



INDIA INSPIRES US

To dream.


To grow.

To achieve.

Report  Junction



| 16th ANNUAL REPORT | 2006 - 2007 |



When we overcame 200 years of British rule to become a free country, we proved to the world that a country with a will can write its own destiny.

Today, within 60 years of achieving freedom, we're already a global economic giant, we're the world's largest democracy and a nation waiting to make it big. At this time, at DSK, we're dedicating ourselves to the service of the nation in our own way with new vigour.

DSK Group's initiatives towards encouraging environment friendly construction techniques.

Our headway into the field of information technology. Our constant pursuit of providing high class education. Our dedication to a healthy India through our pharmaceutical branch. Our achievements in the field of automobiles, all this is our own way of contributing to the progress of the nation.

Every single day, we ensure that our business takes shape across countries like the USA & Middle East and we represent the excellence that India today stands for.

**BECAUSE AT DSK,
INDIA INSPIRES US.**

DSK GROUP VENTURES

| CONSTRUCTION

| AUTOMOBILES

| EDUCATION

| SOFTWARE TRAINING & DEVELOPMENT

| DIGITAL PRODUCT MANUFACTURING

| PHARMACEUTICALS

| ENGINEERING

| WEALTH MANAGEMENT

| HOSPITALITY



BOARD OF DIRECTORS

MR. D. S. KULKARNI
(CHAIRMAN & MANAGING DIRECTOR)

MRS. J. D. KULKARNI
(WHOLE TIME DIRECTOR)

MR. V. C. JOSHI

DR. P. S. PALANDE

MR. M. K. P. SETTY

MR. VIJAY DIXIT

MR. T. K. K. BHAGAVAT

COMPANY SECRETARY

MR. AMOL PURANDARE

CREDIT RESOURCES

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 Sixteenth Annual General Meeting of the members of the Company will be held on Saturday, the 29th day of September, 2007 at 9.30 a.m. at S. M. Joshi Socialist Foundation Auditorium, S. No. 191/192, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411 030 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2007 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 dividend.
- 3) To appoint a Director in place of Mr. V. C. Joshi who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint a Director in place of Dr. P. S. Palande who retires by rotation and being eligible, offers himself for reappointment.
- 5) To appoint the auditors and fix their remuneration.

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) 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.

- 4) The register of members and the share transfer books of the Company will remain closed from 25th September, 2007 to 29th September, 2007 (both days inclusive).
- 5) Members are requested to bring their copies of the Annual Report at the Meeting.
- 6) 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.
- 7) 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.
- 8) 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 29th September, 2007.
- 9) Members who have not received their dividend for the earlier years are requested to contact the Registrars and Share Transfer Agents:-

Sharepro Services (India) Pvt. Ltd.
Satam Estate, 3rd Floor, Cardinal Gracious Road,
Above Bank of Baroda, Chakala, Andheri (East),
Mumbai 400 099.
- 10) The company has transferred unclaimed amounts of dividend paid up to 1997-98 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 LTD.**

D. S. KULKARNI
Chairman & Managing Director

Place : Pune
Date : 22nd June, 2007



**DETAILS OF DIRECTORS SEEKING APPOINTMENT
AT THE ANNUAL GENERAL MEETING**

PARTICULARS	MR. V. C. JOSHI	DR. P. S. PALANDE
Date of Birth	11/02/1932	05/07/1937
Date of appointment	30/09/1993	28/01/1999
Qualifications	<ul style="list-style-type: none"> • M. A. (Mumbai) Political Science, • M. A. (Cambridge) Tripos in Economics) 	<ul style="list-style-type: none"> • M.A. • PH.D in Economics
Expertise in specific functional area	Financial Management	Financial Management
Directorships held in other public companies	Nil	<ul style="list-style-type: none"> • Gujarat Petrosynthese Ltd. • Electronica Machine Tools Limited • Bajaj Allianz Life Insurance Co. Limited
Memberships / Chairmanships of committees in Public Companies	Nil	<ul style="list-style-type: none"> • Audit Committee of Gujarat Petrosynthese Ltd.
No. of shares held in the company	Nil	Nil



DIRECTORS' REPORT

Dear Member,

Your Directors have pleasure in presenting the 16th Report of the Company and the 16th Annual Statements of Accounts for the year ended 31st March, 2007.

Particulars	(Rupees in lacs)	
	2006-2007	2005-2006
Operating Income & Increase in stocks	22,974.40	13,295.58
Profit before tax	4,072.12	1,965.50
Less : Provision for tax/deferred tax/ FBT	555.88	205.99
Profit after tax	3,516.25	1,759.51
Less : Prior year adjustments	-	0.15
Add : Balance Brought forward	2,154.27	1,072.59
Profit available for Appropriation	5,670.51	2,831.95
Less : Transfer to General Reserve	351.62	175.95
Proposed Dividend	440.02	440.02
Tax on Dividend	74.78	61.71
Balance of Profit carried to Balance Sheet	4,804.09	2,154.27

DIVIDEND

The Company's overall performance during the year under review has indeed been spectacular. The Board believes in rewarding shareholders with reasonable dividends so as to maintain healthy capital adequacy for the future. Hence your Directors have pleasure in recommending a final dividend @ 20% on the Company's equity share capital as increased by the composite (rights - cum-public) issue during the year under review. The proposed dividend payout will be Rs. 4,40,02,016/- in addition to dividend tax of Rs. 74,78,143/- (previous year: Rs. 61,71,283/-)

PROFITABILITY

The Company has continued to acquire new lands and execution of the projects in hand continues to be satisfactory. Such robust performance during the year under review was possible despite the steps taken by RBI for controlling inflation. The turnover during the year has increased by about 73% from Rs. 13,295.58 lacs in 2005-06 to Rs. 22,974.40 lacs during the year under review. The Profit before tax has increased by about 107% from Rs. 1,965.50 lacs in 2005-06 to Rs. 4,072.12 lacs. There has also been a substantial increase of 984% in the reserves of the Company mainly contributed by Share Premium. Without considering share premium, increase is 128%.



