Gokhale, Tanksale & Ghatpande
Chartered Accountants

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Independent Auditors' Report
on the Consolidated Financial Statements of
DSK Developers Corporation.

To,

The Members of **DSK Developers Corporation.**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of DSK Developers Corporation ("the Company") and its Subsidiary, DSK Woods, LLC, (the Company and its Subsidiary constitute "the Group"). which comprise the

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

Management's Responsibility for the financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of

a) the consolidated financial position,
b) the consolidated financial performance and
c) the consolidated cash flows

of the Group 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.

The respective Boards of Directors of the companies included in the Group are responsible for

a) maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group;
b) preventing and detecting frauds and other irregularities;
c) the selection and application of appropriate accounting policies;
d) making judgments and estimates that are reasonable and prudent; and
e) the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

We also audited the financial statements of the subsidiary whose assets, liabilities, revenues, expenses and cash flows have been considered in the Consolidated Financial Statements.

We report that the Consolidated Financial Statements have been prepared in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and on consideration of the separate audit reports on individual financial statements of the Holding Company and its aforesaid subsidiaries, the aforesaid consolidated financial statements, read with the notes thereon, 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 consolidated balance sheet, of the consolidated state of affairs of the Group as at **31st March, 2015**
b) in the case of the consolidated statement of profit & loss, of the consolidated profit of the Group for the year ended on that date.
c) in the case of the consolidated cash flow statement, of the consolidated cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements

a) In our opinion, to the best of our information and according to the explanations given to us, the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company for the year under review since the Holding Company is not a foreign company as defined u/s 2(42) of the Act.

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 of the aforesaid consolidated financial statements.
   ii In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the auditors.

iii The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

iv In our opinion, the aforesaid consolidated 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 In our opinion, the provisions of sections 164(2) of the Act are not applicable to the Holding Company;

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 Group does not have any pending litigations which would impact its financial position

b) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

c) The Group is not required to transfer any amounts 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

DSK Developers Corporation

Consolidated Balance Sheet as at	Note No.	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
		₹	₹	₹	₹
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a Share capital	3	4,03,67,600		4,03,67,600	
b Reserves and surplus	4	(35,81,38,052)	(31,77,70,452)	(24,83,97,938)	(20,80,30,338)
2 Non-current liabilities					
a Long term borrowings	5		47,65,63,910		38,91,13,811
3 Current liabilities					
a Trade payables		17,89,588		1,92,733	
b Other current liabilities	6	13,54,83,477		14,25,84,716	
c Short-term provisions	7	2,59,75,182	16,32,48,247	-	14,27,77,449
TOTAL			**32,20,41,705**		**32,38,60,921**
II ASSETS					
1 Current assets					
a Inventories	8	26,82,61,387		29,07,52,477	
b Cash and cash equivalents	9	10,70,523		3,12,262	
c Short-term loans and advances	10	5,27,09,795	32,20,41,705	3,27,96,183	32,38,60,921
TOTAL			**32,20,41,705**		**32,38,60,921**
Contingent liabilities and commitments (to the extent not provided for)			Nil		Nil
Corporate Information & 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			
Partner	D.S.Kulkarni		H.D.Kulkarni
Membership No. 30462	(Director)		(Director)
Place: Pune		Place: Pune	
Date: 28th May 2015		Date: 28th May 2015	

DSK Developers Corporation

Consolidated Profit and Loss Statement for the year ended			Note No.	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
				₹	₹	₹	₹
I	Revenue from operations		11		10,41,94,636		-
II	Other income		12		37,34,360		15,759
III	Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade		13		(2,24,91,090)		7,36,89,134
	Total revenue				**8,54,37,906**		**7,37,04,893**
IV	**Expenses:**						
		Development expenses	14		9,96,74,306		7,36,89,134
		Finance costs	15		2,48,63,874		2,12,17,214
		Office and administration expenses	16		13,10,738		20,60,732
		Selling expenses	17		1,27,13,397		-
	Total expenses				**13,85,62,315**		**9,69,67,080**
V	Profit before exceptional and extra-ordinary items and tax				(5,31,24,409)		(2,32,62,187)
VI	Exceptional Items				-		-
VII	Profit before extra-ordinary items and tax				(5,31,24,409)		(2,32,62,187)
VIII	Extra-ordinary items				-		-
IX	**Profit before tax**				**(5,31,24,409)**		**(2,32,62,187)**
X	Tax expense						
	1	Current tax		-		-	
	2	Deferred tax		-	-	-	-
	Profit (Loss) for the period from continuing operations				(5,31,24,409)		(2,32,62,187)
XI	Profit (Loss) from discontinuing operations						
XII	Tax expense of discontinuing operations						
XIII	Profit (Loss) from discontinuing operations (after tax)				-		-
XIV	**Profit (Loss) for the period**				**(5,31,24,409)**		**(2,32,62,187)**
XV	**Earnings per equity share**						
	1	Basic			(53.12)		(23.26)
	2	Diluted			(53.12)		(23.26)

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				
Partner	D.S.Kulkarni		H.D.Kulkarni	
Membership No. 30462	(Director)		(Director)	
Place: Pune		Place: Pune		
Date: 28th May 2015		Date: 28th May 2015		

