

Ankur Shah & Associates

Chartered Accountants

A- 501, Rite Galaxy, Sodawala Lane, Borivali (West), Mumbai- 400 092

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## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DARSHAN DEVELOPERS PVT. LTD.

### Report on the Financial Statements

We have audited the accompanying financial statements of Darshan Developers Pvt. Ltd ("the Company"), which comprise the Balance Sheet as at 31 March 2015, & the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

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

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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 purpose of expressing an opinion on whether the Company has in place of adequate internal financial control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2015;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date;

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.

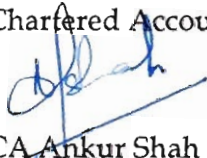
As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, Ankur Shah & Associates,  
Chartered Accountants

  
CA Ankur Shah  
Membership No. 155564  
Place : Mumbai.  
Dated :01.09.2015



**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31<sup>st</sup> March, 2015 of Darshan Developers Pvt. Ltd:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.  
(b) Fixed Assets have been physically verified by the management as on the last date of financial year, which in our opinion is reasonable. No material discrepancies were noticed on such verification.
- (ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) During the year the company has granted loans to Companies, firms or other parties covered in the register maintained under section 189. The same has been disclosed by the management in its Financial Statements.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regards to purchase of inventories. During the course of audit, we have not observed any continuing failure to correct the major weaknesses in the internal controls.

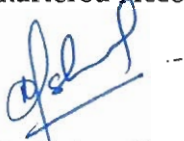


- (v) The company has not accepted any deposits from the public.
- (vi) Since the company does not have any turnover, it is not required to maintain any cost records which has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.
- (vii) (a) Undisputed statutory dues including Provident Fund, Employee's State Undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales Tax, Wealth-tax, Service-tax, duty of Customs, duty of excise, VAT, cess and other material applicable statutory dues have generally been regularly deposited with the appropriate authorities
- (b) According to the records of the company, there are no disputed statutory dues that have not been deposited on account of matters pending before the appropriate authorities.
- (c) No amount was required by the company to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under during the period under audit.
- (viii) The company does have accumulated losses. During the year under review, the Company had incurred cash loss of Rs. 4,650/-.
- (ix) According to the information and explanations given to us , the Company has not defaulted in repayment of any dues to Banks, Financial Institutions or Debenture Holders and accordingly the provisions of clause (ix) of the paragraph 3 of the Order, are not applicable to the Company.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or any financial institutions.
- (xi) According to the information and explanations given to us, the Company has taken term loan during the financial year covered under audit and the term loans were applied for the purpose for which the loans were obtained



- (xii) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company has been noticed or reported during the course of our audit.

For, Ankur Shah & Associates,  
Chartered Accountants



CA Ankur Shah  
Membership No. 155564  
Place : Mumbai  
Date : 01.09.2015

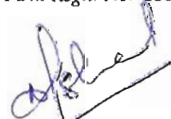


Darshan Developers Pvt. Ltd.  
Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
		Rupees	Rupees	Rupees	Rupees
<b>I. EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share capital	2.01	41,125,000		41,125,000	
Reserves and Surplus	2.02	(1,728,285)	39,396,715	(1,723,635)	39,401,365
<b>Non Current liabilities</b>					
Long-term borrowings	2.03		4,885,522,324		1,854,969,667
Other Long term liabilities	2.04		5,213,717,614		3,075,805,961
<b>Current liabilities</b>					
Short-term borrowings	2.05	448,025,000		455,225,000	
Trade payables	2.06	5,279,098		15,480,165	
Other current liabilities	2.07	570,744,423	1,024,048,521	14,028,970	484,734,135
<b>Total</b>			<b>11,162,685,173</b>		<b>5,454,911,128</b>
<b>II. ASSETS</b>					
<b>Non-current assets</b>					
<b>Fixed Assets</b>					
Tangible assets	2.08		1,703,435		1,112,728
Long-term loans and advances	2.09		920,332,595		920,265,744
<b>Current Assets</b>					
Inventories	2.10	6,557,920,250		4,387,324,381	
Cash and cash equivalents	2.11	8,203,168		47,507,024	
Short-term loans and advances	2.12	3,674,525,726		98,430,725	
Other current assets	2.13	0		270,525	
<b>Total</b>			<b>10,240,649,143</b>		<b>4,533,532,656</b>
<b>Total</b>			<b>11,162,685,173</b>		<b>5,454,911,128</b>
Significant Accounting Policies and Notes on Accounts <b>1 &amp; 2</b>					

