

# **DSK Southern Projects Private Ltd.**

**CIN: U45200PN2008PTC132140**

**Seventh Annual Report**

**2014-15**

## **DSK Southern Projects Private Ltd.**

### **Board of Directors**

Mr. D. S. Kulkarni	Chairman	00391027
Mr. T. S. Bhagavat	Director	00188587
Mr. P.B. Parasnis	Director	00064527
Mrs. H. D. Kulkarni	Director	00426263

### **Auditors**

Gokhale, Tanksale & Ghatpande

### **Registered Office**

1187/60 J M Rd. Shivajinagar, Pune 411005

## **DSK Southern Projects Private Ltd.**

### **Notice of Seventh Annual General Meeting**

Notice is hereby given that the **Seventh** Annual General Meeting of **DSK Southern Projects Private Ltd.** will be held at 1187/60 J M Road, Shivajinagar, Pune 411005 on **Monday, the 28th September, 2015**, at 4.30 p.m to transact, with or without modification, the following businesses:

#### **Ordinary Business:**

- 1 To receive, consider and adopt the Audited Balance Sheet as at the **31st March 2015**, the Statement of Profit and Loss for the year and also the Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and of the Auditors thereon.
- 2 To appoint a director in place of Mrs. H. D. Kulkarni (DIN 00426263) who retires by rotation and being eligible, offers herself for reappointment.
- 3 To consider Re-Appointment/ Ratification of Auditors  
"RESOLVED THAT, pursuant to provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the reappointment of the retiring Auditors, M/s Gokhale, Tanksale & Ghatpande, (Firm Registration No. 103277W) who hold office from the conclusion of 6th Annual General Meeting till the conclusion of 11th Annual General Meeting to be held in 2019, be and is hereby ratified and that Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors."

#### **Notes:**

- 1 A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxy / proxies to attend and vote instead of himself and such proxy need not be a member of the Company. In order to be effective, Proxies, in the form enclosed, must be received by the Company at least 48 hours before the scheduled commencement of the meeting.

**By Order of the Board**

**For DSK Southern Projects Private Ltd.**

**D. S. Kulkarni**

**Chairman**

**DIN 00394027**

**Place: Pune**

**Date: 28th May, 2015**

**T. S. Bhagavat**

**Director**

**DIN 00188587**

**DSK Southern Projects Private Ltd.**  
**Directors' Report**

To,  
The Members,

Your Directors have pleasure in presenting the Seventh Annual Report together with the Annual Accounts for the year ended 31st March 2015.

1 <b>Progress of the Company</b>	(₹ in lacs)	
	<b>2014-15</b>	<b>2013-2014</b>
Total Revenue	59.60	294.79
Profit before Depreciation and Tax	(453.19)	(358.39)
Profit after Tax	(453.19)	(358.39)

- 2 **State of Affairs of the Company:** Your Directors would like to inform you that the Company is developing a premium, high-end residential project of 42 storied apartments at Bangalore named "Mantri DSK Pinnacle". Out of the total 133 units, 76 units have been sold so far.
- 3 **Directors:** Mrs. H. D. Kulkarni retires by rotation and, being eligible, offers herself for reappointment. The Board recommends her reappointment.
- 4 **Extract of Annual Return:** As provided in Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the extract of the Annual Return in **Form MGT 9** is provided in **Annexure 1** to the Directors' Report.
- 5 **Number of Board Meeting:** The Board of Directors of the Company met five (5) times during the year as under: 23rd April, 2014, 14th May, 2014, 28th May, 2014, 26th July, 2014, 30th October, 2014, 3rd February, 2015.
- 6 **Employees:** During the year under review, the company did not employ any person drawing remuneration of more than ₹ 5,00,000 p.m. or ₹ 60,00,000 p.a. Hence details as per the provisions of Section 197 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are not stated.
- 7 **Dividend:** Your Directors do not recommend any dividend.
- 8 **Auditors:** M/s Gokhale, Tanksale & Ghatpande, Chartered Accountants, (Registration No.103277W), who are the Statutory Auditors of the Company were appointed for a term of 5 years in the Annual General Meeting held on 29th September, 2014. Pursuant to the provisions of Section 139 it is required to ratify their appointment by members in every Annual General Meeting for the appointed term. It is proposed to ratify their appointment for examining and auditing the accounts of the Company for one year and to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held in the year 2016. M/s Gokhale, Tanksale & Ghatpande have, under Section 139(1) and 141 of the Companies Act, 2013 and the Rules framed thereunder furnished a certificate of their eligibility and consent for re-appointment. Ratification of the appointment of the Auditors is sought herewith.
- 9 **Auditors Observations:** The Company has incurred cash losses during the year under review and also during the immediately preceding year, since Company have only one project in hand and sales are low. The Directors are confident to overcome this situation whenever new projects are awarded and revenues there from are realised.

- 10 **Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo:** Since the Company's business consists of real estate development, the company does not employ heavy machinery. Hence consumption of electricity is negligible. The Company does not consume fuel oil. Hence details of conservation of energy and use of alternative sources of energy are not be stated. The Company has not acquired any technology. Hence the question of technology absorption does not arise.

	(₹ in lacs)	(₹ in lacs)
	<b>2014-15</b>	<b>2013-2014</b>
Foreign exchange expenditure:	Nil	Nil
Foreign exchange earnings:	Nil	Nil

- 11 **Deposits:** The Company has not accepted any deposits from the public and hence the particulars required by Section 73 are not stated.
- 12 **Directors' Responsibility Statement:** Pursuant to Section 134(3)(c) of the Companies Act, 2015 the Directors confirm that:
- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
  - the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
  - the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
  - the directors had prepared the annual accounts on a going concern basis; and
  - the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
  - the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- 13 **Acknowledgements:** The Board wishes to acknowledge the support offered by all of you and hope that such cooperation will continue in future.

