



घराला घरपण देणारी भाणस®

A relationship that
leads to growth and
success

D. S. KULKARNI DEVELOPERS LTD.

AN ISO 9001, ISO 14001, OHSAS 18001 COMPANY

20th
ANNUAL
REPORT
2010-11

The Camouflaged Opportunity



Opportunity is a shrewd lady. She is always knocking at your door, but you seldom realize it. On 5th August, financial circles all over the world were shook by a single piece of news. The United States lost its top-tier AAA credit rating from Standard & Poor's. This development has plunged the already fragile European economies into further crisis. How will all this impact Indian Realty? In my opinion, if we can see through the camouflage, there lies an opportunity!

Austerity measures of the Obama administration can mean greater opportunity for Indian IT companies if they are able to maintain their competitive edge. This forebodes good news for the construction industry. Additionally, the reduced crude oil prices will impact the high metal prices. This can cut construction expenditure. Reduced housing costs, phenomenal domestic demand and a 'new opportunity for IT sector'; put everything together, the picture looks bright.

Coming to our company's activities, in 2010-11 we have launched two housing projects, DSK Gandhkosh and DSK Kunjaban. Both projects were booked within a few days of launch, with Kunjaban managing that in a span of 3 days! Now, on the anvil is the launch of 6 projects in Mumbai and Pune, Also we are developing a 250 acres special township in Manjari Annexe at Pune. The high-end project in Manjari will provide top-notch world class amenities that match the highest expectations. We hope to launch this project in near future.

I am certainly upbeat about the prospects of our company and glad to present to you the success of 2010-11 in figures.

D. S. Kulkarni
Chairman & Managing Director

BOARD OF DIRECTORS



- **Mr. D. S. Kulkarni**
(Chairman & Managing Director)
- **Mrs. J. D. Kulkarni**
(Wholetime Director)
- **Mr. Shirish Kulkarni**
(Executive Director)
- **Mr. V. C. Joshi**
- **Dr. M. K. P. Setty**
- **Mr. K. K. Taparia**
- **Mr. R. D. Kharosekar**

Company Secretary

- Mr. Amol Purandare

Credit Resources

- Bank of Maharashtra
- Bank of Baroda
- Central Bank of India
- Indian Overseas Bank
- IDBI Bank Ltd
- State Bank of India
- Syndicate Bank
- ICICI Bank Ltd.

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 Twentieth Annual General Meeting of the members of the Company will be held on Thursday, the 29th day of September, 2011 at 9.30 a.m. at S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411 030 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date and the reports of the Directors and 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 Mr. K. K. Taparia 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 the provisions of Sections 198, 269, 314, 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 for the reappointment of Mr. D. S. Kulkarni, as the Wholetime Director of the Company designated as Chairman & Managing Director for a period of five years from 1st October 2011, on the terms and conditions of his reappointment 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 this 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 pursuant to Sections 198, 269, 314, 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 for the reappointment of Mrs. J. D. Kulkarni, as the Wholetime Director of the Company for a period of five years from 1st October, 2011, on the terms and conditions of her reappointment 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 this meeting and initialed by Mr. V. C. Joshi, Director for the purpose of identification."
8. To consider and if thought fit, to pass with or without modifications the following resolution as a **SPECIAL RESOLUTION.**
"RESOLVED THAT the consent of the Company be and is hereby accorded under the provisions of Section 149(2A) of the Companies Act, 1956 for the commencement by the Company of all or any of the business activities specified in clause III (C) clause nos. 24, 26, 27, 40, 47, 48, 49, 50, 51, 54, 59, 62, 63, 66, 68, 72, 73, 74, 75 of the Objects Clause of the Memorandum of Association of the Company at such time and in such manner as the Board of Directors may think fit in this regard."

