUGHT PLACE
CIN No. U70109DL2013PTC255232

Statement of Profit & Loss Account for year ended 31 March 2020

(All amounts are in Rs. unless otherwise specified)

Note 9**Fixed assets, Capital work-in-progress and depreciation schedule**

	Original Cost				Depreciation				Net Value		
	Balance as at 01 April 19	Additions During the year	Sale/deletion for the year	Balance as at 31 March 2020	Accumulated Depreciation as at 01 April 2019	Depreciation on opening Assets	Depreciation on additions made during the year	Deletion during the year	Accumulated Depreciation as at 31 March 20	Balance as at 01 April 19	Balance as at 31 March 2020
Description											
COMPUTER & SOFTWARE	889,909	-	-	889,909	780,520	64,894	-		845,414	109,389	44,495
OFFICE EQUIPMENT	1,179,916	14,200	-	1,194,116	857,618	145,266	6,400		1,009,284	322,298	184,832
FURNITURE & FITTINGS	273,686	-	-	273,686	112,543	41,714	-		154,258	161,142	119,428
PLANT & MACHINERY	2,232,244	34,150	766,020	1,500,374	769,718	264,770	2,978	407,064	630,402	1,462,526	869,972
TOTAL	4,575,754	48,350	766,020	3,858,084	2,520,399	516,644	9,378	407,064	2,639,357	2,055,356	1,218,727

Total Depreciation during the year

Less: T/F to Project Cost

Net charged to Profit & Loss A/C

526,022
418,126
107,897



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 10

Long term Investment

Investment in Corpus funds

As at 31 March 2020	As at 31 March 2019
1,100	-
1,100	-

Note 11

Deferred Tax Assets (Net)

a. Deferred Tax Assets

Related to timing difference on depreciation on fixed assets

Payable Statutory Dues, disallowable under Income Tax Act, 1961 (a)

As at 31 March 2020	As at 31 March 2019
-	220,960
4,348,971	4,012,165
4,348,971	4,233,125

b. Deferred Tax Liability

Related to timing difference on depreciation on fixed assets

46,354	-
46,354.39	-

Deferred Tax Assets (Net) [a-b]

4,302,616	4,233,125
------------------	------------------

Less: Opening Deffered Tax Assets

4,233,125	2,540,274
-----------	-----------

Deferred Tax for the year

(a) Deffered tax/ Current year income tax provision have been computed/ provided based on expected payment of statutory dues (Duties and taxes) before the filling of Income tax Returns.

69,492	1,692,851
---------------	------------------

Note 12

Long-term loans and advances

Security Deposit

As at 31 March 2020	As at 31 March 2019
1,104,146	162,146
1,104,146	162,146

Note 13

Other Non-Current Assets

Margin money deposits (a)

Interest Accrued but not due on Margin money deposits

Prepaid Taxes

As at 31 March 2020	As at 31 March 2019
129,051	6,444,844
1,381	49,419
-	5,108,473
130,432	11,602,736

(a) Includes Fixed Deposits under lien with bank for furnishing bank guarantee to Sales tax Department

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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 14

Inventory (Valued & certified by Management)

	As at 31 March 2020	As at 31 March 2019
Closing Inventory		
Construction & Scrap Material at site	12,343,071	12,518,408
Construction Work In Progress (a) & (b)	150,074,741	144,066,431
	162,417,813	156,584,839

(a) That secured credit facility of Rs. 360 Crores has been taken by Signatureglobal (India) Private Limited (the holding company) from M/S HDFC Capital Affordable Real Estate fund -II (Charge holder M/S Vistra ITCL India Limited) & to secure such facilities, collective securities of subsidiary companies (i.e. Holding company & fellow subsidiary company) as well as group companies have been provided along with Corporate Guarantee. Similar Credit facility of Rs. 40 Crores has been taken by group company M/S Sarvpriya Securities Private Limited, from HDFC Capital Affordable Real Estate (Charge holder M/S Vistra ITCL India Limited) & to secure such facility, collective securities of subsidiary companies (i.e. Holding company & fellow subsidiary company) as well as group companies have been provided along with Corporate Guarantee.