DSK Developers Corporation

	CASH FLOW STATEMENT FOR THE YEAR ENDED	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
	Particulars	₹	₹	₹	₹
A	**Cash flow from operating activities :**				
	Profit before exceptional and extra-ordinary items and tax		(5,31,24,409)		(2,32,62,187)
	Adjustments for				
	Financial Expenses	2,48,63,874		2,12,17,214	
	Interest Received	-	2,48,63,874	(1,851)	2,12,15,364
	Operating profit before working capital changes		**(2,82,60,535)**		**(20,46,824)**
	Adjustments for :				
	(Increase) / Decrease in Inventories	2,24,91,090		(7,36,89,134)	
	(Increase) / Decrease in short term Loans and Advances	(1,99,13,612)		(19,09,024)	
	Increase / (Decrease) in Trade Payables	15,96,855		(27,05,382)	
	Increase / (Decrease) in Other Liabilities	(71,01,239)		81,32,510	
	Increase / (Decrease) in short term provisions	2,59,75,182	2,30,48,276		(7,01,71,030)
	Cash generated from Operations		**2,30,48,276**		**(7,01,71,030)**
	Income tax				(1,08,902)
	Net Cash from Operating Activities (A)		**(52,12,259)**		**(7,23,26,755)**
B	**Cash Flow from Investing Activities**				
	Net Cash used in Investing Activities (B)		**-**		**-**
C	**Cash Flow from Financing Activities**				
	Borrowings from Bank	8,74,50,099		9,90,12,435	
	Interest paid	(2,48,63,874)		(2,12,17,214)	
	Interest Received	-		1,851	
	Increase in exchange fluctuation reserve	(5,66,15,705)	59,70,520	(70,01,627)	7,07,95,444
	Net Cash used in Financing Activities (C)		**59,70,520**		**7,07,95,444**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**		7,58,261		(15,31,311)
	Cash and cash equivalents				
	Opening balance		3,12,262		18,43,573
	Closing balance		10,70,523		3,12,262

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

For & on behalf of the Board of Directors

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

D.S.Kulkarni	H.D.Kulkarni
(Director)	(Director)

Place: Pune
Date: 28th May 2015

DSK Developers Corporation

Notes to the consolidated financial statements for the year ended 31-Mar-15

1 ***Corporate Information:***

DSK Developers Corporation ("DSK Developers" or "the Company") was incorporated on May 16 2006 in the State of Delaware. It is wholly-owned subsidiary of D.S.Kulkarni Developers Ltd. a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. In January 2007, the Company formed a wholly owned subsidiary, DSK Woods LLC, in the State of New Jersey. DSK Developers Corporation and DSK Woods are in the business of acquiring, selling, renting and developing properties real estate consultancy services. The equity shares of D. S. Kulkarni Developers Ltd. are listed on the Mumbai & National Stock Exchanges. D. S. Kulkarni Developers Ltd. is engaged in the business of real estate development in India. DSK Developers Corporation is not a foreign company as defined u/s 2(42) of the Companies Act 2013 (the Act).

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:**

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 and future years affected.

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

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 Croup's Consolidated 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 as follows to facilitate comparison.

2.2 **Investments:** In accordance with AS 13 issued by the Institute of Chartered Accountants of India,

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

ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

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

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

v) An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

vi) The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

vii) Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, or that prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher.

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

2.3 **Inventories:** In accordance with Accounting Standards 2 & 9 issued by the Institute of Chartered Accountants of India,

i) Construction materials, components, 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 in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw 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 Group 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.

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.

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

i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group, provided it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. The following specific recognition criteria must also be met before revenue is recognized.

ii) 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.

iii) 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 Group, 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.

iv) 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 Group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

v) Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The Group collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

vi) 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.

vii) Dividend income is recognized when the Group’s right to receive dividend is established by the reporting date.

2.5 **Expense Recognition:** Revenue Expenses such as those incurred on foreign and domestic exhibitions, advertisement for sale of tenements, interest on borrowings attributable to specific projects are included in the valuation of inventories of work in progress. Indirect costs are treated as period costs and are charged to the Profit & Loss Account in the year incurred. Expenses incurred on repairs & maintenance of completed projects are charged to Profit & Loss Account.

2.6 **Foreign currency transactions and balances:** In accordance with AS 11 issued by the Institute of Chartered Accountants of India,

i) **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

iii) Exchange differences: From accounting periods commencing on or after 7 December 2006, the Group accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

a) Exchange differences arising on a monetary item that, in substance, forms part of the Group's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

b) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset in accordance with the Ministry of Corporate Affairs Notification dated 31st March 2009. For this purpose, the Group treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.

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

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

2.7 **Tax Expense:** In accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India,

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 Group 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 Group 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 Group 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 Group's gross total income is subject to the deduction during the tax holiday period. 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 Group 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.

vi) At each reporting date, the Group 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.

vii) The carrying amount of deferred tax assets are reviewed at each reporting date. The Group 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

viii) 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.

ix) Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group 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 Group 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 Group 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 Group 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 Group does not have convincing evidence that it will pay normal tax during the specified period.

2.8 **Consolidated Financial Statements:** In accordance with AS 21 and AS 27 issued by the Institute of Chartered Accountants of India, separate consolidated financial statements of the Group and its Subsidiaries 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.

2.9 **Earnings Per Share: I**n 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.

2.10 **Provisions:** In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India,

i) A provision is recognized when the Group 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 Group 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.

2.11 **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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

ii) Contingent assets are not recognized.

2.12 **Accounting Standards not applicable to the Group during the year under review:**

i) **Depreciation accounting:** AS 6 does not apply since the Group does not have fixed assets.

ii) **Construction Contracts:** AS 7 is not applicable since the Group is not engaged in execution of construction contracts

iii) **Accounting for fixed assets:** AS 10 does not apply since the Group does not have any fixed assets.

iv) **Accounting for Government Grants:** AS 12 is not applicable since the Group has not received any Government Grants

v) **Accounting for Amalgamations:** AS 14 is not applicable since the Group has not so far entered into any amalgamation.

vi) **Employee benefits:** AS 15 does not apply since the Group does not have any employees.

vii) **Borrowing costs:** AS 16 does not apply since the company so far does not have any fixed asstes.

viii) **Segment reporting:** AS 17 is not applicable since the Group operates only in one segment, to wit, real estate development.

ix) **Leases:** AS 19 does not apply since the Group has not entered into any lease transactions.

x) **Accounting for Investments in Associates in Consolidated Financial statements:** AS 23 is not applicable since the Group is not required to consolidate its financial statements.

xi) **Discontinuing Operations:** AS 24 is not applicable since the Group has not so far discontinued operations.

xii) **Interim Financial Reporting:** AS 25 is not applicable to the financial statements under review.

xiii) **Financial Reporting of Interests in Joint Ventures:** AS 27 is not applicable since the Group has no joint ventures.

xiv) **Financial Instruments - Recognition & Measurement, Presentation & Disclosures:** AS 30, 31 & 32 issued by the Institute of Chartered Accountants of India are not applicable to the Group since the Group has not entered into transactions to which these standards apply.