For ANKUR SHAH & ASSOCIATES

Chartered Accountants  
Firm Regn. No. 136820W

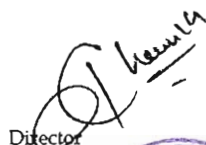


ANKUR SHAH  
Proprietor  
Membership No. : 155564



Date : 01/09/2015  
Place: Mumbai

For and on behalf of the Board

  
Director

  
Director



Darshan Developers Pvt. Ltd.  
Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No.	Year ended March 31, 2015	Year ended
		Rupees	March 31, 2014
		Rupees	Rupees
Revenue from operations		-	-
Other Income (Interest Received)	2.14	368,504	300,584
<b>Total Revenue</b>		<b>368,504</b>	<b>300,584</b>
<b>EXPENSES:</b>			
Other expenses	2.15	373,154	797,515
Depreciation	2.08	-	16,475
<b>Total Expenses</b>		<b>373,154</b>	<b>813,990</b>
<b>Profit before Tax</b>		<b>(4,650)</b>	<b>(513,406)</b>
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit (Loss) after Tax</b>		<b>(4,650)</b>	<b>(513,406)</b>
<b>Earnings Per equity share (Face Value Rs. 10) :</b>			
Basic & Diluted		(0.00)	(0.12)
Significant Accounting Policies and Notes on Accounts	1 & 2		

This is the Statement of Profit and Loss referred to in our report of even date.

For ANKUR SHAH & ASSOCIATES

Chartered Accountants  
Firm Regn. No. 136820W



ANKUR SHAH  
Proprietor  
Membership No. : 155564

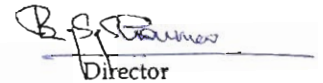


Date : 01/09/2015  
Place: Mumbai

For and on behalf of the Board



Director



Director



Darshan Developers Pvt. Ltd.  
Cash Flow Statement for the year ended March 31, 2015

Particulars	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
<b>Cash Flow from/ (used in) Operating Activities</b>		
Net Profit/ (Loss) before Tax	(4,650)	(513,406)
Adjustments for:		
Depreciation	451,482	248,628
Loss on sale on Fixed Asset	-	-
<b>Operating Profit Before Working Capital Adjustment</b>	<b>446,832</b>	<b>(264,778)</b>
Adjustments for:		
Inventories	(2,170,595,869)	(3,414,950,761)
Short Term Loans and Advances	(3,576,095,000)	2,702,521
Other Current Assets	270,525	(270,525)
Trade Payables	(10,201,067)	2,151,715
Other Non Current Payables	2,137,911,653	1,629,188,750
Other Current Payables	556,715,452	(36,834,489)
Income Tax Paid	(36,851)	(30,059)
Cash Flow from/ (used in) Operating Activities	[A] <u>(3,061,584,325)</u>	<u>(1,818,307,627)</u>
<b>Cash flow from/ (used in) Investing Activities</b>		
Purchase of Fixed Asset	(1,042,189)	(92,300)
Cash flow from/ (used in) Investing Activities	[B] <u>(1,042,189)</u>	<u>(92,300)</u>
<b>Cash flow from/ (used in) Financing Activities</b>		
Proceeds of Long / Short term Unsecured Borrowings	(7,200,000)	435,225,000
Repayment of Long / Short term Unsecured Borrowing	3,030,552,657	(339,990,225)
Long/Short Term Loans and Advances Received back	(30,000)	1,769,386,488
Net cash generated from/ (used in) Financing Activities	[C] <u>3,023,322,657</u>	<u>1,864,621,262</u>
<b>Net (Decrease)/ Increase in Cash and Cash equivalents</b>	[A+B+C] <u>(39,303,857)</u>	<u>46,221,335</u>
Cash and Cash equivalents as at the commencement of the year (Opening Balance)	47,507,024	1,285,689
Cash and Cash equivalents as at the end of the year (Closing Balance)	8,203,168	47,507,024
Net (Decrease)/ Increase in Cash and Cash equivalents	<u>(39,303,857)</u>	<u>46,221,335</u>
Cash and Cash Equivalents :		
Balances with banks	3,204,953	43,044,691
Cash on hand	620,837	687,133
	<u>3,825,790</u>	<u>43,731,824</u>

\*None of the above balance is earmarked, or held as margin money or having any restriction

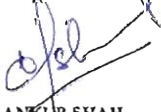
Note:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.
2. Previous period figures have been regrouped/ reclassified/ rearranged wherever necessary to make them comparable to those for the current year.