INFORMATION REGARDING SUBSIDIARY

During the year under review the Company has incorporated a subsidiary Company named 'DSK Developers Corporation' (DSKDC) in the State of Delaware in United States of America. DSKDC was subsequently registered to do business also in the State of New Jersey. The primary focus of DSKDC during its first year of operation was on search and acquisition of properties in New Jersey and New York, USA. DSKDC has acquired six properties in New Jersey during the period under review and will develop these properties further during the current financial year 2007-08.

DSKDC, in turn, has incorporated a Subsidiary Company of its own named 'DSK Woods, LLC' (DSKWL) in the State of New Jersey, USA, thereby making DSKWL a step-down subsidiary of DSKDC. DSKWL has acquired one huge property in New Jersey and is in the process of development of land and construction of houses. Both DSKDC & DSKWL have started the marketing of properties.

SPECIAL ECONOMIC ZONE APPROVAL

The Company has received an in-principle approval from the Special Economic Zones Board of Approvals to develop Multi-services Special Economic Zone of 250 acres at Fursungi, Pune.

COMPOSITE ISSUE

During the year under Report the Company came up with a Composite Issue of 1,10,00,000 Equity Shares of Rs.10 each aggregating Rs.2,11,75,00,000 (Rupees Two Hundred Eleven Crores and Seventy Five lacs only) comprising of:

Rights Issue of 55,00,000 Equity shares of Rs.10 each for cash at a premium of Rs.100 per Equity Share (i.e. at a price of Rs.110 per share) aggregating Rs.60,50,00,000 (Rupees Sixty crores and Fifty lacs only) to the existing Equity Shareholders of the Company in the ratio of One (1) Equity share for every Two (2) Equity shares held as on the Record Date.

AND

Public Issue of 55,00,000 Equity shares of Rs.10 each for cash at a price of Rs.275 per Equity Share aggregating Rs.1,51,25,00,000 (Rupees One hundred and fifty one crore and twenty five lacs only). The issue comprises Promoters Contribution of 6,40,155 Equity shares, a reservation for Employees of 1,10,000 Equity shares and a net offer to the public of 47,49,845 equity shares of Rs.10 each.

The post issue paid up capital of the Company is Rs. 22,00,10,080 (Rs. Twenty Two Crores Ten Thousand and Eighty only) divided into 2,20,01,008 equity Shares of Rs. 10 each which is well within the Authorised Capital of the Company. The new shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India.

The Company has duly complied with all the necessary requirements under the Companies Act, 1956, Securities and Exchange Board of India (Disclosure & Investor Protection) Guidelines, 2000, Foreign Exchange Management Act, 1999, Reserve Bank of India Act, 1934 and all the other related laws and regulations in respect of the composite issue.



PROJECTS UNDER CONSTRUCTION

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

Sr.No	Name of the Site	Saleable Area in Sq. Ft	Location	Type of Projects
1	DSK Garden Enclave	2,44,368	Kondhawa, Pune	Residential
2	DSK Vishwa -IV	4,93,584	Sinhagadh Road, Pune	Residential
3	DSK Sundarban	4,09,387	Hadapsar, Pune	Residential & Commercial
4	DSK Madhuban	4,17,525	Andheri, Mumbai	Residential
5	DSK Vishwa -Villa	26,722	Sinhagadh Road, Pune	Bungalows
6	DSK Frangipani	1,34,252	Camp, Pune	Residential
7	DSK Vishwa -Sayantara	4,83,599	Sinhagadh Road, Pune	Bungalow Plots
8	DSK Vishwa -Designer Bungalow	11,808	Sinhagadh Road, Pune	Bungalows
9	DSK Rohan	13,642	Model Colony, Pune	Residential
10	DSK Vishwa -IT Park*	11,50,000	Sinhagadh Road, Pune	Commercial

*Under Development

DIRECTORS

Pursuant to Article 73 of the Articles of Association of the Company, Mr. V. C. Joshi and Dr. P. S. Palande retire by rotation and being eligible, offer themselves for reappointment.

FIXED DEPOSITS:

Fixed deposits from the Public, Shareholders and Employees as on 31st March, 2007 stood at Rs.453.85 lacs as against Rs.357.19 lacs in the previous year. There were unclaimed deposits of Rs.4.85 lacs as on 31st March 2007 as against Rs.38.23 lacs in the previous year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

As the Company does not carry on any manufacturing activity, the particulars relating to conservation of energy & technology absorption required by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not stated.

During the year under review Company has received Foreign Exchange inflow Rs. 43.31 Lacs (previous year Rs. 2.92 lacs) towards flat booking. The Foreign Exchange outflow amounted to Rs. 2,686.07 lacs (previous year Rs. 6.50 lacs) which includes Rs. 4.62 lacs for foreign travelling, Rs. 0.28 lacs for foreign exhibition, Rs. 1.82 lacs for professional fees and Rs. 2,679.36 lacs for investment in subsidiary.