DSK Developers Corporation

Notes to the Consolidated Balance Sheet as at		31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
		₹	₹	₹	₹
3	**Equity Share Capital**				
a	Number of shares authorized		10,00,000		10,00,000
b	Amount of shares authorized		4,65,58,750		4,65,58,750
c	Number of shares issued, subscribed and fully paid				
d	Number of shares issued and subscribed but not fully paid		-		-
e	Par value per share		40.3676		40.3676
	Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting				
i	Share Capital outstanding at the beginning of the reporting period		10,00,000		10,00,000
ii	Shares allotted during the reporting period		-		-
iii	Shares bought back during the reporting period		-		-
iv	Shares outstanding at the end of the reporting period		10,00,000		10,00,000
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		10,00,000		10,00,000
	Total at the end of the reporting period		**4,03,67,600**		**4,03,67,600**
4	**Reserves and Surplus**				
i	Other Reserves – (specify the nature and purpose of each reserve and the amount in respect thereof);				
a)	Foreign currency translation reserve				
i	Balance at the beginning of the reporting period	(7,00,63,700)		(6,30,62,073)	
ii	Additions during the reporting period	(5,66,15,705)		(70,01,627)	
iii	Deduction during the reporting period				
iv	Balance at the end of the reporting period	-	(12,66,79,405)	-	(7,00,63,700)
ii	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	(17,83,34,238)		(15,50,72,051)	
ii	Additions during the reporting period	(5,31,24,409)		(2,32,62,187)	
iii	Balance at the end of the reporting period		(23,14,58,647)		(17,83,34,238)
	Total at the end of the reporting period		**(35,81,38,052)**		**(24,83,97,938)**

DSK Developers Corporation							
Notes to the Consolidated Balance Sheet as at				31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
				₹	₹	₹	₹
5	**Long-Term Borrowings**						
i	**Unsecured**						
	a	Deposits from public *(Refer Borrowings sheet)*			46,94,310		15,02,495
	b	Loans and advances from related parties *(Refer Borrowings sheet)*			47,18,69,600		38,76,11,316
	Total at the end of the reporting per		**.**		**47,65,63,910**		**38,91,13,811**
6	**Other current liabilities**						
	a	Current maturities of long-term debt *(Refer Borrowings sheet)*			5,96,04,898		12,52,64,943
	b	Interest accrued and due on borrowings *(Refer Borrowings sheet)*			7,58,78,579		1,73,19,773
	Total at the end of the reporting period				**13,54,83,477**		**14,25,84,716**
7	**Short-term provisions**						
	a	Provision for Expenses			2,59,75,182		-
	Total at the end of the reporting period				**2,59,75,182**		**-**

DSK Developers Corporation

Notes to the Consolidated Balance Sheet as at				31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
				₹	₹	₹	₹
8	**Inventories**						
	a	Stock-in-trade (in respect of goods acquired for trading)					
		i	27 Walker Avenue, Township of Franklin, County of Gloucester, Block 1201, Lot 48, New Jersey 08322	2,23,213		2,23,213	
		ii	45 Fair ton Cedarville Road, Township of Fairfield, County of Cumberland, Block 43, Lot 17 Bridgeton, New Jersey 533	2,67,881		2,67,881	
		iii	533 Dover road, County of Ocean, Block 21, Lot 12, Toms River New Jersey 08757	15,49,649		15,49,649	
		iv	Woods at Plainsboro Block 7.03, Lots 7.01 - 7.12 and Lot 9 Township of Plainsboro, County of Middlesex	##########		22,90,32,525	
		v	795 Ridge Road & 7 & 8-20 Interlaken Road (Lots 5.04,5.05,5.06,5.07,5.08,5.09,5.10,5.031, Block 53) in the Township of South Brunswick, Middlesex County, Cranbury New Jersey 08512	9,95,36,047	26,82,61,387	5,96,79,209	29,07,52,477
	Total at the end of the reporting period				**26,82,61,387**		**29,07,52,477**
				-			
9	**Cash and cash equivalents**						
	a	Balances with banks			10,70,523		3,12,262
	Total at the end of the reporting period				**10,70,523**		**3,12,262**
10	**Short-term loans and advances**						
	a	Others			4,58,07,194		2,61,68,293
	b	Deposits			69,02,601		66,27,890
	Total at the end of the reporting period				**5,27,09,795**		**3,27,96,183**

DSK Developers Corporation								
Notes to the Consolidated Profit and Loss Statements for the year ended					31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
					₹	₹	₹	₹
11	**Revenue from Operations**							
		Revenue from						
	a	Company other than a finance company						
		i	Sale of tenements					
			DSK Woods - GC 06			5,19,13,877		-
			DSK Woods - GC 08			5,22,80,759		
	Total at the end of the reporting period					**10,41,94,636**		**-**
12	**Other income**							
	a	Interest income			-		1,851	
	b	Escrow Income			91,721		-	
	c	Misc.Amount Write Back			4,710		-	
	d	Other income			36,37,929	37,34,360	13,909	15,759
	Total at the end of the reporting period					**37,34,360**		**15,759**
13	**Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade**							
	a	Work-in-Progress						
		Closing			26,82,61,387		29,07,52,477	
		Less: Opening			(29,07,52,477)	(2,24,91,090)	(21,70,63,343)	7,36,89,134
	Total at the end of the reporting period					**(2,24,91,090)**		**7,36,89,134**
14	**Development expenses**							
	i	Construction & development costs				9,96,74,306		7,36,89,134
	Total at the end of the reporting period					**9,96,74,306**		**7,36,89,134**
15	**Finance Costs**							
	a	Interest paid to banks and other financial institutions				2,48,33,300		2,11,56,718
		i	DSKDL		2,33,20,092		1,92,60,054	
		ii	DSK Entertainment LLc, USA		14,41,665		18,39,931	
		iii	Bank service charges		71,544		56,733	
	d	Loan renewal fees				30,574		60,496
	Total at the end of the reporting period					**2,48,63,874**		**2,12,17,214**