**For and on behalf of the Board,**

**D. S. Kulkarni**

**Chairman**

**DIN 00394027**

**Place: Pune**

**Date: 28th May, 2015**

**T. S. Bhagavat**

**Director**

**DIN 00188587**

**ANNEXURE 1****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****as on financial year ended on 31.03.2015****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.****I REGISTRATION & OTHER DETAILS:**

i	CIN	U45200PN2008PTC132140
ii	Registration Date	29/05/2008
iii	Name of the Company	DSK Southern Projects Pvt. Ltd.
iv	Category/Sub-category of the Company	Company Limited by Shares, Non-Government Company
v	Address of the Registered office & contact details	"DSK House" 1187/60, J. M. Road, Shivajinagar, Pune - 411005. Te.: 020-66047000
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated: The Company operates in only one segment "Real Estate Development".

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction of Buildings	45201	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	D. S. Kulkarni Developers Ltd.	L45201PN1991PL C063340	Holding	100%	2(46)

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2014				No. of Shares held at the end of the year 31/03/2015				% change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	1	1	0.0014	0	1	1	0.0014	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	69999	69999	99.9986	0	69999	69999	99.9986	0.00
d) Bank/Fl	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>70000</b>	<b>70000</b>	<b>100.00</b>	<b>0</b>	<b>70000</b>	<b>70000</b>	<b>100.00</b>	<b>0.00</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0.00
b) Other Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks/Fl	0	0	0	0	0	0	0	0	0.00
e) Any other...	0	0	0	0	0	0	0	0	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>70000</b>	<b>70000</b>	<b>100.00</b>	<b>0</b>	<b>70000</b>	<b>70000</b>	<b>100.00</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FILS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
(2) Non Institutions									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)									
i) Individual NRI- Rep.- Non Rep.	0	0	0	0	0	0	0	0	0
ii) Non-Resident (Rep)	0	0	0	0	0	0	0	0	0
iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>70000</b>	<b>70000</b>	<b>100.00</b>	<b>0</b>	<b>70000</b>	<b>70000</b>	<b>100.00</b>	<b>0.00</b>

## (ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year 01/04/2014			Shareholding at the end of the year 31/03/2015			% change in share holding during the
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	DEEPAK SAKHARAM KULKARNI	1	0.0014	0	1	0.0014	0	0.00
2	D. S. KULKARNI DEVELOPERS LTD.	69999	99.99857	0	69999	99.99857	0	0.00
	Total	70000	100.00	0	70000	100.00	0	0.00

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year 01/04/2014		Cumulative Share holding during the year 31/03/2015	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	There is no change in the promoter's shareholding during the year				

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs): N. A.

Sl. No	For Each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year 31/03/2015	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company

## (v) Shareholding of Directors &amp; KMP

Sl. No	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year 31/03/2015	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Deepak Sakharam Kulkarni				
	At the beginning of the year	1	0.0014		
	Increase/decrease during the year	0	0.0000	0	0.00
	At the end of the year	1	0.0014		
2	Hemanti Deepak Kulkarni				
	At the beginning of the year	0	0.00		
	Increase/decrease during the year	0	0.00	0	0.00
	At the end of the year	0	0.00		
3	Shrikant Bhagavat				
	At the beginning of the year	0	0.00		
	Increase/decrease during the year	0	0.00	0	0.00
	At the end of the year	0	0.00		
4	P. B. Parasnis				
	At the beginning of the year	0	0.00		
	Increase/decrease during the year	0	0.00	0	0.00
	At the end of the year	0	0.00		



V INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01-04-2014</b>				
i) Principal Amount	-	42,58,26,387	-	42,58,26,387
ii) Interest due but not paid	-	7,30,21,978	-	7,30,21,978
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	49,88,48,365	-	49,88,48,365
<b>Change in Indebtedness during the financial year</b>				
Additions	-	8,43,35,821	-	8,43,35,821
Reduction	-	6,19,51,931	-	6,19,51,931
<b>Net Change (Addition)</b>	-	2,23,83,890	-	2,23,83,890
<b>Indebtedness at the end of the financial year as on 31-03-2015</b>				
i) Principal Amount	-	40,22,48,800	-	40,22,48,800
ii) Interest due but not paid	-	11,89,83,455	-	11,89,83,455
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	52,12,32,255	-	52,12,32,255

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: N. A.

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount

B. Remuneration to other directors: N. A.

Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: N. A.

Sl.No	Particulars of Remuneration	Key Managerial Personnel	Total Amount

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

# Gokhale, Tanksale & Ghatpande

Chartered Accountants

## Head Office:

102, R. K. Classic, New D. P. Rd., Opp. Ashish Garden, Kothrud, Pune 411029

Tel: 91-020-25388390; 25389154; 25399914; Fax: 91-020-25389302

E-mail: suneel@gtgca.com

**Managing Partner:** **S. M. Ghatpande**, *M. Com.; Dip. Lit (Fr.) LL. B.; A.C.I.S. (U.K.), F.C.A.*

## Independent Auditors' Report to the Members

To,

The Members of **DSK Southern Projects Private Ltd.**

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

We have audited the accompanying financial statements of **DSK Southern Projects Private Ltd.** which comprise the

- a) Balance Sheet as at the **31st March 2015**
- b) Statement of Profit and Loss for the year ended on that date
- c) Cash flow statement for the year ended on that date
- d) A summary of significant accounting policies and other explanatory information.

### **Management Responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes

- a) maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- b) selection and application of appropriate accounting policies;
- c) making judgments and estimates that are reasonable and prudent; and
- d) design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at the **31st March 2015**
- b) In the case of the Statement of Profit and Loss, of the **loss** of the Company for the year ended on that date.
  
- c) In the case of the Cash Flow Statement, of the **cash flows** of the Company for the year ended on that date.