Refer to Note 21

Note 15

TRADE RECEIVABLES

	As at 31 March 2020	As at 31 March 2019
(Unsecured considered good)		
Outstanding for a period exceeding six months	-	-
Others	19,298,142	30,965,974
	19,298,142	30,965,974

Note 16

Cash and Cash Equivalents

	As at 31 March 2020	As at 31 March 2019
Balance with Banks		
(i) In Current Account	9,104,132	24,827,113
(ii) Sweep Account	1,856,788	22,010,126
Margin money deposit (a)	6,770,294	-
Cheques in Hand	684,400	250,021,700
Cash & Cash Equivalents		
Cash on hand	1,657,888	1,700,004
	20,073,502	298,558,942

(a) Includes Deposit with Director General Town & Country Planning Hararyana

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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 17

Short-Term Loans and Advances

	As at 31 March 2020	As at 31 March 2019
Inter-corporate Loans to related parties		
To NBFC	628,424,110	471,293,979
Security Deposit for Projects	31,225,000	-
Advances Recoverable in Cash or kind		
(i) Mobilization advance with contractors	10,713,106	-
(ii) Other Recoverable	2,626,786	1,920,071
Prepaid Expense	5,345	27,600
Advance to Suppliers	1,284,251	9,297,433
Balance with Statutory Authorities (a)	42,586,784	41,593,110
	716,865,382	524,132,193

(a) Statutory dues are subject to assessment under relevant acts/laws.

Note 18

Other Current Assets

	As at 31 March 2020	As at 31 March 2019
External development charges recoverable from customers (a)	7,590,368	6,955,123
Unbilled Revenue	23,868,477	13,307,849
Interest accrued but not due on Deposits	55,849	14,249
	31,514,694	20,277,221

(a) External development charges recoverable from Customers (for commercial units).

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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 19

Revenue from Operations

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue Recognition (a)	269,706,343	731,503,220
Unit cancellation charges	2,284,186	2,100,000
	271,990,529	733,603,220

(a) Being revenue recognized on Percentage of Completion Method in line with the Guidance Note on Accounting for Real Estate Transactions

Note 20

Other Income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on FDRs	708,137	794,956
Interest on unsecured Loan	90,477,924	83,159,835
Other Income	738,059	808,794
Gain/Loss on sale of PPE	221,044	-
Excess Provision written off	1,162,137	-
	93,307,302	84,763,585

Note 21

Project Expenses Incurred

	For the year ended 31 March 2020	For the year ended 31 March 2019
Cost of Land & Collaboration Rights for the Project	5,051,110	-
Cost of Material Consumed	58,505,237	284,335,037
Direct Labour Expenses	15,135,745	14,975,206
Contract Service Charges	125,270,739	231,136,749
Other Construction Expenses	29,664,222	50,349,192
Finance & Incidental Cost	5,742,780	22,935,470
Depreciation on Fixed Assets (i)	418,126	694,340
	239,787,958	604,425,994

(i) Depreciation on Fixed assets involved exclusively in the construction, development & sale of single housing project have been charged to Project cost.

Note 22

Decrease/(Increase) in Work in Progress

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening Stock of Work in Progress (a)	144,066,431	220,939,844
Add: Project Expenses Incurred (Note No.20)	239,787,958	604,425,994
Less: Cost against Revenue Recognised	233,779,647	681,299,407
Closing Stock Work in Progress (b)	150,074,741	144,066,431
Decrease/(Increase) in Inventory (a-b)	(6,008,311)	76,873,413



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 23

Employee Benefits Expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries wages and bonus	6,900,538	8,034,634
Contribution to provident and other funds	1,728,809	570,711
Staff Welfare Expenses	354,270	437,383
	8,983,617	9,042,728

Note 24

Finance Cost

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on Term Loan	16,408,820	37,112,781
Interest Paid to Others	21,995	9,314
	16,430,815	37,122,095