This is the Cash Flow Statement referred to in our report of even date.

For ANKUR SHAH & ASSOCIATES

Chartered Accountants  
Firm Regn. No. 136820W

  
ANKUR SHAH  
Proprietor  
Membership No. : 155564



Date : 01/09/2015  
Place: Mumbai

For and on behalf of the Board

  
Director

  
Director

Date : 01/09/2015  
Place: Mumbai



## Significant Accounting Policies and Notes to Accounts forming part of accounts for year ended 31st March 2014

### INTRODUCTION:

Darshan Developers Private Limited was incorporated on 24th November 2003 as a private limited company. The company is primarily engaged into real estate business. During the year, the company was in process of vacating the plot for its project and has not yet started the operation.

### SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 Basis of Preparation

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 1956 (the Act) and comply in material aspects with the accounting standards notified under Section 211 (3C) of the Act, read with Companies (Accounting Standards) Rules, 2006 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of the section 133 of The Companies Act, 2013.

#### 1.2 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### 1.3 Fixed Assets, Capital Work in Progress and Intangibles under Development

##### a Tangible Fixed Assets

Tangible fixed assets are stated at historical cost less accumulated depreciation/amortization. Cost comprises purchase price (Net of Cenvat and Value added tax), duties, levies and other directly attributable expenses of bringing the asset to its working condition for the intended use. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Expenses incurred prior to commercial operation of the projects have been considered as Pre-operative expenses (pending allocation).

Capital work-in-progress includes estimates of work completed, as certified by the management.

Depreciation on tangible fixed assets is provided using the Written Down Value method on the basis of useful life of the assets as per the Companies Act, 1956.

Assets costing individually Rs 5,000 or less are depreciated fully in the year of purchase.

##### b Intangibles Fixed Asset

Intangible assets are stated at cost of acquisition less accumulated amortization and amortized over a period of 5 years.

#### 1.4 Investments



Investments are classified into long term and current investments. Long term investments are carried at cost, provision for diminution, if any, in the value of each long term investment is made to recognize a decline other than of a temporary nature as specified in Accounting Standard -13 on Accounting for Investments. Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

## 1.5 Inventories

Inventory comprises land / plot, completed property for sale and property under construction (work-in-progress).

- i. Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost or net realizable value. Cost includes acquisition cost, Transferrable development right, borrowing cost and development charges/ cost and other related overheads.
- ii. Completed unsold inventory is valued at lower of cost or net realizable value. Cost is determined by including cost of land, materials, services and other related overheads.
- iii. Work-in-progress comprises proportionate cost of land, materials, services and other overheads related to projects under construction and are valued at lower of cost or estimated realizable value.

## 1.6 Revenue Recognition

### i Real Estate Projects

Revenue from real estate projects is recognized on the "Percentage of Completion" (POC) Method of accounting.

Revenue is recognized in relation to the sold areas on transfer of all significant risks and rewards of ownership to the buyer i.e. on issue of booking/ allotment letter. Total sales consideration of sold areas is recognized as revenue on the basis of percentage of actual costs incurred, including land, construction and development cost of projects under execution subject, to actual cost being 25 percent or more of the total estimated cost of projects.

The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on real estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognized immediately.

### ii Income from Construction Contracts

Revenue from construction contracts is recognized on the Percentage of Completion method of accounting. Income from construction contracts is recognized by reference to the stage of completion of the contract activity as certified by the client. Revenue on account of contract variations, claims and incentives are recognized upon determination or settlement of the contract.

However, no revenue has been recognised during the year.

### iii Interest



Income on account of Interest is recognized on time proportion basis wherever the realization of the same is reasonably certain.