DSK Developers Corporation

Notes to the Consolidated Profit and Loss Statements for the year ended					31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
					₹	₹	₹	₹
16	**Office and administration expenses**							
	a	Appraisal Fees - Indirect				34,854		-
	b	Online Corporate Annual Report				4,586		-
	c	Professional Fees				4,30,904		3,19,904
	d	Postage, Telephone & Telegram				22,654		32,615
	e	Rent, Rates & Taxes				5,09,890		12,28,632
	f	i	Property tax		-		11,98,384	
		ii	Taxes - Local		1,52,868		30,248	
		iii	Taxes - Federal		3,41,735		-	
		iv	Taxes - State		15,287		-	
	g	Land scaping expenses				-		3,23,655
	h	Inspection charges				3,05,735		24,198
	i	Tax franchise				-		1,30,067
	j	Interest & Processing fees				2,055		1,088
	k	Miscellaneous amt. to the extent written off				60		574
	Total at the end of the reporting period					**13,10,738**		**20,60,732**
17	**Selling expenses**							
	a	Commission on Sales				1,27,13,397		-
	Total at the end of the reporting period					**1,27,13,397**		**-**
18	**Prior period items**					-		1,08,899
19	**Related party disclosures**							
	A	**Names of related parties and related party relationship**						
		1	**Related parties where control exists**					
			Holding company		D S Kulkarni Developers Ltd.			
			Subsidiaries	1	DSK Woods LLC			
			Fellow subsidiaries	1	DSK SEZ Projects (Pune) Private Ltd.			
				2	DSK Global Education and Research P. Ltd.			
				3	DSK Southern Projects Pvt. Ltd.			
			Key management personnel	1	Mr. D. S. Kulkarni			
				2	Mrs H D Kulkarni			
			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 Constructions Pvt. Ltd.			
				6	D.S.Kulkarni & Associates			
				7	D.S.Kulkarni & Brothers			
				8	D.S.Kulkarni & Company			
				9	D.S.Kulkarni & Sons			
				10	DSK & Asso			
				11	DSK & Co.			
				12	DSK Constructions			
				13	DSK & Sons			
				14	DSK Digital Technologies Pvt. Ltd.			
				15	DSK Entertainment LLC			
				16	DSK Global Education and Research Ltd.			

DSK Developers Corporation

Notes to the Consolidated Profit and Loss Statements for the year ended					31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
					₹	₹	₹	₹
				17	DSK Infotech Pvt. Ltd.			
				18	DSK Milkotronics Pvt. Ltd.			
				19	DSK Motors Ltd.			
				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.			
				26	DSK World Education Council			
				27	DSK Worldman Projects Ltd.			
				28	Fairyland Promoters & Developers Pvt. Ltd.			
				29	Forever Solar Power Project 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 Saptashring Oil Mills Pvt. Ltd.			
				38	Talisman Hospitality Services Pvt. Ltd.			
				39	Telesmell			
				40	Tricone Infracon Ltd.			
		2	**Related party transactions**				**2014-15**	**2013-14**
			BALANCE SHEET ITEMS				₹	₹
		a	**Balance Payable**					
		i	D S Kulkarni Developers Ltd.				53,08,87,592	34,59,17,206
		ii	DSK Entertainment LLc, USA				1,64,29,522	5,71,79,791
			TOTAL B/S ITEMS				**54,73,17,114**	**40,30,96,997**
			PROFIT / LOSS ITEMS					
		a	**Interest paid**					
			D S Kulkarni Developers Ltd.				2,33,20,092	1,92,60,054
			DSK Entertainment LLc, USA				14,41,665	18,39,931
			TOTAL P/L ITEMS				**2,47,61,756**	**2,10,99,985**
			Grand Total				**57,20,78,870**	**42,41,96,982**

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			
Partner	D.S.Kulkarni		H.D.Kulkarni
Membership No. 30462	(Director)		(Director)
Place: Pune		Place: Pune	
Date: 28th May 2015		Date: 28th May 2015	

DSK Developers Corporation								
Consolidated Balance Sheet as at								**31-Mar-15**
Statement of Consolidated Borrowings								
		Borrowings	**Note no.**	**Non-current maturity of the debt**	**Current maturity of the debts**	**Interest accrued and due on borrowings**	**Total Amount**	**Terms of repayment**
1		**Long term borrowings**						
	a	**Secured**						
		Term loans						
		From banks						
		1st Constitution Bank						
		Current year	**1**		**5,96,04,898**	**3,84,122**	**5,99,89,020**	
		Previous year	*1*	-	*12,52,64,943*	*17,89,017*	*12,70,53,960*	
	b	**Unsecured**						
		Deposits						
		From others						
		Current year	**2**	**46,94,310**		**46,943**	**47,41,253**	
		Previous year	*2*	*15,02,495*	-	*45,075*	*15,47,570*	
1		**Other loans and advances**						
	a	**From related parties**						
	i	Parent Company- D.S. Kulkarni Developers Ltd.						
		Current year	**3**	**45,68,79,103**		**7,40,08,489**	**53,08,87,592**	
		Previous year	*3*	*33,20,19,001*	-	*1,38,98,205*	*34,59,17,206*	
	ii	DSK Entertainment LLc, USA						
		Current year	**4**	**1,49,90,497**		**14,39,025**	**1,64,29,522**	
		Previous year	*4*	*5,55,92,315*	-	*15,87,476*	*5,71,79,791*	
		Total						
		Current year		**47,65,63,910**	**5,96,04,898**	**7,58,78,579**	**61,20,47,387**	
		Previous year		*38,91,13,811*	*12,52,64,943*	*1,73,19,773*	*53,16,98,527*	

Gokhale, Tanksale & Ghatpande

Chartered Accountants

Head Office:

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Tel: 91-020-25388390; 25389154; 25399914; Fax: 91-020-25389302
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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 Developers Corporation**

Report on the standalone Financial Statements

We have audited the accompanying standalone financial statements of **DSK Developers Corporation** 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, and
d) A summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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, 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 standalone 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 standalone financial statements.