### **Report on other legal and regulatory requirements**

- a) As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of Section 143(11) of the Act, we enclose, on the basis of our opinion, our examination of the relevant records and according to the information and explanation given to us, in the Annexure a statement on the matters specified in Paragraphs 3 and 4 of the said Order, since in our opinion and according to the information & explanations given to us, the said Order is applicable to this Company on the ground that DSK Southern Projects Private Ltd., being a subsidiary of the public company, D. S. Kulkarni Developers Ltd., is itself a "public" company as per the proviso to S. 2(71) of the Companies Act, 2013.
  
- b) As required by Section 143(3) of the Act, we report that
  - i) 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.
  - ii) 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;
  - iii) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - iv) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - v) On the basis of the written representations received from the directors as on **31st March, 2015** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2015** from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a) the Company does not have any pending litigations which would impact its financial position
    - b) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
    - c) there has been no delay on the part of the Company in transferring amounts, required to be transferred, to the Investor Education and Protection Fund

For Gokhale, Tanksale & Ghatpande,  
Firm Registration No: 103277W  
Chartered Accountants

S. M. Ghatpande  
Partner  
Membership No. 30462  
Place: Pune  
Date: 28th May 2015

**Independent Auditors' Report to the Members of DSK Southern Projects Private Ltd.**  
**Annexure Referred to in Paragraph a) under the heading "Report on other legal and regulatory requirements" of Our Report of Even Date**

- (i) The contents of Paragraph 3(i)(a) & (b) of CARO, 2015 are not applicable since the company did not have any fixed asset as at the balance sheet date.
- (ii) (a) The management has conducted physical verification of inventories at reasonable intervals during the year.  
(b) The procedures of such physical verification are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) The contents of Paragraph 3(iii)(a) & (b) of CARO, 2015 are not applicable since the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained u/s 189 of the Act.
- (iv) There are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness or continuing failure to correct a major weakness in the internal control systems in respect of these areas.
- (v) The contents of Paragraph 3(v) of CARO, 2015 are not applicable since the Company has not accepted deposits.
- (vi) The contents of Paragraph 3(vi) of CARO, 2015 are not applicable since maintenance of cost records has not been prescribed by the Central Government u/s 148(1) of the Act.
- (vii) (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to it. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year for a period of more than six months from the date those became payable.  
(b) There are no disputed amounts outstanding in respect of Income-tax, Sales-tax, Wealth Tax, Service tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to it as at the last day of the Financial year.  
(c) The Company is not required to transfer any amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and the Rules made thereunder
- (viii) **The company's accumulated losses at the end of the financial year under review exceed fifty per cent of its net worth. The Company has incurred cash losses during the year under review and also during the immediately preceding year.**
- (ix) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (x) The contents of Paragraph 3(x) of CARO, 2015 are not applicable since the Company has not given a guarantee or provided security in respect of a loan taken by others from a bank or a financial institution.
- (xi) The contents of Paragraph 3(xii) of CARO, 2015 are not applicable since the Company has not obtained any term loans.
- (xii) The contents of Paragraph 3(xii) of CARO, 2015 are not applicable since no fraud on or by the Company has been noticed or reported during the year.

For Gokhale, Tanksale & Ghatpande,  
Firm Registration No: 103277W  
Chartered Accountants

S. M. Ghatpande  
Partner  
Membership No. 30462  
Place: Pune  
Date: 28th May 2015

<b>DSK Southern Projects Private Ltd.</b>								
<b>CIN: U45200PN2008PTC132140</b>								
<b>Balance Sheet as at</b>				<b>Note No.</b>	<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-14</b>
					₹	₹	₹	₹
<b>I EQUITY AND LIABILITIES</b>								
<b>1 Shareholders' Funds</b>								
	a	Share capital	3	7,00,000			7,00,000	
	b	Reserves and surplus	4	(16,75,72,446)	(16,68,72,446)	(12,22,53,564)	(12,15,53,564)	
<b>2 Non-current liabilities</b>								
	a	Long term borrowings	5		41,18,98,309			43,04,60,613
<b>3 Current liabilities</b>								
	a	Other current liabilities	6	11,05,77,933			7,07,95,919	
	b	Short-term provisions	7	44,09,698	11,49,87,631	44,09,698	7,52,05,617	
		<b>TOTAL</b>			<b>36,00,13,494</b>		<b>38,41,12,666</b>	
<b>II ASSETS</b>								
<b>1 Current assets</b>								
	a	Inventories	8	29,28,30,375			30,53,17,650	
	b	Trade receivables	9	6,24,03,271			7,42,01,357	
	c	Cash and cash equivalents	10	5,52,638			3,66,449	
	d	Other current assets	11	42,27,210	36,00,13,494	42,27,210	38,41,12,666	
		<b>TOTAL</b>			<b>36,00,13,494</b>		<b>38,41,12,666</b>	
		<b>Contingent liabilities and commitments (to the extent not provided for)</b>			<b>NIL</b>		<b>NIL</b>	
Corporate information and statement of accounting policies				1-2				
The accompanying notes are an integral part of these financial statements.								
As per our audit report of even date.								
For Gokhale, Tanksale & Ghatpande,					For & on behalf of the Board of Directors			
Firm Registration No: 103277W								
Chartered Accountants								
S. M. Ghatpande					D. S. Kulkarni		T. S. Bhagavat	
Partner					DIN 00394027		DIN 00188587	
Membership No. 30462					(Chairman)		(Director)	
Place: Pune						Place: Pune		
Date: 28th May 2015						Date: 28th May 2015		