#### 1.7 Unbilled Receivables

Unbilled receivables represents revenue recognized based on POC Method over and above the amount due as per the payment plans agreed with the customers.

#### 1.8 Cost of Construction/Development

Cost of Construction/Development incurred is charged to the profit and loss account proportionate to project area sold. Adjustments, if required, are made on completion of the respective projects. Cost includes cost of land, development rights, development costs, borrowing costs, overheads, construction costs, etc.

#### 1.9 Foreign Exchange Transactions

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.
- (ii) Monetary items denominated in foreign currencies are restated at the year end exchange rates.
- (iii) Non monetary foreign currency items are carried at the exchange rate prevailing on the date of transaction.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account.

#### 1.10 Borrowing Costs:

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to other than temporary intervention. All other borrowing costs are charged to the profit and loss account as incurred.

#### 1.11 Impairment of Fixed Assets

In accordance with AS 28 issued by the Institute of Chartered Accountants of India, the carrying amount of cash generating units/ assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is the higher. Impairment loss, if any, is recognized whenever the carrying amount exceeds the recoverable amount.

#### 1.12 Expense Recognition

Indirect costs (like Administration Expenses, Advertisement and Marketing Expenses, etc.) 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 is charged to Profit & Loss Account. Preliminary expenses are charged off in the year when it is incurred.

#### 1.13 Leases



Lease arrangements where the risk and rewards incidental to ownership of assets substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are charged to profit and loss account on a straight line basis over the lease term.

#### 1.14 Taxation

Income tax expense comprises current tax expense and deferred tax expense/credit.

##### i) Current tax

Provision for current tax is calculated in accordance with the provisions of the Income-Tax Act, 1961 and is made annually based on the tax liability computed after considering benefits admissible under the provisions of the Income Tax Act, 1961.

##### ii) Deferred tax

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. However, in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

#### 1.15 Provisions and Contingencies

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the period in which the change occurs.

#### 1.16 Earnings per share ('EPS')

Basic EPS is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti dilutive.



Darshan Developers Pvt. Ltd.  
Notes to Accounts for the year ended March 31, 2015

Note 2.01 Share Capital

	31-Mar-15 Rs.	31-Mar-14 Rs.
<b>Authorized</b>		
Equity Shares Rs. 10 par value 5000000 (5000000) equity shares	50,000,000	50,000,000
	<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued, Subscribed and Fully Paidup</b>		
Equity Shares Rs. 10 par value 4112500 (4112500) Equity Shares	41,125,000	41,125,000
	<u>41,125,000</u>	<u>41,125,000</u>
<b>Reconciliation of shares</b>		
No. of shares at the beginning of the year	4,112,500	4,112,500
Add : No. of Shares Issued during the year	-	-
No. of Shares at the end of the year	<u>4,112,500</u>	<u>4,112,500</u>

Rights, Preferences and Restrictions -

The Company has only one class of shares referred to as Equity Shares having a Par Value of Rs. 10. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The share holders are eligible for dividends declared if any, on proportionate basis.

Shareholders holding more than 5% of shares :

Name	No.of Shares	% of share held		
RKW Developers Private Limited	-	-		
Wadhawan Realtors Private Limited	2,056,250	50.00%	2,056,250	50.00%
Skylark Build Dwellers Private Limited	2,053,750	49.94%	2,053,750	49.94%

	31-Mar-15 Rs.	31-Mar-14 Rs.
<b>Note 2.02 Reserves and Surplus</b>		
Profit and Loss Account		
Opening Balance	(1,723,635)	(1,210,229)
Transferred from Statement of Profit and Loss	(4,650)	(513,406)
Closing Balance	<u>(1,728,285)</u>	<u>(1,723,635)</u>
<b>TOTAL</b>	<u>(1,728,285)</u>	<u>(1,723,635)</u>

Note 2.03 Long Term Borrowing

Term Loan-Secured

From Financial Company

4,245,184,284

900,259,833

Term of Loan :

Security : Secured against the Project Assets, including Project revenue and receivables. Interest : 12% per annum

Repayment : The repayment term is based on the progress of the project and is not due at present.