Opinion

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

a) In the case of the standalone Balance Sheet, of the state of affairs of the Company as at the **31st March 2015**
b) In the case of the standalone Statement of Profit and Loss, of the **loss** of the Company for the year ended on that date.
c) In the case of the standalone 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) In our opinion, to the best of our information and according to the explanations given to us, the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company for the year under review since the Company is not a foreign company as defined u/s 2(42) of the Act.

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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   v In our opinion, the provisions of sections 164(2) of the Act are not applicable to the Company;
   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) The company is not required to transfer any amounts 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

DSK Developers Corporation

Standalone Balance Sheet as at	Note No.	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
		₹	₹	₹	₹
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a Share capital	3	4,03,67,600		4,03,67,600	
b Reserves and surplus	4	(16,96,13,033)	(12,92,45,433)	(9,76,80,384)	(5,73,12,784)
2 Current liabilities					
a Short-term borrowings	5	47,65,63,910		38,91,13,811	
b Other current liabilities	6	7,54,94,457		1,55,30,756	
c Short-term provisions	7	2,59,75,182		-	
d Trade Payables		-	57,80,33,548	3,17,808	40,49,62,375
TOTAL			**44,87,88,115**		**34,76,49,591**
II ASSETS					
1 Non-current assets					
a Non-current investments	8		19,74,44,520		19,74,44,520
2 Current assets					
a Inventories	9	10,15,76,790		6,17,19,952	
b Cash and cash equivalents	10	12,076		2,08,428	
c Short-term loans and	11	14,97,54,729	25,13,43,595	8,82,76,691	15,02,05,071
TOTAL			**44,87,88,115**		**34,76,49,591**
Contingent liabilities and commitments (to the extent not provided for)			Nil		Nil
Corporate Information & 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		
Partner	D.S.Kulkarni	H.D.Kulkarni
Membership No. 30462	(Director)	(Director)
Place: Pune	Place: Pune	
Date: 28th May 2015	Date: 28th May 2015	

DSK Developers Corporation

Standalone Profit and Loss Statement for the year ended			Note No.	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
				₹	₹	₹	₹
I	Revenue from operations		12		-		-
II	Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade		13		3,98,56,838		40,22,997
III	Other income		14		35,86,154		13,793
	Total revenue				**4,34,42,992**		**40,36,790**
	Expenses:						
		Development expenses	15		3,98,56,838		40,22,997
		Finance costs	16		2,47,97,834		2,11,20,421
		Office and administration expenses	17		9,21,079		20,19,861
	Total expenses				**6,55,75,752**		**2,71,63,279**
IV	Profit before exceptional and extra-ordinary items and tax				(2,21,32,759)		(2,31,26,489)
V	Exceptional Items				-		-
VI	Profit before extra-ordinary items and tax				(2,21,32,759)		(2,31,26,489)
VII	Extra-ordinary items				-		-
VIII	**Profit before tax**				**(2,21,32,759)**		**(2,31,26,489)**
IX	Tax expense						
	1	Current tax		-		-	
	2	Deferred tax		-	-	-	-
X	Profit (Loss) for the period from continuing operations				(2,21,32,759)		(2,31,26,489)
XI	Profit (Loss) from discontinuing operations						
XII	Tax expense of discontinuing operations						
XIII	Profit (Loss) from discontinuing operations (after tax) (XII-XIII)				-		-
XIV	**Profit (Loss) for the period**				**(2,21,32,759)**		**(2,31,26,489)**
XV	**Earnings per equity share**						
	1	Basic			(22.13)		(23.13)
	2	Diluted			(22.13)		(23.13)

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			
Partner	D.S.Kulkarni		H.D.Kulkarni
Membership No. 30462	(Director)		(Director)
Place: Pune		Place: Pune	
Date: 28th May 2015		Date: 28th May 2015	

DSK Developers Corporation					
Standalone Cash Flow Statement for the year ended		**31-Mar-15**	**31-Mar-15**	**31-Mar-14**	**31-Mar-14**
		₹	₹	₹	₹
A) Cash Flow From Operating Activities					
Net Profit before Taxation & Extraordinary Items			(2,21,32,759)		(2,31,26,489)
Operating Profit before Working Capital Changes			**(2,21,32,759)**		**(2,31,26,489)**
Adjustments for					
(Increase) Decrease in Inventories		(3,98,56,838)		(40,22,997)	
(Increase) Decrease in short term loans and advances		(6,14,78,038)		(2,13,93,817)	
Increase (Decrease) in short term borrowings		8,74,50,098		9,90,12,436	
Increase (Decrease) in other current liabilities		5,99,63,701		(5,38,56,392)	
Increase (Decrease) in Provisions		2,59,75,182		-	
Increase (Decrease) in Payables		(3,17,808)	7,17,36,298	3,17,808	2,00,57,038
Cash generated from Operations			**4,96,03,538**		**(30,69,451)**
Income Tax Paid			-		-
Net Cash from Operating Activities (A)			**4,96,03,538**		**(30,69,451)**
B) Cash Flow from Investing Activities					
Increase (Decrease) in foreign currency translati		(4,97,99,890)		31,65,317	
Net Cash used in Financing Activities(C)			**(4,97,99,890)**		**31,65,317**
Net increase/decrease in cash and cash equivalents (A+B+C)			(1,96,352)		95,866
Cash & Cash Equivalent at the beginning of period			2,08,428		1,12,561
Cash & Cash Equivalent at the end of period			**12,076**		**2,08,427**
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					
Partner		D.S.Kulkarni		H.D.Kulkarni	
Membership No. 30462		(Director)		(Director)	
Place: Pune			Place: Pune		
Date: 28th May 2015			Date: 28th May 2015		