<b>DSK Southern Projects Private Ltd.</b>						
<b>CIN: U45200PN2008PTC132140</b>						
<b>Profit and Loss Statement for the year ended</b>		<b>Note No.</b>	<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-14</b>
			₹	₹	₹	₹
<b>I</b>	Revenue from operations	12		1,84,46,976		6,05,08,599
<b>II</b>	Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade	13		(1,24,87,275)		(3,10,29,375)
	<b>Total revenue</b>			<b>59,59,701</b>		<b>2,94,79,224</b>
<b>III</b>	<b>Expenses:</b>					
	b Finance costs	14		5,10,15,870		6,52,51,274
	c Other Expenses	15		2,62,713		67,356
	<b>Total expenses</b>			<b>5,12,78,583</b>		<b>6,53,18,630</b>
<b>IV</b>	Profit before exceptional and extra-ordinary items and tax			(4,53,18,882)		(3,58,39,406)
<b>V</b>	Exceptional Items			-		-
	Premium on redemption of debentures					
<b>VI</b>	Profit before extra-ordinary items and tax			(4,53,18,882)		(3,58,39,406)
<b>VII</b>	Extra-ordinary items					
<b>VIII</b>	Profit before tax			(4,53,18,882)		(3,58,39,406)
<b>IX</b>	Tax expense					
	1 Current tax					
	2 Deferred tax			-		-
<b>X</b>	Profit (Loss) for the period from continuing operations			(4,53,18,882)		(3,58,39,406)
<b>XI</b>	Profit (Loss) for the period			(4,53,18,882)		(3,58,39,406)
<b>XII</b>	<b>Earnings per equity share</b>					
	1 Basic	16		(647)		(512)
	2 Diluted					
Corporate information and statement of accounting policies		1-2				
The accompanying notes are an integral part of these financial statements.						
As per our audit report of even date.						
For Gokhale, Tanksale & Ghatpande,			For & on behalf of the Board of Directors			
Firm Registration No: 103277W						
Chartered Accountants						
S. M. Ghatpande			D. S. Kulkarni		T. S. Bhagavat	
Partner			DIN 00394027		DIN 00188587	
Membership No. 30462			(Chairman)		(Director)	
Place: Pune			Place: Pune			
Date: 28th May 2015			Date: 28th May 2015			

<b>DSK Southern Projects Private Ltd.</b>				
<b>CIN: U45200PN2008PTC132140</b>				
<b>Cash Flow Statement for the year ended</b>	<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-14</b>
	<b>₹</b>	<b>₹</b>	<b>₹</b>	<b>₹</b>
<b>A) Cash Flow From Operating Activities</b>				
Net Profit before Taxation & Extraordinary Items		(4,53,18,882)		(3,58,39,406)
Adjustments for				
Interest Expense	5,10,15,870	5,10,15,870	6,52,51,274	6,52,51,274
Operating Profit before Working Capital Changes		<b>56,96,988</b>		<b>2,94,11,868</b>
Adjustments for				
(Increase) Decrease in Receivables	1,17,98,086		1,94,62,282	
(Increase) Decrease in Inventories	1,24,87,275		3,10,29,375	
Increase (Decrease) in Payables	3,97,82,014	6,40,67,375	(13,68,25,823)	(8,63,34,166)
Cash generated from Operations		6,97,64,363		(5,69,22,298)
Income Taxes Paid		-		(3,34,830)
Cash flow before extra-ordinary Items		6,97,64,363		(5,72,57,128)
Cash flow from extra-ordinary Items				
Net Cash from Operating Activities (A)		<b>6,97,64,363</b>		<b>(5,72,57,128)</b>
<b>B) Cash Flow from Investing Activities</b>				
Net Cash used in Investing Activities(B)				
<b>C) Cash Flow from Financing Activities</b>				
Increase in Long Term Borrowings		(1,85,62,304)		12,20,40,312
Repayment of Long Term Borrowings				
Premium paid on redemption of debentures				
Interest Paid	(5,10,15,870)		(6,52,51,274)	
Dividend Paid				
Dividend Tax Paid				
Net Cash used in Financing Activities(C)		(5,10,15,870)		(6,52,51,274)
Net increase/decrease in cash and cash equivalents (A+B+C)		<b>1,86,189</b>		<b>(4,68,090)</b>
Cash & Cash Equivalent at the beginning of period		3,66,449		8,34,539
Cash & Cash Equivalent at the end of period		5,52,638		3,66,449
Note to the Cash Flow Statement : Cash and Cash Equivalents include Cash and Bank Balances				
The accompanying notes are an integral part of these financial statements.				
As per our audit report of even date.				
For Gokhale, Tanksale & Ghatpande,		For & on behalf of the Board of Directors		
Firm Registration No: 103277W				
Chartered Accountants				
S. M. Ghatpande		D. S. Kulkarni	T. S. Bhagavat	
Partner		DIN 00394027	DIN 00188587	
Membership No. 30462		(Chairman)	(Director)	
Place: Pune		Place: Pune		
Date: 28th May 2015		Date: 28th May 2015		

# DSK Southern Projects Private Ltd.

CIN: U45200PN2008PTC132140

Notes to the financial statements for the year ended

31-Mar-15

## 1 Corporate Information:

**DSK Southern Projects Private Ltd.** is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of real estate development.

The Company is not a "small company" as defined in Section 2(85) of the Companies Act, 2013, ("the Act") because being a subsidiary of the public company, D. S. Kulkarni Developers Ltd., it is itself a "public" company as per the proviso to S. 2(71) of the Companies Act, 2013.

As per Rule 7 of the Companies (Accounts) Rules 2014, the standards of accounting as specified under the Companies Act, 1956 (1 of 1956) shall be deemed to be the accounting standards until accounting standards are specified by the Central Government u/s 133 of the Act.

Rule 3 (1) of the Companies (Accounting Standards) Rules, 2006, made by the Central Government u/s 642 (1) read with Section 211(3C) and Section 210A(1) of the Companies Act, 1956 provides that the accounting standards recommended by the Institute of Chartered Accountants of India (ICAI) specified in the annexure to the said Rules shall come into effect in respect of accounting periods commencing on or after the publication of these accounting standards.

