



घराला घरपण देणारी माणसं

D.S.KULKARNI DEVELOPERS LTD.

An ISO 9001, ISO 14001, OHSAS 18001 Certified Company

Working together, scaling heights!



15th ANNUAL REPORT 2005-2006



Shri. D. S. Kulkarni (CMD) being felicitated by
Former Prime Minister Shri. Atal Bihari Vajpayee

Report  Junction.com

From excellence to happiness

Over the years, the DSK Group has received
a plethora of awards for excellence in diverse fields.

These include -

- Ranked as the 2nd fastest growing construction company in India as per NICMAR Construction World Survey, 2004
- ISO 9001, ISO 14001 and OHSAS 1800 certified company
- C. M. Shah Concrete Technology Award
- Best Housing Complex of the year, AESA Award, DSK Raanwara
- Best concrete structure award, Institute of Engineers, Pune
- Hind Ratan Sword of Bahrain Award
- Entrepreneur International honor bestowed on Shri D. S. Kulkarni

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BOARD OF DIRECTORS : **D. S. KULKARNI**
(CHAIRMAN & MANAGING DIRECTOR)

: **V. C. JOSHI**

: **DR. P. S. PALANDE**

: **M. K. P. SETTY**

: **VIJAY DIXIT**

: **T. K. K. BHAGAVAT**

: **MRS. J. D. KULKARNI**
(WHOLETIME DIRECTOR)

CREDIT RESOURCE : **SYNDICATE BANK**

INDIAN OVERSEAS BANK

BANK OF MAHARASHTRA

ANDHRA BANK

INDIAN BANK

AUDITORS : **GOKHALE, TANKSALE & GHATPANDE,**
CHARTERED ACCOUNTANTS, PUNE

REGISTERED OFFICE : **'DSK HOUSE', 1187/60, J. M. ROAD,**
SHIVAJINAGAR, PUNE - 411 005.



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NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of the Company will be held on Saturday, the 30th day of September, 2006 at 9.30 a.m. at S. M. Joshi Socialist Foundation Auditorium, S. No. 191/192, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411030 to transact the following business :

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2006 and the Profit & Loss Account for the year ended on that date and the report of the Directors and of the Auditors thereon.
- 2) To declare a dividend.
- 3) To appoint a Director in place of Mr. Vijay Dixit who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint a Director in place of Mr. T. K. K. Bhagavat who retires by rotation and being eligible, offers himself for reappointment.
- 5) To appoint the auditors and fix their remuneration.

SPECIAL BUSINESS :

- 6) To consider and if thought fit, to pass with or without modifications the following resolution as an **ORDINARY RESOLUTION** :

"RESOLVED THAT pursuant to Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded to the reappointment of Mr. D. S. Kulkarni, as the Managing Director of the Company for a period of five years from 1st October 2006, on the terms and conditions as set out in the draft Agreement to be entered between the Company and Mr. D. S. Kulkarni, a draft of which is placed before the meeting and initialed by Mr. V. C. Joshi, Director for the purpose of identification."

- 7) To consider and if thought fit, to pass with or without modifications the following resolution as an **ORDINARY RESOLUTION**.

RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mrs. J. D. Kulkarni who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 23rd August, 2006 and who holds office up to the date of the ensuing Annual General Meeting as per the provisions of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

"RESOLVED THAT pursuant to Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded to the appointment of Mrs. J. D. Kulkarni, as the Wholetime Director of the Company for a period of five years from 23rd August 2006, on the terms and conditions as set out in the draft Agreement to be entered between the Company and Mrs. J. D. Kulkarni, a draft of which is placed before the meeting and initialed by Mr. V. C. Joshi, Director for the purpose of identification."