DSK Developers Corporation

Notes to the standalone financial statements for the year ended 31-Mar-15

1 ***Corporate Information:***

DSK Developers Corporation ("DSK Developers" or "the Company") was incorporated on May 16 2006 in the State of Delaware. It is wholly-owned subsidiary of D.S.Kulkarni Developers Ltd. a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. In January 2007, the Company formed a wholly owned subsidiary, DSK Woods LLC, in the State of New Jersey. DSK Developers Corporation and DSK Woods are in the business of acquiring, selling, renting and developing properties real estate consultancy services. The equity shares of D. S. Kulkarni Developers Ltd. are listed on the Mumbai & National Stock Exchanges. D. S. Kulkarni Developers Ltd. is engaged in the business of real estate development in India. DSK Developers Corporation is not a foreign company as defined u/s 2(42) of the Companies Act 2013 (the Act).

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

its equity or debt securities are listed or are in the process of being listed on any stock exchange.

d)

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 and future years affected.

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. The prior period adjustments represent interest paid for delay in payment of income tax.

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 as follows to facilitate comparison.

2.2 **Investments:** In accordance with AS 13 issued by the Institute of Chartered Accountants of India,

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

ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

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

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

v) An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

vi) The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

vii) Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life prescribed under the Schedule II to the Companies Act, 2013.

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

2.3 **Inventories:** In accordance with Accounting Standards 2 & 9 issued by the Institute of Chartered Accountants of India,

i) Construction materials, components, 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 in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw 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.

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.

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

i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company. The following specific recognition criteria must also be met before revenue is recognized.

ii) 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.

iii) 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.

iv) 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 sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross)

v) 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.

vi) 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.

vii) Dividend income is recognized when the company’s right to receive dividend is established by the reporting date.

2.5 **Expense Recognition:** Revenue Expenses such as those incurred on foreign and domestic exhibitions, advertisement for sale of tenements, interest on borrowings attributable to specific projects are included in the valuation of inventories of work in progress. Indirect costs are treated as period costs and are charged to the Profit & Loss Account in the year incurred. Expenses incurred on repairs & maintenance of completed projects are charged to Profit & Loss Account.

2.6 **Foreign currency transactions and balances:** In accordance with AS 11 issued by the Institute of Chartered Accountants of India,

i) **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

iii) **Exchange differences:** From accounting periods commencing on or after 7 December 2006, the company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

a) Exchange differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

b) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset in accordance with the Ministry of Corporate Affairs Notification dated 31st March 2009. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.

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

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

2.7 **Tax Expense:** In accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India,

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. 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.

vi) 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.

vii) 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

viii) 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.

ix) 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.

2.8 **Consolidated Financial Statements:** In accordance with AS 21 and AS 27 issued by the Institute of Chartered Accountants of India, separate consolidated financial statements of the Company and its Subsidiaries 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.

2.9 **Earnings Per Share: I**n 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.

2.10 **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.

2.11 **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. The company does not recognize a contingent liability but discloses its existence in the financial statements.

ii) Contingent assets are not recognized.

2.12 **Accounting Standards not applicable to the Company during the year under review:**

i) **Depreciation accounting:** AS 6 does not apply since the company so far does not have any fixed assets.

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 does not apply since the company so far does not have any fixed assets.

iv) **Accounting for Government Grants:** AS 12 is not applicable since the Company has not received any Government Grants

v) **Accounting for Amalgamations:** AS 14 is not applicable since the Company has not so far entered into any amalgamation.

vi) **Employee benefits:** AS 15 is not applicable since the Company has no employees.

vii) **Borrowing costs:** AS 16 does not apply since the company so far does not have any fixed asstes.

viii) **Segment reporting:** AS 17 is not applicable since the Company operates only in one segment, to wit, real estate development.

ix) **Leases:** AS 19 does not apply since the company has so far not entered into any lease

x) **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.

xi) **Discontinuing Operations:** AS 24 is not applicable since the Company has not so far discontinued operations.

xii) **Interim Financial Reporting:** AS 25 is not applicable to the financial statements under review.

xiii) **Intangible assets:** AS 26 does not apply since the company so far does not have any fixed assets.

xiv) **Financial Reporting of Interests in Joint Ventures:** AS 27 is not applicable since the Company has no joint ventures.

xv) **Financial Instruments - Recognition & Measurement, Presentation & Disclosures:** AS 30, 31 & 32 issued by the Institute of Chartered Accountants of India are not applicable to the Group since the Group has not entered into transactions to which these standards apply.

DSK Developers Corporation

		Notes to the Standalone Balance Sheet as at	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
			₹	₹	₹	₹
3	**Equity Share Capital**					
	a	Number of shares authorized		10,00,000		10,00,000
	b	Amount of shares authorized		4,65,58,750		4,65,58,750
	c	Number of shares issued, subscribed and fully paid				
	d	Number of shares issued and subscribed but not fully paid				
	e	Par value per share		40		40
	Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period					
	i	Share Capital outstanding at the beginning of the reporting period		10,00,000		10,00,000
	ii	Shares allotted during the reporting period		-		-
	iii	Shares converted from loans during the reporting period		-		-
	iv	Shares bought back during the reporting period		-		-
	v	Shares outstanding at the end of the reporting period		10,00,000		10,00,000
	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		10,00,000		10,00,000
	Total at the end of the reporting period			**4,03,67,600**		**4,03,67,600**
4	**Reserves and Surplus**					
a	**Foreign currency translation reserve**					
	i	Balance at the beginning of the reporting period	(2,77,38,302)		(3,09,03,619)	
	ii	Additions during the reporting period	(4,97,99,890)		31,65,317	
	iii	Deduction during the reporting period				
	iv	Balance at the end of the reporting period		(7,75,38,192)		(2,77,38,302)
b	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	(6,99,42,082)		(4,68,15,593)	
	ii	Additions during the reporting period	(2,21,32,759)		(2,31,26,489)	
	iii	Deduction during the reporting period	-		-	
	iv	Balance at the end of the reporting		(9,20,74,841)		(6,99,42,082)
	Total at the end of the reporting period			**(16,96,13,033)**		**(9,76,80,384)**