Note 25

Other Expenses

	For the year ended 31 March 2020	For the year ended 31 March 2019
Payment to Auditors		
for statutory audit	105,000	105,000
for tax audit	45,000	45,000
for other matters	-	46,000
Advertisement, branding and Publicity	20,076,955	10,449,752
Business Promotion Expenses	-	365,784
Bank charges	8,067	127,309
Commission Expense	591,800	3,132,807
Communication & Postage Expense	10,064	16,575
Conveyance Expense	253,663	296,130
Donation	201,150	817,500
Electricity Expense	188,082	276,119
Printing & Stationary Expense	162,929	281,700
Prepaid Period Expense	-	138,021
Project Administration & Marketing Cost	-	2,400,000
Office Repair & maintenance	1,031,653	1,315,604
Rent Expense	2,500,513	3,119,004
Rates & Taxes	398,258	733,159
CSR Expenses	1,383,745	2,141,165
Legal & Professional charges	1,434,904	798,956
Security guard and House Keeping Expenses	1,578,305	1,574,698
Misc Expenses	270,347	399,227
	30,240,435	28,579,510



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 26

Calculation of Earning Per Share

Basic and Diluted Earning Per Share

	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit after Tax	54,041,481	42,396,404
Weighted Average Number of Shares (Fully paid up)	3,000,000	3,000,000
Earning Per Share	18.01	14.13

Note 27

GRATUITY PROVISION (AS-15)

Statement of Profit & Loss

Net employee benefit expense recognised in employee cost

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	681,266	214,114
Past service cost	-	-
Interest cost on benefit obligation	72,558	40,552
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised in the year	145,306	(30,038)
Expenses recognised in the statement of P/L	899,130	224,628

Balance Sheet

Benefit asset/liability

Present value of defined benefit obligation at the beginning

	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of defined benefit obligation	(1,067,027)	(842,399)
Fair value of plan assets	899,130	224,628
Net Asset / (Liability) recognised in Balance sheet	(1,966,157)	(1,067,027)

Changes in the present value of defined benefit obligation are as follows:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening defined benefit obligation	1,067,027	842,399
Current service cost	681,266	214,114
Past service cost	-	-
Interest cost	72,558	40,552
Benefit paid	-	-
Actuarial (gains)/losses on obligation	145,306	(30,038)
Closing defined benefit obligation	1,966,157	1,067,027

Changes in the fair Value of Plan Assets are as follows:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gain/(loss)	-	-
Closing fair value of plan assets	-	-

The principal assumptions used in determining gratuity benefit obligation for the Company's plans are shown below:



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 27 (Contd.)

Economic Assumptions

Discounting Rate

6.80%	7.00%
10% for the first three years and 7% thereafter	10% for the first three years and 7% thereafter

Salary Growth Rate

Expected Rate of Return on Plan Assets

-

Demographic Assumptions

Retirement Age

Mortality Table

Employee Turnover/ Attrition Rate

18 to 30 Years

30 to 45 Years

Above 45 Years

60 Years IALM [2012-2014]	60 Years IALM [2006-2008]
15.00%	15.00%
10.00%	10.00%
5.00%	5.00%

LEAVE ENCASHMENT PROVISION (AS-15)

Balance Sheet Position

Asset & Liability

Present Value Obligation

Fair value of Plan Asset

Effect of asset ceiling

Net Asset / (Liability)

For the year ended
31 March 2020

For the year ended
31 March 2019

846,772	531,741
-	-
-	-
(846,772)	(531,741)

The principal assumptions used in determining gratuity benefit obligation for the Company's plans are shown below:

Economic Assumptions

Discounting Rate

6.80%	7.00%
10% for the first three years and 7% thereafter	10% for the first three years and 7% thereafter

Salary Growth Rate

Expected Rate of Return on Plan Assets

-

Demographic Assumptions

Retirement Age

Mortality Table

Employee Turnover/ Attrition Rate

18 to 30 Years

30 to 45 Years

Above 45 Years

60 Years IALM [2012-2014]	60 Years IALM [2006-2008]
15.00%	15.00%
10.00%	10.00%
5.00%	5.00%

Note 28

BORROWING COST (AS-16)