<b>From Related Parties-Unsecured</b>		
(a) Skylark Buildcon Private Limited	640,338,040	651,429,052
(b) RKW Developers Private Limited	-	303,280,782
<b>TOTAL</b>	<b><u>4,885,522,324</u></b>	<b><u>1,854,969,667</u></b>
 <b>Note 2.04 Other Long Term Liability</b>		
Advance received for Joint Venture under Negotiation	5,212,834,202	3,075,209,399
Retention Money	883,412	596,562
	<b><u>5,213,717,614</u></b>	<b><u>3,075,805,961</u></b>
 <b>Note 2.05 Short Term Borrowing</b>		
<b>Repayable on demand - Unsecured</b>		
Inter Corporate Loan	448,025,000	455,225,000
<b>TOTAL</b>	<b><u>448,025,000</u></b>	<b><u>455,225,000</u></b>
 <b>Note 2.06 Trade Payables</b>		
Trade Payables	5,279,098	15,480,165
<b>TOTAL</b>	<b><u>5,279,098</u></b>	<b><u>15,480,165</u></b>
 <b>Note 2.07 Other Current Liabilities</b>		
Book Overdraft	569,628,594	-
Statutory Dues	1,115,828	13,449,567
Other Liabilities	0	579,403
<b>TOTAL</b>	<b><u>570,744,423</u></b>	<b><u>14,028,970</u></b>



Darshan Developers Pvt. Ltd.  
Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2015

Note 2.08 Tangible Assets

Sl. No	Description	Gross block			Depreciation			Net block			
		Cost as at 01.04.2014	Additions	Deduction	Cost as at 31.03.2015	Upto 01.04.2014	For The Year	Deduction	Total 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Office Equipment	413,254	311,619	-	724,873	99,783	100,830	-	200,612	524,261	313,471
2	Computer Equipment	69,655	1,99,690	-	269,345	54,171	107,738	-	161,909	107,436	15,484
3	Plant & Machinery	274,548			274,548	75,066	38,190		113,255	161,293	199,482
4	Furniture and Fixture	833,949	530,880	-	1,364,829	249,658	204,724	-	454,383	910,446	584,291
	<b>TOTAL</b>	<b>1,591,406</b>	<b>1,042,189</b>	<b>-</b>	<b>2,633,595</b>	<b>478,678</b>	<b>451,482</b>	<b>-</b>	<b>930,160</b>	<b>1,703,435</b>	<b>1,112,728</b>

Note : Depreciation amounting to Rs. 451482 capitalized as related to Project Assets.



Darshan Developers Pvt. Ltd.  
Notes to Accounts for the year ended March 31, 2015

	31-Mar-15 Rs.	31-Mar-14 Rs.
<b>Note 2.09 Long Term Loans and Advances</b>		
<b>Unsecured Considered Good</b>		
Advance against Development Rights and Land Purchase	917,900,000	917,900,000
Security Deposit	2,017,529	1,987,529
Advance Income Tax	415,066	378,215
<b>TOTAL</b>	<b>920,332,595</b>	<b>920,265,744</b>
<b>Note 2.10 Inventories</b>		
<b>Valued at Cost or Net Realizable Value whichever is lower</b>		
Land and Construction Work in Progress	6,557,920,250	4,387,324,381
<b>TOTAL</b>	<b>6,557,468,768</b>	<b>4,387,324,381</b>
<b>Note 2.11 Cash and Cash Equivalents</b>		
Balances with banks	3,204,953	43,044,691
Cash on hand	620,837	687,133
Fixed Deposits	4,377,378	3,775,200
<b>TOTAL</b>	<b>8,203,168</b>	<b>47,507,024</b>
*None of the above balance is earmarked, or held as margin money or having any restriction		
<b>Note 2.12 Short Term Loans and Advances</b>		
Advance to Supplier	3,305,535,559	78,840,839
Interest Receivable	3,129,863	3,129,863
Advance Given for Joint Venture under Negotiation	307,754,993	
Prepaid Compensation	6,100,790	6,100,790
Service Tax Receivable	27,871,655	7,831,925
VAT Receivable	2,119,329	1,314,671
Other Receivable	22,013,536	1,212,637
<b>TOTAL</b>	<b>3,674,525,726</b>	<b>98,430,725</b>
<b>Note 2.13 Other Current Assets</b>		
Interest accrued on Fixed Deposit	0	270,525
<b>TOTAL</b>	<b>0</b>	<b>270,525</b>



Darshan Developers Pvt. Ltd.