DSK Developers Corporation						
Notes to the Standalone Balance Sheet as at			**31-Mar-15**	**31-Mar-15**	**31-Mar-14**	**31-Mar-14**
			₹	₹	₹	₹
5	**Short-term borrowings**					
i	**Short-term borrowings unsecured**					
	a	Loans and advances from related parties.*(Refer Borrowings Sheet)*	47,18,69,600		38,76,11,316	
	b	Other loans and advances. *(Refer Borrowings Sheet)*	46,94,310	47,65,63,910	15,02,495	38,91,13,811
		Period and amount of continuing default as on the balance sheet date in repayment of loans and interest				
	Total at the end of the reporting period			**47,65,63,910**		**38,91,13,811**
6	**Other current liabilities**					
	a	Interest accrued and due on borrowings. *(Refer Borrowings Sheet)*		7,54,94,457		1,55,30,756
	Total at the end of the reporting period			**7,54,94,457**		**1,55,30,756**
7	**Short-term provisions**					
	a	Provision for Expenses		2,59,75,182		-
	Total at the end of the reporting period			**2,59,75,182**		**-**

DSK Developers Corporation

Notes to the Standalone Balance Sheet as at				31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
				₹	₹	₹	₹
8	**Non-current investments**						
	a	Investments in Equity Instruments					
		i	Subsidiary: DSK Woods LLC (100%)		19,74,44,520		19,74,44,520
	Total at the end of the reporting period				**19,74,44,520**		**19,74,44,520**
	Additional Disclosures						
	a	Investments carried at other than at cost and the basis for valuation thereof.					
	b	Aggregate amount of quoted investments					
	c	Market value of quoted investments					
	d	Aggregate amount of unquoted investments;			19,74,44,520		19,74,44,520
	e	Aggregate provision for diminution in value of investments					
9	**Inventories**						
	a	Stock-in-trade (in respect of goods acquired for trading)					
		i	27 Walker Avenue, Township of Franklin, County of Gloucester, Block 1201, Lot 48, New Jersey 08322	2,23,213		2,23,213	
		ii	45 Fair ton Cedarville Road, Township of Fairfield, County of Cumberland, Block 43, Lot 17 Bridgeton, New Jersey 533	2,67,881		2,67,881	
		iii	County of Ocean, Block 21, Lot 12, Toms River New Jersey 08757	15,49,649		15,49,649	
		iv	795 Ridge Road & 7 & 8-20 Interlaken Road (Lots 5.04,5.05,5.06,5.07,5.08,5.09,5.10,5.031, Block 53) in the Township of South Brunswick, Middlesex County, Cranbury New Jersey 08512	9,95,36,047	10,15,76,790	5,96,79,209	6,17,19,952
	Total at the end of the reporting period				**10,15,76,790**		**6,17,19,952**
	Mode of valuation: see Notes						
10	**Cash and cash equivalents**						
	a	Balances with banks					
		i	Current a/c balances with bank		12,076		2,08,428
	Total at the end of the reporting period				**12,076**		**2,08,428**

DSK Developers Corporation

Notes to the Standalone Balance Sheet as at				31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
				₹	₹	₹	₹
11	**Short-term loans, advances and deposits**						
	a	Loans and advances to related parties					
		i	Unsecured, considered good		11,95,86,443		8,42,50,465
		a	Loan given to Subsidiary-DSK Woods LLC	7,73,42,785		4,36,88,028	
		b	Interest receivable from Subsidiary-DSK Woods LLC	4,22,43,658		4,05,62,437	
		iii	Doubtful				
		iv	Allowance for bad and doubtful loans and advances				
	b	Others					
			Secured, considered good				
		i	Unsecured, considered good		2,59,75,182		
			Delta Vista LLC	2,40,97,458			
			Simpson Waastu Builders LLC	18,77,724			
		a	Advance to Intertaken road development LLP				
		iii	Doubtful				
		iv	Allowance for bad and doubtful loans and advances				
	c	Deposits			41,93,104		40,26,226
		a	Bond Money-Ridge Road Property	41,93,104		40,26,226	
	d	Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member					
	Total at the end of the reporting period				**14,97,54,729**		**8,82,76,691**
	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.						

DSK Developers Corporation

Notes to the Standalone Profit and Loss Statements for the year ended		31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
		₹	₹	₹	₹
12	**Revenue from Operations**				
	Revenue from				
a	Company other than a finance		-		
	Total at the end of the reporting period		**-**		**-**
13	**Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade**				
a	Work-in-Progress				
	Closing	10,15,76,790		6,17,19,952	
	Less: Opening	(6,17,19,952)	3,98,56,838	(5,76,96,955)	40,22,997
	Total at the end of the reporting period		**3,98,56,838**		**40,22,997**
14	**Other income**				
a	Other income		35,86,154		13,793
	Total at the end of the reporting period		**35,86,154**		**13,793**
15	**Development expenses**				
i	Construction & development costs		3,98,56,838		-
ii	Purchase of Ridge & Interlaken Road Property		-		40,22,997
	Total at the end of the reporting period		**3,98,56,838**		**40,22,997**
16	**Finance Costs**				
a	Interest on loan		2,47,61,758		2,10,99,986
b	Bank service charges		36,077		20,435
	Total at the end of the reporting period		**2,47,97,834**		**2,11,20,421**
17	**Office and administration expenses**				
a	Professional Fees		4,09,135		3,19,904
b	Other administrative expenses		-		16,515
c	Interest & processing fees		2,055		1,088
d	Land Scaping Expenses		-		3,23,655
e	Property Tax		-		11,98,384
f	Taxes franchise		-		1,30,067
g	Taxes - Federal		3,41,735		-
h	Taxes - Local		1,52,868		-
i	Taxes - State		15,287		-
	Total at the end of the reporting period		**9,21,079**		**20,19,861**