The Company is not a Small and Medium Sized Company (SMC) as defined in Rule 2(f) of the Companies (Accounting Standards) Rules, 2006 because

- a) it is a subsidiary of D. S. Kulkarni Developers Ltd. which is not a SMC and
- b) it did have borrowings (including public deposits) in excess of ₹ 10 crores at any time during the immediately preceding accounting year and in the year under review  
although
- c) its turnover (excluding other income) did exceed ₹ 50 crores in the immediately preceding accounting year and in the year under review, and
- d) its equity or debt securities are listed or are in the process of being listed on any stock exchange.

## 2 Basis of Preparation of Financial Statements

These financial statements comply in all material respects with the relevant provisions of the Act, the Generally Accepted Accounting Principles in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India which are specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. As required by AS 1 issued by the Institute of Chartered Accountants of India, the accounting policies followed in the preparation of these financial statements are disclosed below.

### 2.1 Summary of significant accounting policies

#### 2.1.1 Presentation and disclosure of financial statements

These financial statements have been presented in accordance with the Schedule III to the Companies Act, 2013.

#### 2.1.2 Accounting Convention:

These financial statements are prepared under the historical cost convention.

#### 2.1.3 Method of Accounting:

As required by Section 128(1) of the Act, these financial statements are prepared in accordance with the accrual method of accounting with revenues recognized and expenses accounted on their accrual including provisions / adjustments for committed obligations and amounts determined as payable or receivable during the period.

#### 2.1.4 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the end of the reporting periods and the reported amounts of revenues and expenses for the reporting periods. 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 the carrying amounts of assets or liabilities in future periods.

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised.



# DSK Southern Projects Private Ltd.

CIN: U45200PN2008PTC132140

Notes to the financial statements for the year ended

31-Mar-15

## 2.1.5 Consistency:

These financial statements have been prepared on a basis consistent with previous years and accounting policies not specifically referred hereto are consistent with generally accepted accounting principles.

## 2.1.6 Contingencies and Events occurring after the Balance Sheet Date:

AS 4 issued by the Institute of Chartered Accountants of India is not applicable since there are no such contingencies nor events.

## 2.1.7 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies:

The Company's Profit & Loss Account presents profit / loss from ordinary activities. There are no extra-ordinary items or changes in accounting estimates and policies during the year under review which need to be disclosed as per AS 5 issued by the Institute of Chartered Accountants of India.

## 2.1.8 Cash Flow Statements:

Cash Flows are reported as per the Indirect Method as specified in AS 3 issued by the Institute of Chartered Accountants of India.

## 2.1.9 Previous Year Figures:

The figures for the previous year have been rearranged to facilitate comparison.

## 2.2 Inventories: In accordance with Accounting Standard 2 issued by the Institute of Chartered Accountants of India,

- i) Inventories of construction materials, components and stores and spares are valued at lower of cost and net realizable value (as certified by the management) after providing for the cost of obsolescence. However, materials and other items held for use are not written down below cost if the finished tenements in which they will be incorporated are expected to be sold at or above cost. Cost of materials, components and stores and spares is determined on **FIFO** basis.
- ii) Inventories of work in progress are valued, in accordance with the Percentage of Completion Method. Profit on incomplete projects is not recognized unless 20% expenditure has been incurred in respect of the project. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and / or write off of costs carried to inventories has been made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the work in progress will not be lower than the costs so included therein.
- iii) Inventories of finished tenements are valued at the carrying value or estimated net realizable value, (as certified by the management) whichever is the less.
- iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 2.3

### Revenue Recognition: In accordance with AS 9 issued by the Institute of Chartered Accountants of India

- i) Income from real estate sales is recognized on the transfer of all significant risks and rewards of ownership to the buyer and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

However, if, at the time of transfer, substantial acts are yet to be performed, revenue is recognized on proportionate basis as the acts are performed, that is, on the percentage of completion basis. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion. As the construction projects necessarily extend beyond one year, revision in estimates of costs and revenues during the year under review are reflected in the accounts of the year.

The Company has entered into a development agreement with Mantri Dwellings Pvt. Ltd. (formerly known as Numart Developers Pvt. Ltd.) towards development of the project "Mantri DSK Pinnacle" situated at S No 60, Hulimavu Village, Begur Hobli, Bangalore. As per this agreement, the company recognizes revenue, to the extent of its share in the agreement value, at the time when agreement to sell is entered into between the flat purchasers, Numart Developers Pvt. Ltd. and the Company.

- ii) Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects value added taxes (VAT) and service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- iii) Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.
- iv) 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.
- v) Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

# DSK Southern Projects Private Ltd.

CIN: U45200PN2008PTC132140

Notes to the financial statements for the year ended

31-Mar-15

2.4 **Tax Expense:** In accordance with Accounting Standard 22 issued by the Institute of Chartered

- i) Tax expense comprises current and deferred tax.
- ii) 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.
- iii) Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- iv) 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.
- v) In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period.
- vi) Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.
- vii) At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- viii) The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available
- ix) Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.
- x) Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available for a particular assessment year as an asset only after the assessment for that year is complete and such credit is finally quantified and only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under the head "Current Assets". The company reviews the "MAT credit entitlement" asset at each reporting date and writes down its carrying amount to the extent such credit is set-off u/s 115JAA or to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

2.5 **Earnings Per Share:** In accordance with Accounting Standard 20, issued by the Institute of Chartered Accountants of India.

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
- ii) 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, except where the results are anti-dilutive.