Notes to Accounts for the year ended March 31, 2015

	Current Year Rs	Previous Year Rs
<b>Note 2.14 Other Income</b>		
Interest Income	368,504	300,584
<b>TOTAL</b>	<u><u>368,504</u></u>	<u><u>300,584</u></u>
 <b>Note 2.15 Other Expenses</b>		
Auditors Remuneration	320,000	300,000
Misc. Expenses	53,154	118,749
Interest on delayed payment of TDS	-	378,766
<b>TOTAL</b>	<u><u>373,154</u></u>	<u><u>797,515</u></u>



**Darshan Developers Pvt. Ltd.**

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

**2.16 Earning per Share**

In Rs.

Particulars	Year Ended March	
	31st, 2015	31st, 2014
Basic / Diluted Earning Per Share:		
Profit after taxation as per Profit and Loss Account (A)	(4,650)	(513,406)
Weighted average number of Equity Shares Outstanding (B)	4,112,500	4,112,500
Basic/Diluted Earning Per Share (in Rupees) (A)/(B)	(0.00)	(0.12)
Nominal value of equity share (in Rupees)	10.00	10.00

**2.17 RELATED PARTY TRANSACTION**

Related Party Disclosure as required by Accounting Standard (As) - 18 "Related Party Disclosures" Issued by The Institute of Chartered Accountants of India:

**RELATIONSHIP**

(A) Person having significant influence Mr.Sudhakar Shetty, Director Skylark Build dwellers Private Limited

(B) Parties over which person mentioned in (A) above have significant influence and have transaction during the year  
 Pawansut Dwellers Pvt Ltd  
 Sahana Dwellers Pvt Ltd  
 Skylark Buildcon Pvt Ltd  
 Skylark Build Dwellers Pvt Ltd  
 Pilot Construction Pvt Ltd  
 Sigtia Construction Pvt Ltd

Name of Related Party	Nature of Transactions	GRAND TOTAL	
		APRIL 2014 - MARCH 2015	APRIL 2013 - MARCH 2014
Pawansut Dwellers Pvt Ltd	Advance received for Joint Venture under Negotiation/ Recovery	(64,700,613)	28,866,000
Sahana Construction Pvt Ltd	Recovery of Advance	-	-
Sahana Dwellers Pvt. Ltd.	Advance received for Joint Venture under Negotiation	-	30,000,000
Skylark Buildcon Pvt Ltd	Loan Repaid	124,600,000	-
Sigtia Construction Pvt Ltd	Advance received for Joint Venture under Negotiation	29,200,000	692,500,000
Sigtia Construction Pvt Ltd	Advance Repaid	62,740,000	87,100,000
Sigtia Construction Pvt Ltd	Interest	121,990,448	48,053,811
Sahana Dwellers Pvt. Ltd.	Interest	20,064,414	83,021,945
Pawansut Dwellers Pvt Ltd	Interest	164,645,225	266,232,660
Skylark Build Dwellers Pvt Ltd	Interest	276,957	1,515,161
Skylark Buildcon Pvt Ltd	Interest	113,508,988	171,079,052
<b>OUTSTANDING AT THE YEAR END</b>		<b>Debit / (Credit)</b>	<b>Debit / (Credit)</b>
Pawansut Dwellers Pvt Ltd		(1,463,137,437)	(1,363,192,825)
Sahana Dwellers Pvt. Ltd.		(153,827,177)	(133,762,763)
Skylark Buildcon Pvt Ltd		(640,338,040)	(651,429,052)
Sigtia Construction Pvt Ltd		(1,099,204,259)	(1,010,753,811)
Skylark Build Dwellers Pvt Ltd		(1,792,118)	(1,515,161.00)



Darshan Developers Pvt. Ltd.

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

2.18 Dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the information's provided by the company there are no suppliers who are registered as micro, small and medium enterprises under "The Micro, small and medium Enterprises Development Act-2006 ", as such no disclosure is required.

2.19 Segment Reporting

The company operates only in one segment, namely, integrated real estate development and construction of residential and commercial properties / flats. Hence the requirements of Segment Reporting pursuant to AS 17 issued by the Institute of Chartered Accountants of India are not applicable.