DSK Developers Corporation

					31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
Notes to the Standalone Profit and Loss Statements for the year ended								
					₹	₹	₹	₹
18	**Related party disclosures**							
	A	**Names of related parties and related party relationship**						
		1	**Related parties where control exists**					
			Holding company	1	D. S. Kulkarni Developers Ltd.			
			Subsidiaries	1	DSK Woods LLC			
			Fellow Subsidiaries	1	DSK SEZ Projects (Pune) Private Ltd.			
				2	DSK Global Education and Research P. Ltd.			
				3	DSK Southern Projects Pvt. Ltd.			
			Key management personnel	1	Mr. D. S. Kulkarni			
				2	Mrs H D Kulkarni			
			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 Constructions Pvt. Ltd.			
				6	D.S.Kulkarni & Associates			
				7	D.S.Kulkarni & Brothers			
				8	D.S.Kulkarni & Company			
				9	D.S.Kulkarni & Sons			
				10	DSK & Asso			
				11	DSK & Co.			
				12	DSK Constructions			
				13	DSK & Sons			
				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 Ltd.			
				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.			
				26	DSK World Education Council			
				27	DSK Worldman Projects Ltd.			
				28	Fairyland Promoters & Developers Pvt. Ltd.			
				29	Forever Solar Power Project Pvt. Ltd.			
				30	Gharkul			

DSK Developers Corporation

Notes to the Standalone Profit and Loss Statements for the year ended	**31-Mar-15**	**31-Mar-15**	**31-Mar-14**	**31-Mar-14**
	₹	₹	₹	₹
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 Saptashring Oil Mills Pvt. Ltd.			
38	Talisman Hospitality Services Pvt. Ltd.			
39	Telesmell			
40	Tricone Infracon Ltd.			

2	**Related party transactions**	**2014-15**	**2013-14**
		₹	₹
	BALANCE SHEET ITEMS		
	Investment at year end		
a	DSK Woods LLC	19,74,44,520	19,74,44,520
		19,74,44,520	**19,74,44,520**
b	*Balance payable*		
	D. S. Kulkarni Developers Ltd.	53,08,87,591	34,59,17,206
	DSK Entertainment LLc, USA	1,64,29,522	5,71,79,791
		54,73,17,113	**40,30,96,997**
c	*Balance receivable*		
	DSK Woods LLC	11,95,86,443	8,42,50,465
		11,95,86,443	**8,42,50,464.82**
	TOTAL OF B/S ITEMS	**86,43,48,076**	**68,47,91,982**
	PROFIT / LOSS ITEMS		
a	*Interest paid*		
	D. S. Kulkarni Developers Ltd.	2,33,20,092	1,92,60,054
	DSK Entertainment LLc, USA	14,41,665	18,39,931
		2,47,61,757	**2,10,99,985.20**
	TOTAL P/L ITEMS	**2,47,61,757**	**2,10,99,985.20**
	Grand total	**88,91,09,832**	**70,58,91,967.46**

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	
Partner	D.S.Kulkarni (Director) H.D.Kulkarni (Director)
Membership No. 30462	
Place: Pune	Place: Pune
Date: 28th May 2015	Date: 28th May 2015

DSK Developers Corporation								
Standalone Balance Sheet as at			31-Mar-15			31-Mar-14		
1	Short term borrowings							
		Borrowings	Non-current maturity of the debt	Interest accrued and due on borrowings	Total Amount	Non-current maturity of the debt	Interest accrued and due on borrowings	Total Amount
	a	**Unsecured**	₹	₹	₹	₹	₹	₹
	1	**From related parties**						
	i	**Parent company**						
		D.S. Kulkarni Developers Ltd.	45,68,79,103	7,40,08,489	**53,08,87,591**	33,20,19,001	1,38,98,205	**34,59,17,206**
	ii	**Other related parties**						
		DSK Entertainment LLc	1,49,90,497	14,39,025	**1,64,29,522**	5,55,92,315	15,87,476	**5,71,79,791**
	2	**From others**						
	i	Ketan Limaye (FD)	15,64,770	46,943	**16,11,713**	15,02,495	45,075	**15,47,570**
	ii	Rajesh Parekh	31,29,540	-	**31,29,540**			
		Total	**47,65,63,910**	**7,54,94,457**	**55,20,58,366**	**38,91,13,811**	**1,55,30,756**	**40,46,44,567**
			31-Mar-15			**31-Mar-14**		
		Borrowings	Non-current maturity of the debt	Interest accrued and due on borrowings	Total Amount	Non-current maturity of the debt	Interest accrued and due on borrowings	Total Amount
1	**Short term loans and advances**		₹	₹	₹	₹	₹	₹
	a	Loans to related parties						
		Unsecured, considered good						
		Loan to Subsidiary DSK Woods LLC	7,73,42,785		**7,73,42,785**	4,36,88,028		**4,36,88,028**
		Interest receivable from Subsidiary		4,22,43,658	**4,22,43,658**		4,05,62,437	**4,05,62,437**
	b	Others						
	i	Delta Vista LLC	2,40,97,458		**2,40,97,458**			
	ii	Simpson Waastu Builders LLC	18,77,724		**18,77,724**			
		Total	**10,33,17,967**	**4,22,43,658**	**14,55,61,625**	**4,36,88,028**	**4,05,62,437**	**8,42,50,465**