# DSK Southern Projects Private Ltd.

CIN: U45200PN2008PTC132140

Notes to the financial statements for the year ended

31-Mar-15

- 2.6 **Provisions:** In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India,
- i) 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. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.
  - ii) **Warranty provisions:** Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.
- 2.7 **Contingent Liabilities and Contingent Assets:** In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India,
- i) 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. In such situations, the company does not
  - ii) recognize a contingent liability but discloses its existence in the financial statements.
  - iii) Contingent assets are not recognized.
- 2.8 **Accounting Standards not applicable to the Company during the year under review:**
- i) **Depreciation Accounting:** AS 6 is not applicable since the Company has no fixed assets as at the balance sheet date.
  - ii) **Construction Contracts:** AS 7 is not applicable since the Company is not engaged in execution of construction contracts
  - iii) **Accounting for Fixed Assets:** AS 10 is not applicable since the Company has no fixed assets as at the balance sheet date.
  - iv) **The Effects of Changes in Foreign Exchange Rates:** AS 11 is not applicable since the Company has not entered into transactions in foreign currencies.
  - v) **Accounting for Government Grants:** AS 12 is not applicable since the Company has not received any Government Grants
  - vi) **Accounting for Investments:** AS 13 is not applicable since the Company has no investments as at the balance sheet date
  - vii) **Accounting for Amalgamations:** AS 14 is not applicable since the Company has not so far entered into any amalgamation.
  - viii) **Retirement and other employee benefits:** AS 15 does not apply since the company does not have any employees as on the balance sheet date.
  - ix) **Borrowing Costs:** AS 16 is not applicable since the Company has no fixed assets as at the balance sheet date.
  - x) **Segment reporting:** The company operates only in one segment, namely, integrated real estate development and construction of residential and commercial tenements. Hence the requirements of Segment Reporting pursuant to AS 17 issued by the Institute of Chartered Accountants of India are not applicable.
  - xi) **Leases:** AS 19 is not applicable since the Company has not entered into any leases.
  - xii) **Consolidated Financial Statements:** AS 21 is not applicable since the Company has no subsidiaries. In accordance with AS 21 issued by the Institute of Chartered Accountants of India, separate consolidated financial statements of the Company and its Holding Company have been prepared by combining on a line-to-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after fully eliminating intra-group balances, intra-group transactions and unrealised profits and losses.
  - xiii) **Accounting for Investments in Associates in Consolidated Financial statements:** AS 23 is not applicable since the Company is not required to consolidate its financial statements.
  - xiv) **Discontinuing Operations:** AS 24 is not applicable since the Company has not so far discontinued operations.
  - xv) **Interim Financial Reporting:** AS 25 is not applicable to the financial statements under review.
  - xvi) **Intangible Assets:** AS 26 issued by the Institute of Chartered Accountants of India, the Company has expensed the preliminary expenses and those pre-operative expenses which did not result in the creation of a tangible asset.
  - xvii) **Financial Reporting of Interests in Joint Ventures:** AS 27 is not applicable since the Company has no joint ventures.
  - xviii) **Impairment of Assets:** AS 28 is not applicable since the Company has no fixed assets as at the balance sheet date.
  - xix) **Financial Instruments - Recognition & Measurement, Presentation & Disclosures:** AS 30, 31 & 32 are applicable since the Company has not entered into any transaction to which the said standards apply.

<b>DSK Southern Projects Private Ltd.</b>				
<b>CIN: U45200PN2008PTC132140</b>				
<b>Notes to the Balance Sheet as at</b>		<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>
		₹	₹	₹
<b>3</b>	<b>Ordinary Equity Share Capital</b>			
a	Number of shares authorized		9,60,000	9,60,000
b	Amount of shares authorized		96,00,000	96,00,000
c	Number of shares issued, subscribed and fully paid		50,000	50,000
d	Number of shares issued and subscribed but not fully paid			
e	Par value per share		10	10
<i>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</i>				
i	Shares outstanding at the beginning of the reporting period		50,000	50,000
ii	Shares allotted during the reporting period		-	-
iii	Shares forfeited during the reporting period		-	-
iv	Shares bought back during the reporting period		-	-
v	Shares outstanding at the end of the reporting period		50,000	50,000
f	Shares held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate			
	D.S. Kulkarni Developers Ltd.		50,000	50,000
<b>3A</b>	<b>Class A Equity Shares</b>			
a	the number of shares authorized;		20,000	20,000
b	the amount of shares authorized;		2,00,000	2,00,000
c	the number of shares issued, subscribed and fully paid		10,000	10,000
d	the number of shares issued and subscribed but not fully paid;			
e	par value per share;		10	10
<i>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;</i>				
i	shares outstanding at the beginning of the reporting period;		10,000	10,000
ii	shares allotted during the reporting period		-	-
iii	shares forfeited during the reporting period		-	-
iv	shares bought back during the reporting period		-	-
v	shares outstanding at the end of the reporting period;		10,000	10,000
f	Shares held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;			
	D.S. Kulkarni Developers Ltd.		10,000	10,000

<b>DSK Southern Projects Private Ltd.</b>				
<b>CIN: U45200PN2008PTC132140</b>				
<b>Notes to the Balance Sheet as at</b>		<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>
		₹	₹	₹
<b>3B</b>	<b>Class B Equity Shares</b>			
a	the number of shares authorized;		20,000	20,000
b	the amount of shares authorized;		2,00,000	2,00,000
c	the number of shares issued, subscribed and fully paid		10,000	10,000
d	the number of shares issued and subscribed but not fully paid;			
e	par value per share;		10	10
<i>Reconciliation of the number of shares outstanding at the beginning and at the end of</i>				
i	shares outstanding at the beginning of the reporting period;		10,000	10,000
ii	shares allotted during the reporting period		-	-
iii	shares forfeited during the reporting period		-	-
iv	shares bought back during the reporting period		-	-
v	shares outstanding at the end of the reporting period;		10,000	10,000
f	Shares held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;			
	D.S. Kulkarni Developers Ltd.		10,000	10,000
<b>Total at the end of the reporting period</b>			<b>7,00,000</b>	<b>7,00,000</b>
<b>4</b>	<b>Reserves and Surplus</b>			
a	Surplus i.e. balance in Statement of Profit & Loss disclosing allocations and appropriations such as dividend, bonus shares and transfer to/from reserves etc.			
i	Balance at the beginning of the reporting period	(12,22,53,564)		(8,60,79,328)
ii	Additions during the reporting period	(4,53,18,882)		(3,58,39,406)
iii	<i>Deduction during the reporting period</i>			
iv	Prior year adjustments			(3,34,830)
v	Balance at the end of the reporting period		(16,75,72,446)	(12,22,53,564)
<b>Total at the end of the reporting period</b>			<b>(16,75,72,446)</b>	<b>(12,22,53,564)</b>
<b>5</b>	<b>Long-Term Borrowings</b>			
i	<b>Long-term borrowings unsecured</b>			
a	<i>Loans and advances from related parties.</i>			
	From director- HD Kulkarni		5,52,29,810	4,62,64,527
	From Holding Company		35,66,68,499	38,41,96,086
<b>Total at the end of the reporting period</b>			<b>41,18,98,309</b>	<b>43,04,60,613</b>
<b>6</b>	<b>Other current liabilities</b>			
a	Other payables			
	Interest payable to Holding Company		10,93,33,946	6,83,87,752
i	Statutory		11,80,458	23,56,987
ii	Non-statutory		63,529	51,180
<b>Total at the end of the reporting period</b>			<b>11,05,77,933</b>	<b>7,07,95,919</b>
<b>7</b>	<b>Short-term provisions</b>			
a	Provision for Income Tax AY 2011-12		44,09,698	44,09,698
<b>Total at the end of the reporting period</b>			<b>44,09,698</b>	<b>44,09,698</b>