Finance costs pertaining to Project, capitalized to the Project Cost during the year

Bank Charges & Interest (Net of interest earned on temporary Loan and advances)

Interest to DTCP on deferred Instalments Payments

For the year ended
31 March 2020

For the year ended
31 March 2019

5,742,780	22,935,470
3,780,640	840,294

9,523,420	23,775,764
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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 29

Related Party Disclosures (with whom transaction taken place during the year)

a) Relationships

I. Key Managerial Persons

Mr. LALIT KUMAR AGGARWAL	KMP
Mr. RAVI AGGARWAL	KMP
Mr. RAJAT GOEL	KMP (Upto 1st October 2019)
Mr. UJJWAL GOEL	KMP (Upto 1st October 2019)
Mr. NIKHIL AGGARWAL	KMP (Upto 16th November 2019)
Mr. Manish Jindal	KMP (Upto 06th July 2019)

II. Associated Companies

Signatureglobal (India) Private limited	Holding Company
Signatureglobal Capital Private Limited	Enterprise over which KMP having Significant Influence
Signatureglobal Marketing Solutions Private Limited	Enterprise over which KMP having Significant Influence
Sarvpriya Securities Private Limited	Enterprise over which KMP having Significant Influence
Signature Builders Private Limited	Fellow Subsidiary
Signatureglobal Developer Private Limited	Fellow Subsidiary
Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	Fellow Subsidiary
Forever Buildtech Private Limited	Fellow Subsidiary
Sternal Buildcon Private Limited	Fellow Subsidiary
Signatureglobal InfraBuild Private Limited	Fellow Subsidiary
Signatureglobal Homes Private Limited	Fellow Subsidiary
Signatureglobal Foundation Trust	KMP's are Trustee

b) The following transactions were carried out with related parties in the ordinary course of business:-

	Year ended 31 March 2020	Year ended 31 March 2019
Signatureglobal (India) Private limited		
Recovery of Testing charges	60,000	60,000
Sale Of Goods	222,968	1,877,651
Purchase of Construction Material	238,197	6,935,868
Administrative Charges On Material	1,493,938	7,043,648
Project Management & Marketing Cost	10,500,000	44,400,000
Branding and Publicity	20,000,000	10,000,000
Business Support Services	3,447,920	4,445,907
Reimbursement of Expense	400,251	1,117,525
Corporate Guarantee Taken by the Company (Note 3)		
Signature Builders Private Limited		
Recovery of Testing charges	180,000	180,000
Sale of goods	79,909	16,953
Reimbursement of Expense	1,218	18,979
Sarvpriya Securities Private Limited		
Purchase Of Construction Material	-	332,150
Recovery of Testing charges	120,000	60,000
Other Expenses	1,800	2,015



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020*(All amounts are in Rs. unless otherwise specified)***Note 29 (b) (Contd.)****Signatureglobal Developer Private Limited**

Recovery of Testing charges	60,000	60,000
Sale of goods	-	31,065
Rent and Repair Paid	122,000	152,500
Purchase of Goods	-	175,929

Forever Buildtech Private Limited

Recovery of Testing charges	120,000	60,000
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Sternal Buildcon Private Limited

Recovery of Testing charges	60,000	60,000
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Signatureglobal Homes Private Limited

Recovery of Testing charges	120,000	-
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Signatureglobal InfraBuild Private Limited

Recovery of property plant & Equipment	580,000	-
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Signatureglobal Marketing Solutions Private Limited

Commission & Brokerage paid	151,800	214,200
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Signatureglobal Foundation Trust

Contribution in corpus fund	1,100	-
-----------------------------	-------	---

Loan Taken

Signatureglobal (India) Private limited	15,000,000	106,500,000
---	------------	-------------

Loan Repaid (including TDS)