वसुधा कुरुते देवताय नमः™

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NOTES :

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON A POLL AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (2) THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING. FOR ATTENDING THE MEETING MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIPS DULY FILLED IN.
- (3) An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to Item Nos. 6 and 7 of the notice is annexed.
- (4) Members are requested to notify to the Company immediately any change in their address, quoting folio number and give complete address in capital letters with the PIN code. The Beneficial Owners of the dematerialized shares may inform the concerned Depository Participant of any change in their address.
- (5) The register of members and the share transfer books of the Company will remain closed from 25th September, 2006 to 30th September, 2006 (both days inclusive).
- (6) Members are requested to bring their copies of the Annual Report at the Meeting.
- (7) In order to enable the Company to satisfactorily answer questions at the meeting, members who would like to ask any questions about the Annual Report are requested to send their questions so as to reach the Company at least ten days before the Annual General Meeting.
- (8) With effect from 30th October, 2000 the Company's shares are compulsorily traded in dematerialized mode. The Company has completed the necessary arrangements with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for dealings in dematerialised shares. Members are requested to get their shares dematerialized as early as possible.
- (9) The dividend as recommended by the Directors, if declared at the Annual General Meeting, will be paid to those Members whose names appear in the Register of Members on 30th September, 2006.
- (10) Members who have not received their dividend for the earlier years are requested to contact the Share Transfer Agents and Registrars.

Sharepro Services (India) Pvt. Ltd.

Satam Estate, 3rd Floor, Cardinal Gracious Road,
Above Bank of Baroda, Chakala, Andheri (East), Mumbai 400 099.

The company has transferred unclaimed amounts of dividend paid up to 1997-1998 to the General Revenue Account / Investor Education and Protection Fund of the Central Government as required under Section 205 A and 205 C of the Companies Act 1956.

By the order of the Board of Directors,
For D. S. KULKARNI DEVELOPERS LIMITED

Place: Pune
Date : 24th August, 2006

D. S. KULKARNI
(CHAIRMAN & MANAGING DIRECTOR)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, ANNEXED TO THE NOTICE CALLING THE FIFTEENTH ANNUAL GENERAL MEETING ON SATURDAY, THE 30TH DAY OF SEPTEMBER, 2006 AT PUNE.

Item No. (6)

Mr. D. S. Kulkarni is a Promoter-Director of the Company and has served the Company as its Chairman and Managing Director since its incorporation. The Board of Directors in its meeting held on 14th July, 2006 has passed a resolution for the reappointment of Mr. D. S. Kulkarni as Chairman and Managing Director for a further period of 5 years from 1st October, 2006. As required by the provisions of the Companies Act, 1956, approval for such re-appointment is being sought from the shareholders.



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Thanks to his dynamic leadership, mature guidance, knowledge of the Company's core activities and wide experience. The Company has prospered during the last ten years. Hence your Directors are of the opinion that it would be in the interest of the Company to reappoint him as the Managing Director for another term of five years.

Pursuant to the aforesaid Board resolution appointing Mr. D. S. Kulkarni as Managing Director, the Company proposes to enter into an agreement with Mr. D. S. Kulkarni w.e.f. 1st October 2006. The appointment of Mr. D. S. Kulkarni is as per the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956 and is subject to the approval of the shareholders in the Annual General Meeting. Hence the resolution stated in Item No. 6 is placed before the Annual General Meeting for its approval.

The important terms and conditions of appointment and remuneration applicable to Mr. D. S. Kulkarni, as set out in the draft agreement effective from 1st October, 2006 are as under :

- I. Mr. D.S. Kulkarni will be looking after the overall general working of the Company and such additional duties as may be assigned by the Board from time to time.
- II. Period of Agreement: 5 years i.e. 1st October 2006 to 30th September 2011.
- III. The remuneration and perquisites payable to Mr. D. S. Kulkarni, with effect from 1st October 2006 are as under :
 1. Basic Salary : Rs. 10,00,000/- (Rs. Ten Lakh Only) per month, in the scale of Rs. 10,00,000 - Rs. 2,50,000- Rs. 1,00,00,000.
 2. House Rent Allowance : Rs. 2,50,000/- (Rs. Two Lakh Fifty Thousand Only) per month.
 3. Provident Fund : 12% of the basic salary per month.
 4. Superannuation : 15% of the basic salary per month.

The Board of Directors shall have the power to revise the remuneration from time to time, as per the scale approved above, provided however that the remuneration payable to the Managing Director shall not exceed prescribed percentage of the Net Profits of the Company for the financial year calculated in accordance with the provisions of Section 198 and other applicable provisions, if any, of the Companies Act, 1956.

The contributions at (3) and (4) above are subject to any change effected in the schemes/ rules of the respective funds.