2.20 Retirement Benefits

The company has less than 10 employees on the payroll during the year; hence Accounting Standard-15-Retirement Benefits is not applicable to the company.

2.21 Inventory includes, capital work in progress which includes compensation paid/payable to tenants as per SRA Scheme, professional charges, payment made to SRA, Interest on loan and expenses specifically incurred for project.etc.

2.22 Balances grouped under Non Current and Current Liabilities and Non Current and Current Assets in certain cases are subject to confirmation and reconciliation from respective parties. Impact of the same, if any, shall be accounted as and when determined.

2.23 In the opinion of the management, the Current Assets, Loans and Advances and Current Liabilities are approximately of the value stated, if realised / paid in the ordinary course of business. The provision for all known liabilities is adequate and is not in excess of amounts considered reasonably necessary.

2.24 The company has received of Rs. 50908 Lac (Previous Year Rs. 30752 Lac) from few parties for new project. The company is exploring the market to launch the new project, and as the terms and conditions are under finalization, the same has been disclosed as advance received for Joint Venture under Negotiation.

2.25 Contingent Liabilities -Rs Nil Previous Year Nil

2.26 Expenditure in foreign currency Rs. Nil Previous Year Nil

2.27 The Institute of Chartered Accountants of India has issued Guidance Note on Accounting for Real Estate Transactions (Revised 2012) in connection with the revenue recognition for a real estate project which commences on or after April 1, 2012. During the year under consideration, there is no real estate project for which revenue has been recognised under the said Guidance Note, hence there is no impact of the same in the statement of profit and loss for the year ended March 31, 2014 and no disclosures have been given.

2.28 The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Assets and liabilities have been classified into current and non-current based on the operating cycle.

2.29 Previous Year's figures have been regrouped, reclassified wherever necessary.

2.30 Figures are rounded off to the nearest rupee

As per our attached report of even date

For ANKUR SHAH & ASSOCIATES

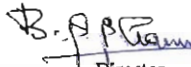
Chartered Accountants  
Firm Regn. No. 136620W