Mr Rajat Goel	-	74,273,450
Signatureglobal (India) Private limited	20,966,460	105,468,913

Interest Paid

Signatureglobal (India) Private limited	246,248	4,689,125
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Loan Given

Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	186,314,544	778,073,809
Signatureglobal Capital Private Limited	-	-
Signatureglobal Capital Private Limited	310,737,663	-

Loan Recovered

Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	253,700,000	772,200,000
Signatureglobal Capital Private Limited	176,700,000	85,000,000

Interest Received

Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	26,854,559	39,261,908
Signatureglobal Capital Private Limited	63,623,365	43,897,927

C.) Balance at end of the year:**Trade Payable**

Signatureglobal (India) Private limited	13,651,155	14,337,840
Signatureglobal Developer Private Limited	131,760	164,700
Signatureglobal Marketing Solutions Private Limited	7,590	242,046



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C.

JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 29 (C.)(Contd.)

Trade Receivable

Signature Builders Private Limited	194,500	198,306
Sarvpriya Securities Private Limited	131,400	64,800
Forever Buildtech Private Limited	129,600	64,800
Signatureglobal Developer Private Limited	64,800	66,165
Sternal Buildcon Private Limited	64,800	64,800
Signature Global Homes Pvt Ltd.	129,600	
Signature global india pvt.ltd	327,904	

Unsecured Loan Payable

Signatureglobal (India) Private limited	-	5,720,212
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Unsecured Loan Recoverable

Indeed Fincap Private Limited (Formerly know as Charles (India) Private Limited)	124,468,784	164,999,681
Signatureglobal Capital Private Limited	503,955,326	306,294,298

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✓ C.

JMK HOLDINGS PRIVATE LIMITED

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Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 30

Provisions, Contingent Liabilities and Contingent Assets

Pursuant to the AS-29 "Provisions, Contingent Liabilities and Contingent Assets", the disclosure relating to provisions made in the accounts for the year ended 31st March 2020 is as follows:-

Particulars	Provision for Adhoc Expense		Provision for Gratuity (Retirement Benefits)	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
Opening Balance	3,120,000	1,800,000	1,067,027	842,399
Addition	440,000	1,320,000	899,130	224,628
Utilization/ Contribution	(2,120,000)	-	-	-
Reversal	-	-	-	-
Closing Balance	1,440,000	3,120,000	1,966,157	1,067,027

Particulars	Provision for Leave Encashment (Retirement Benefits)		Provision for Labour cess	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
Opening Balance	531,741	904,818	7,893,615	3,200,946
Addition	315,031	(219,908)	2,000,000	4,692,669
Utilization/ Contribution	0	(153,169)	(500,000)	-
Reversal	-	-	-	-
Closing Balance	846,772	531,741	9,393,615	7,893,615

Note 31

Contingent Liabilities and Commitments (As represented & certified by the management)

	As at 31 March 2020	As at 31 March 2019
(a) Contingent Liabilities		
Contingent liability in respect of guarantees given by the company and by the bank on behalf of the company.	-	-
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for*	-	-
Guarantees given by the company and by the bank on behalf of the company in favour of authority. (Net of Deposit lien with bank) (Refer Note 16)	33,466,950	33,466,950
	33,466,950	33,466,950

Note 32

Disclosure in respect of project which falls under the Revised Guidance Note issued by Institute of Chartered Accountants of India on "Accounting for Real Estate transactions (Revised 2012)"

	As at 31 March 2020	As at 31 March 2019
Aggregate amount of costs incurred and profits recognized to date	269,706,343	1,590,211,636
Amount of project revenue recognized as revenue during the year	1,859,917,978	1,590,211,636
Amount of advances received (Excluding Customer's Application Money)	460,671,397	1,766,156,006
Amount of work in progress and value of inventories	136,511,101	234,805,374
Excess of revenue recognized over actual bills raised (unbilled revenue)	23,868,477	13,307,849



JMK HOLDINGS PRIVATE LIMITED

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Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

Note 33

Previous Year figures have been re-grouped/re-arranged wherever considered necessary for better presentation & analysis.