<b>DSK Southern Projects Private Ltd.</b>					
<b>CIN: U45200PN2008PTC132140</b>					
<b>Notes to the Balance Sheet as at</b>		<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-14</b>
		₹	₹	₹	₹
<b>8</b>	<b>Inventories</b>				
	a Work-in-progress		29,28,30,375		30,53,17,650
	<b>Total at the end of the reporting period</b>		<b>29,28,30,375</b>		<b>30,53,17,650</b>
	Mode of valuation: See Note 2.2				
<b>9</b>	<b>Trade Receivables</b>				
	a Receivables outstanding for less than six months				
	i Unsecured considered good		6,24,03,271		7,42,01,357
	<b>Total at the end of the reporting period</b>		<b>6,24,03,271</b>		<b>7,42,01,357</b>
<b>10</b>	<b>Cash and cash equivalents</b>				
	a Current account balances with banks		4,94,001		3,06,644
	i Syndicate Bank 48	1,27,362		1,27,476	
	i Syndicate Bank 52	1,17,244		1,17,358	
	ii Bank of Maharashtra 3512	1,56,131		13,457	
	iii Punjab National Bank 4045	93,264		48,353	
	b Cash on hand		58,637		59,805
	<b>Total at the end of the reporting period</b>		<b>5,52,638</b>		<b>3,66,449</b>
<b>11</b>	<b>Other current assets</b>				
	Advance Tax & TDS		42,27,210		42,27,210
	i Self assessment tax AY 2011-12	42,27,210		42,27,210	
	<b>Total at the end of the reporting period</b>		<b>42,27,210</b>		<b>42,27,210</b>
	In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.				

<b>DSK Southern Projects Private Ltd.</b>							
<b>CIN: U45200PN2008PTC132140</b>							
<i>Notes to the Profit and Loss Statement for the year ended</i>				<b>31-Mar-15</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-14</b>
				₹	₹	₹	₹
<b>12</b>	<b>Revenue from Operations</b>						
	a	Revenue from Company other than a finance company					
		i	Sale of products				
		i	Sales of Tenements		1,84,46,976		6,05,08,599
			<b>Total at the end of the reporting period</b>		<b>1,84,46,976</b>		<b>6,05,08,599</b>
<b>13</b>	Changes in inventories of Finished goods, Work-in-Progress and Stock-in-						
	a	Decrease in Work-in-Progress					
			Opening	30,53,17,650		33,63,47,025	
			Less: Closing	(29,28,30,375)	(1,24,87,275)	(30,53,17,650)	(3,10,29,375)
			<b>Total at the end of the reporting period</b>		<b>(1,24,87,275)</b>		<b>(3,10,29,375)</b>
<b>14</b>	<b>Finance Costs</b>						
	a	Interest on Deposits & Loans			5,06,13,408		5,36,07,964
	b	Interest on debentures			-		1,13,03,137
	c	Interest Others			4,01,914		3,39,508
	d	Bank Charges			548		665
			<b>Total at the end of the reporting period</b>		<b>5,10,15,870</b>		<b>6,52,51,274</b>
<b>15</b>	<b>Other expenses</b>						
	a	Property Tax			1,72,413		-
	b	Professional Fees			11,529		8,000
	c	Legal Charges			360		
		i	Company Audit Fees	34,200		33,708	
		ii	Tax Audit Fees	22,800	57,000	22,472	56,180
		c	Other administrative expenses		21,411		3,176
			<b>Total at the end of the reporting period</b>		<b>2,62,713</b>		<b>67,356</b>