  
ANKUR SHAH  
Proprietor  
Membership No. : 155564



For and on behalf of the Board

  
Director

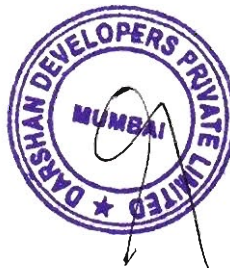
  
Director



## Darshan Developers Pvt. Ltd.


## Statement of Work In Progress for the year ended 31st March 2015

Particulars	Balance as on 31-03-2014	Addition During the year	Balance as on 31-03-2015
Aakash Soc ( Compensation )	31 92 000	12 00 000	43 92 000
Aakash Soc (Co Ordinator)	6 00 000	10 50 000	16 50 000
Aaradhana Wefare Society( Handling)	2 40 000	4 80 000	7 20 000
Aashyaan Soc (Coordinator)	8 00 000		8 00 000
Aashiyana Chs (Compensation)		4 80 000	4 80 000
Aashiyana Chs (Structure)	31 68 000	4 00 000	35 68 000
Advance Against Material / Project Rights	16 00 00 000		16 00 00 000
Advance for Land / Development Rights	60 00 00 000	20 00 00 000	80 00 00 000
AKASH (Handling Charges)	15 00 000	3 40 000	18 40 000
Al Hind - Coordinator	50 000	2 00 000	2 50 000
Alpesh Plot - Co Ordinator	26 00 000	36 00 000	62 00 000
Alpesh/ Antarjatiya Chs (Structure)	3 53 50 000	2 65 60 000	6 19 10 000
Aman CHS ( Compensation)	2 22 78 349	77 48 440	3 00 26 789
Aman CHS (Handling Charges)	2 02 000	2 40 000	4 42 000
Aman Chs (Structure)	12 00 000		12 00 000
Aman Soc (Co Ordinator)	3 00 000	1 98 500	4 98 500
Antarjatiya Chs (Co Ordinator)	48 00 000	1 00 000	49 00 000
Antarjatiya Chs (Compensation)		3 30 000	3 30 000
Aradhana Soc (Co Ordinator)	1 00 000		1 00 000
Ashiyana CHS ( Compensation)	3 94 76 667	3 32 01 572	7 26 78 239
Ashiyana CHSL (Handling Chrgs)	1 01 02 500	35 51 524	1 36 54 024
Bafna /Sai Darshan (Compensation)	31 39 000	1 12 20 000	1 43 59 000
Bafna /Sai Darshan Chs ( Co- Ordination)	1 99 40 010	3 57 00 606	5 56 40 616
Bafna /Sai Darshan Chs (Structure)	3 85 80 000	58 68 21 786	62 54 01 786
Bismillah Soc (Handling Charges)	10 52 500	7 27 500	17 80 000
Bismillah Socty - Compensation Rent	72 000	72 000	1 44 000
Civil Work	89 34 10 544	1 51 82 752	90 85 93 296
Compensation	3 15 41 401		3 15 41 401
CTS No.208 (Pt)	22 50 00 000	1 75 83 000	24 25 83 000
CTS No.208(Pt), 249 (Pt)	23 40 00 000		23 40 00 000
CTS No.208/A/2	26 71 32 336		26 71 32 336
CTS No.526	9 00 000		9 00 000
Entire Juhu Galli (Co Ordinator)	4 28 23 410	1 88 02 384	6 16 25 794
Grace (Co Ordinator)		2 50 000	2 50 000
Grace/ Sarvadharmiya (Compensation)	3 54 76 000	1 52 24 500	5 07 00 500
Gulistan Soc (Co Ordinator)	57 86 000	36 56 250	94 42 250
Gulistan Society (Compensation)	1 00 000		1 00 000
HANDLING CHARGES	24 01 090	1 02 00 000	1 26 01 090
Hind Society ( Co Ordinators)	20 50 000		20 50 000
Interest	71 98 10 064	72 33 43 124	1 44 31 53 188
Janta Milap Chs (Compensation)	4 51 636	2 35 636	6 87 272
JANTA MILAP CHS (Handling)	46 26 500		46 26 500
Jeevanjyot Soc Handling	38 85 357		38 85 357
Juhu Milap Lane (Compensation)	4 86 000		4 86 000
Juhugalli (Handling)	1 08 60 000	1 13 55 000	2 22 15 000
Karnataka Chs (Co Ordinator)	31 74 850	12 70 150	44 45 000
Khandesh A&B (Co Codinator)	21 63 350	1 97 600	23 60 950
Manav Raksha Welfare Soc (Handling)	31 91 050	66 550	32 57 600
Maryam Chs		1 50 000	1 50 000
Milansar Chs (Structure)	20 20 000	54 60 000	74 80 000
Milansar Chs Ltd (Co Ordinator)	1 75 31 000	- 36 85 000	1 38 46 000



Particulars	Balance as on 31-03-2014	Addition During the year	Balance as on 31-03-2015
Milansar Soc (Handling)	9 10 000	18 22 000	27 32 000
Milansar Welfare CHSL (Compesation)	9 59 18 021	50 69 104	10 09 87 125
New Amar Soc (Co Ordinator)	18 70 000	15 00 000	33 70 000
Other Advences	3 50 000	1 00 000	4 50 000
Other Expenses	16 89 26 818	14 39 79 204	31 29 06 022
Purchase of Garage	1 23 00 000		1 23 00 000
Reliance Plot (Co Ordinator)	5 00 000	2 00 000	7 00 000
Sadabahr Soc (Co Ordinator)	3 52 530		3 52 530
Sadabahr Society (Handling)	21 90 750	72 000	22 62 750
Sarvadarimiya Chs (Co Ordinator)	88 75 357	93 88 205	1 82 63 562
Sarwadharmiyar Chs (Structure)	63 72 67 291	27 18 50 000	90 91 17 291
Tandana Soc (Cordinator)	3 00 000		3 00 000
Tawakkal Soc (Co Ordinator)		26 50 000	26 50 000
Depreciation		4 51 482	4 51 482
<b>Grand Total</b>	<b>4 38 73 24 381</b>	<b>2 17 01 44 387</b>	<b>6 55 79 20 250</b>

For Darshan Developers Pvt. Ltd.


  
 Director
   