Note 34

The Balance of payables and receivables including Loans & Advances, imprest balances are subject to confirmation from the Third Parties.

Note 35

a) Corporate Information

JMK Holdings Private Limited (or 'the Company') is a private Company domiciled in India and incorporated under the provision of the Companies Act, 2013 on 11th July, 2013. The Company is primarily engaged in the business of construction & development of real estate projects.

b) 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 Act 2013, read with general circular 8/2014 dated April 4, 2014, issued by Ministry of Corporate Affairs. The financial statements have been prepared on accrual basis and under the historical cost convention.

c) Operating Cycle

Operating cycle of the company has been considered as per the Project life cycle which is generally 3-4 years.

d) Use of Estimates

The preparation of financial statements is in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates 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 carrying amounts of assets or liabilities in future periods.

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from Real Estate Projects

Revenue shall be recognised on percentage completion method as per Accounting Standard 7 "Construction Contracts" issued by The Institute of Chartered Accountants of India read with Guidance Note on Real Estate Activities,

(i) Atleast 25% of the saleable project area is secured by contracts or agreements with buyers

(ii) The expenditure incurred on construction and development costs is less than 25 % of the Budgeted construction and development costs

(iii) In respect of these customers from when more than 10% of the sale amount has been received and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

(iv) No significant uncertainty exists regarding the amount of consideration that will be derived from the real estate sales

Revenue from activities incidental to sale of project is recognised on time proportion basis.

Where the revenues recognized against each of the customers advances received following the above method is more than the advance received from customers, the same is shown as trade receivable.

(ii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is adjusted from Finance cost in the statement of profit and loss.

However, where any sums have been borrowed for the purpose of construction & development of a qualifying asset in terms of Accounting Standard 16 "Borrowing Cost" issued by The Institute of Chartered Accountants of India, the interest on such borrowing (Net of receipt on surplus invested, if any) are apportioned to the cost of such qualifying asset.



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JMK HOLDINGS PRIVATE LIMITED

CIN No. U70109DL2013PTC255232

Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

f) Inventory

Work in Progress : At Cost. Cost comprises of all the expenditure directly relating to construction, borrowing cost and other construction overheads

g) Income Taxes

Tax expense comprises 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 jurisdictions 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 directly in equity is 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 situations where the Company has unabsorbed depreciation 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.

h) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, that have changed the number of equity shares outstanding, without a corresponding change in resources. There are no diluted potential equity shares. Hence basic earnings per share and diluted earnings per share are same.

i) 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 benefits 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.

j) 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 statements.

k) Cash and cash Equivalents

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



JMK HOLDINGS PRIVATE LIMITED

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Notes Forming part of Financial Statements as at 31st March 2020

(All amounts are in Rs. unless otherwise specified)

1) Fixed Assets:-

Fixed Assets of the Company are valued at cost which include allocation / apportionment of direct and indirect expenses incurred in relation to such Fixed Assets.

Component Accounting

Due to application of Schedule II to the Companies Act, 2013, the company has changed the manner of depreciation for its fixed assets. Now, the company identifies and determines separate useful life for each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset. However, it does not have any impact on the Statement of Profit & Loss for the year.

m) Depreciation:-

The company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life. Depreciation on fixed assets is provided on Written down value method over their useful life and in the manner prescribed in Part C of Schedule II to the Companies' Act 2013 on a pro-rata basis. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset.

Note 36

The Company is engaged in the business of providing infrastructural facilities as per Section 186(11) read with Schedule VI of the Act. Accordingly, disclosures under Section 186 of the Act, are not applicable to the Company.

For Serva Associates
Chartered Accountants
FRN No. 000272N

Nitin Jain
(Partner)

M.No.

Date: 25 SEP 2020

Place: New Delhi

For and on behalf of the Board of Directors of
JMK Holdings Private Limited

Ravi Aggarwal
Director

DIN No 00203856

Lalit Kumar Aggarwal
Director

DIN No 00203664