<b>DSK Southern Projects Private Ltd.</b>							
<b>CIN: U45200PN2008PTC132140</b>							
<b>Notes to the Profit and Loss Statement for the year ended</b>						<b>31-Mar-15</b>	<b>31-Mar-14</b>
<b>16</b>	<b>Earnings Per Share (EPS):</b>						
	Earnings per share is calculated in accordance with the Accounting Standard 20- 'Earnings Per Share'						
	Particulars						
	Profit after tax (₹)					(3,58,39,406)	(2,73,24,523)
	Weighted Average Number of Equity shares					70,000	70,000
	Nominal Value of Equity Share (₹)					10	10
	Basic and Diluted Earnings Per Share (₹)					(512)	(390)
<b>17</b>	<b>Related party disclosures</b>						
	A	Names of related parties and related party relationship					
		1	Related parties where control exists				
			Holding company			D S Kulkarni Developers Ltd.	
			Fellow Subsidiaries	1		DSK Developers Corporation	
				2		DSK Woods LLC	
				3		DSK Township Projects Private Ltd.	
			Key management personnel	1	Mr. D. S. Kulkarni	Chairman	
				2	Mrs H D Kulkarni	Director	
			Relatives of key management personnel	1	Mr. S D Kulkarni		
				2	Mr. Amit Deepak Kulkarni		
				3	Mrs. Ashwini Sanjay Deshpande		
				4	Mrs. Bhagyashree Amit Kulkarni		
			Enterprises owned or significantly influenced by key management personnel or their relatives	1	Ambiance Ventures Estates & Developers Pvt. Ltd.		
				2	Amit & Company		
				3	Ascent Promoters & Developers Pvt. Ltd.		
				4	Chandradeep Promoters & Developers Pvt. Ltd.		
				5	D. S. Kulkarni & Associates		
				6	D. S. Kulkarni & Brothers		
				7	D. S. Kulkarni Constructions Pvt. Ltd.		
				8	D.S. Kulkarni & Company		
				9	D.S. Kulkarni & Sons		
				10	DSK & Asso		
				11	DSK & Co.		
				12	DSK & Sons		
				13	DSK Constructions		
				14	DSK Digital Technologies Pvt. Ltd.		
				15	DSK Entertainment LLC		
				16	DSK Global Education and Research Ltd.		
				17	DSK Infotech Pvt. Ltd.		
				18	DSK Milkotronics Pvt. Ltd.		
				19	DSK Motors Limited		
				20	DSK Mototrucks Pvt. Ltd.		
				21	DSK Motowheels Pvt. Ltd.		
				22	DSK Prabhu Granite LLP		
				23	DSK Sales & Services		
				24	DSK Shivajians Football Club Pvt. Ltd.		
				25	DSK Studios Pvt. Ltd.		



<b>DSK Southern Projects Private Ltd.</b>								
<b>CIN: U45200PN2008PTC132140</b>								
<b>Notes to the Profit and Loss Statement for the year ended</b>						<b>31-Mar-15</b>	<b>31-Mar-14</b>	
			26	DSK World Education Council				
			27	DSK Worldman Projects Ltd.				
			28	Fairyland Promoters & Developers Pvt. Ltd.				
			29	Forever Solar Power Projects Pvt. Ltd.				
			30	Gharkul				
			31	Greengold Farms & Forests Pvt. Ltd				
			32	Growrich Agroforestry Pvt. Ltd.				
			33	Hexagon Capital Advisors Pvt. Ltd.				
			34	Holyland Agroforestry Pvt. Ltd.				
			35	Rasa Group				
			36	Sapphire Promoters & Developers Pvt. Ltd.				
			37	Shri Saptashrungi Oil Mills Pvt. Ltd.				
			38	Talisman Hospitality Services Pvt. Ltd.				
			39	Telesmell				
			40	Tricon Infracon Ltd.				
	2	Related party transactions						
		BALANCE SHEET ITEMS						
	a	<b>Share capital</b>				<b>2014-15</b>	<b>2013-14</b>	
						<b>₹</b>	<b>₹</b>	
		D.S.Kulkarni Developers Ltd				7,00,000	7,00,000	
		<b>sub total</b>				<b>7,00,000</b>	<b>7,00,000</b>	
	b	<b>Balance payable at year end</b>						
		D.S.Kulkarni Developers Ltd				46,60,02,445	45,25,83,838	
		Mrs H D Kulkarni				5,52,29,810	4,62,64,527	
		<b>sub total</b>				<b>52,12,32,255</b>	<b>49,88,48,365</b>	
		<b>TOTAL OF BALANCE SHEET ITEMS</b>				<b>52,19,32,255</b>	<b>49,95,48,365</b>	
		<b>PROFIT / LOSS ITEMS</b>						
	a	<b>Interest Expenditure</b>						
		D.S.Kulkarni Developers Ltd				4,54,95,772	6,02,30,065	
		Mrs H D Kulkarni				51,17,636	46,81,036	
		<b>sub total</b>				<b>5,06,13,408</b>	<b>6,49,11,101</b>	
		<b>TOTAL OF PROFIT / LOSS ITEMS</b>				<b>5,06,13,408</b>	<b>6,49,11,101</b>	
		<b>Grand Total</b>				<b>57,25,45,663</b>	<b>56,44,59,466</b>	
18	<b>Additional information related to delayed payment by the Company to Micro / Small Enterprises as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006):</b>							
<b>Sr No</b>	<b>Particulars</b>					<b>2014-15</b>	<b>2013-14</b>	
(i)	The principal amount remaining unpaid to any supplier (as defined in S2(n) of MSMED Act, 2006) as at the end of the accounting year					Nil	Nil	
(ii)	The interest due on the principal amount remaining unpaid to any such supplier as at the end of the accounting year					Nil	Nil	
(iii)	The amounts of payments made to such supplier beyond the appointed day during the accounting year					Nil	Nil	

<b>DSK Southern Projects Private Ltd.</b>							
<b>CIN: U45200PN2008PTC132140</b>							
<b>Notes to the Profit and Loss Statement for the year ended</b>						<b>31-Mar-15</b>	<b>31-Mar-14</b>
(iv)	The amount of interest paid by the company in terms of S 16 of MSMED Act, 2006, during the accounting year					Nil	Nil
(v)	The amount of interest due and payable for the period of delay in making payment without adding the interest specified under MSMED					Nil	Nil
(vi)	The amount of interest accrued and remaining unpaid at the end of the accounting year					Nil	Nil
(vii)	The amount of further interest due and payable even in the succeeding years until such a day when the interest dues are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure u/s 23 of the MSMED Act, 2006					Nil	Nil
As per our audit report of even date.				For & on behalf of the Board of Directors			
For Gokhale, Tanksale & Ghatpande,							
Firm Registration No: 103277W							
Chartered Accountants							
S. M. Ghatpande			D. S. Kulkarni		T. S. Bhagavat		
Partner			DIN 00394027		DIN 00188587		
Membership No. 30462			(Chairman)		(Director)		
Place: Pune			Place: Pune				
Date: 28th May 2015			Date: 28th May 2015				