5. Car: Provision of one or more Company's car(s) with driver as may be required from time to time for both official and personal purpose of the Managing Director.
6. Telephone: Provision of one or more landline telephone(s) at residence as may be required from time to time and Mobile Phone. All the bills for Telephone and Mobile phone will be borne and paid by the Company. However, Personal long distance calls shall be billed by the Company to the Managing Director.
7. Perquisites: There shall be with an overall upper limit of Rs. 10 Lacs per annum on the value of perquisites. Such perquisites will include leave travel allowance; reimbursement of medical expenses; club fees, subject to maximum of two clubs; personal accident insurance, subject to annual premium and gas and electricity expenses.

OTHER BENEFITS :-

Gratuity: Benefits in accordance with the rules and regulations in force in the Company from time to time but shall not exceed a half month's salary for each completed year of service.

Pension: Benefits in accordance with the rules and regulations in force in the Company from time to time.

Leave: Leave on full pay and allowance at the rate of one month for every eleven months of service with liberty to accumulate such leave upto a period of six months. Leave encashment for a maximum of six months to be permitted at any time during the term.

Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company, from time to time.

Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.



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The above remuneration as aforesaid to be allowed to the Managing Director shall be subject to such limits for these remuneration as laid down by the Companies Act, 1956 or any re-enactment, alteration, modification thereof.

The Company shall pay to or reimburse the Managing Director and he shall be entitled to be paid and or / to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

The above remuneration was approved and recommended by the Remuneration Committee.

The draft agreement to be entered into by the Company with Mr. D. S. Kulkarni is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. to 5.00 p.m. on all working days except Sundays and Public Holidays, till the conclusion of the ensuing Annual General Meeting.

The above terms and conditions shall be deemed to be an abstract under section 302 of the Companies Act, 1956.

The resolution for the proposed re-appointment of the Chairman & Managing Director is recommended for approval by the shareholders.

None of the directors other than Mr. D. S. Kulkarni himself and Mrs. J. D. Kulkarni who is a relative of Mr. D. S. Kulkarni are concerned or interested in the resolution.

Item No. (7)

Mrs. J. D. Kulkarni was co-opted as an Additional Director by the Board under section 260 of the Companies Act, 1956 and article 69 of the Articles of Association, on 23rd August, 2006. Pursuant to the provisions of Section 260 of the Companies Act, 1956, she retires at the ensuing Annual General Meeting. The Company has received a notice from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, together with a deposit of Rs.500/- proposing the candidature of Mrs. J. D. Kulkarni for the office of director of the Company.

Mrs. J. D. Kulkarni was appointed and designated as a Wholtime Director by the Board w.e.f 23rd August, 2006. Mrs. J. D. Kulkarni will look after the administrative matters of the Company, which are growing very fast, and a dedicated person is required to look after the same.

The other terms and conditions of appointment of Mrs J. D. Kulkarni as Wholtime Director are as follows:

1. Remuneration of Rs. 50,000/- (Rs. Fifty Thousand Only) per month.
2. Provident Fund: 12% of the basic salary per month.
3. Superannuation: 15% of the basic salary per month.

The contributions at (3) and (4) above are subject to any change effected in the schemes/ rules of the respective funds.

4. Car: Provision of the Company's car with driver for both official and personal purpose of the Wholtime Director.
5. Telephone: Provision of one telephone at residence. Personal long distance calls shall billed by the Company to the Wholtime Director.
6. Perquisites will include leave travel allowance; reimbursement of medical expenses; club fees, subject to maximum of two clubs; personal accident insurance, subject to annual premium and gas and electricity expenses.

OTHER BENEFITS :-

Gratuity: Benefits in accordance with the rules and regulations in force in the Company from time to time but shall not exceed a half month's salary each completed year of service.

Pension: Benefits in accordance with the rules and regulations in force in the Company from time to time.

Leave: Leave on full pay and allowance at the rate of one month for every eleven months of service with liberty to accumulate such leave upto a period of six months. Leave encashment for a maximum of six months to be permitted at any time during the term.

Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company, from time to time.

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Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.

The above remuneration as aforesaid to be allowed to the Wholetime Director shall be subject to such limits for remuneration as laid down by the Companies Act, 1956.

The Company shall pay to or reimburse the Wholetime Director and she shall be entitled to be paid and or / to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by her for the purpose of or on behalf of the Company.

The above remuneration was approved and recommended by the Remuneration Committee.

The draft agreement to be entered into by the Company with Mrs. J. D. Kulkarni is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. to 5.00 p.m. on all working days except Sundays and Public Holidays, till the conclusion of the ensuing Annual General Meeting.

The above terms and conditions shall be deemed to be an abstract under section 302 of the Companies Act, 1956.

The Resolution for the proposed terms of remuneration of the Whole Time Director is recommended for acceptance by the shareholders.

None of the directors other than Mrs. J. D. Kulkarni herself and Mr. D. S. Kulkarni who is a relative of Mrs. J. D. Kulkarni are concerned or interested in the resolution.

By the order of the Board of Directors,
For **D. S. KULKARNI DEVELOPERS LIMITED**

Place: Pune

Date : 24th August, 2006

D. S. KULKARNI
(CHAIRMAN & MANAGING DIRECTOR)

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

PARTICULARS	MR. VIJAY DIXIT	MR. T.K.K.BHAGAVAT	MR. D.S.KULKARNI	MRS. J.D.KULKARNI
Date of Birth	11/02/1932	07/07/1934	28/06/1950	27/10/1947
Date of appointment	26/09/2003	20/01/2004	01/10/2001	23/08/2006
Qualifications	Masters Diploma in Automobile Engineering	B.Com. B.L.C.A. L.L.B.	B.Com.	S.S.C.
Expertise in specific functional area	General Management	Financial Management	Construction, Marketing	Administration
Directorships held in other public companies	NIL	NIL	DSK Motors Ltd.	NIL
Memberships / Chairmanships of committees in Public Companies	NIL	1	3	NIL



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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **Fifteenth Annual Report** of the Company and Audited Statements of Accounts for the year ended 31st March, 2006.

FINANCIAL RESULTS:

Particulars	(Rupees in lakhs)	
	2005-2006	2004-2005
Operating Income & Increase in stocks	13,295.58	5,338.60
Profit before tax	1,965.50	392.31
Less : Provision for tax/deferred tax	(205.99)	(24.75)
Profit after tax	1,759.51	367.56
Less : Prior year adjustments	(0.15)	(3.11)
Add : Balance Brought forward	1,072.59	795.94
Profit available for Appropriation	2,831.95	1160.39
Less : Transfer to General Reserve	(175.95)	NIL
Proposed Dividend	(440.02)	(77.00)
Tax on Dividend	(61.71)	(10.80)
Balance of Profit carried to Balance Sheet	2,154.27	1072.59

DIVIDEND :

Your Directors have pleasure in recommending a **dividend @ 20% (Previous Year: 7%)** on the enhanced equity share capital of the Company post composite issue. The paid up capital of the Company as on 31st March, 2006 was Rs. 11,00,00,000/- and after post composite issue it has increased to Rs. 22,00,10,080/-. This is because of non-availability of separate ISDN No. the proposed dividend will absorb Rs. 4,40,02,016/- (Previous Year: Rs. 77 Lakhs)

PROFITABILITY :

The year under review is another year of satisfactory performance having regard to the constraints presently faced by the Construction Industry. The turnover during the year has increased by about **149%** from Rs. 5338.60 lakhs of last year to **Rs. 13,295.58 lakhs** during the year under review. The Profit before tax has increased by **401%** from Rs. 392.31 lakhs last year to **Rs. 1,965.50 lakhs** approximately.

INFORMATION REGARDING SUBSIDIARY :

The Company has recently incorporated a **Subsidiary Company** in Delaware State of United States of America. The Company has been incorporated under the name 'DSK Developers Corporation'. The Company will be engaged in the business of construction.

PROJECTS UNDER CONSTRUCTION :

Following were the sites at different stages of construction/ development as on the date of Balance Sheet :

S. No.	Name of the Site	Location
1	DSK Vishwa Ph. IV	Sinhagad Road, Pune
2	DSK Vishwa Villas	Sinhagad Road, Pune
3	DSK Vishwa Designer Bungalows	Sinhagad Road, Pune
4	DSK Vishwa IT PARK	Sinhagad Road, Pune
5	DSK Frangipani	Camp, Pune
6	DSK Sayantara	Sinhagad Road, Pune
7	DSK Sundarban	Hadpsar, Pune
8	DSK Shrushti	Bavdhan, Pune
9	DSK Garden Enclave	Kondhwa, Pune
10	DSK Indradhanu	Bavdhan, Pune
11	DSK Madhuban	Andheri (E), Mumbai