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, 7 & 8 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.
The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/ updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company or Sharepro Services (India) Pvt. Ltd. (R&T Agent)
- (5) The Share Transfer Books of the Company will remain closed from 22nd September, 2011 to 29th September, 2011 (both days inclusive).
- (6) As per new SEBI circular no. MRD/DoP/Cir-05/2009 dated May 20, 2009, for securities market transactions and off-market/private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for all the transferees to furnish copy of PAN card to the Company or Registrars and Share Transfer Agents for registration of such transfer of shares.
- (7) Members are requested to bring their copies of the Annual Report at the Meeting. As a Green Initiative measure, extra copy will not be made available at the venue.
- (8) In order to enable the Company to satisfactorily answer questions at the meeting, members who would like to ask any questions about the performance of the Company are requested to send their questions so as to reach the Company at least ten days before the Annual General Meeting.
- (9) The Company's shares are compulsorily traded in dematerialized mode. The Company has made necessary arrangements with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for dealings in dematerialised shares. Members holding shares in physical form are requested to get their shares dematerialized as early as possible.
- (10) 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, 2011.
- (11) 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.
Samhita Warehousing Complex
Gala No-52 to 56, Bldg No. 13 A-B
Near Sakinaka Telephone Exchange
Andheri -Kurla Road, Sakinaka, Mumbai – 400 072.
- (12) The Company has transferred unclaimed amounts of dividend paid up to and including FY 2002-2003 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 : 2nd August, 2011



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, ANNEXED TO THE NOTICE CALLING THE TWENTIETH ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY, THE 29TH DAY OF SEPTEMBER, 2011 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 at its meeting held on 2nd August, 2011 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, 2011. As required by the provisions of the Companies Act, 1956, approval for such re-appointment is being sought from the shareholders.

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

Pursuant to the aforesaid Board resolution re-appointing Mr. D. S. Kulkarni as the Chairman & Managing Director, the Company proposes to enter into an agreement with Mr. D. S. Kulkarni w.e.f. 1st October 2011. The re-appointment of Mr. D. S. Kulkarni is as per the provisions of Section 269 read with Schedule XIII and other applicable provisions of 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 salient terms and conditions of re-appointment and remuneration applicable to of Mr. D. S. Kulkarni, as set out in the said draft agreement effective from 1st October, 2011 are as under:

- I. Mr. D.S. Kulkarni will be looking after the overall 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 2011 to 30th September 2016.
- III. The remuneration and perquisites payable to Mr. D. S. Kulkarni, with effect from 1st October 2011 are as under:
 1. Basic Salary : ₹ 15,50,000/- (Rs. Fifteen Lakh Fifty Thousand Only) per month, in the scale of ₹ 15,50,000 - ₹ 2,50,000- ₹ 1,00,00,000.
 2. House Rent Allowance : ₹ 2,50,000/- (Rs. Two Lakh Fifty Thousand Only) per month.
 3. Provident Fund Contribution : As per Company Rules

The Board of Directors shall have the power to revise the remuneration from time to time, as per the scale stated above, provided however that the remuneration payable to Mr. D. S. Kulkarni 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 subject to the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The said remuneration be treated as minimum remuneration payable to Mr. D.S. Kulkarni, Chairman & Managing Director of the Company in case of inadequacy or absence of profit (calculated in accordance with the provisions of Section 198 and other applicable provisions of the Companies Act, 1956) in any financial year till the end of his term.

The contribution at (3) above is subject to any change effected in the scheme/ rules of the fund.

4. Car: Provision of one or more Company's car(s) with driver as may be required from time to time.
5. 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.

6. Perquisites: These shall be with an overall upper limit of ₹10 Lacs per annum on the value thereof. Such perquisites will include leave travel allowance; reimbursement of medical expenses; club fees, subject to maximum of two clubs; personal accident insurance premium and gas and electricity expenses.

OTHER BENEFITS:

Gratuity Benefit 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 Benefit in accordance with the rules and regulations in force in the Company from time to time.

Leave on full pay and allowances at the rate of one month for every eleven months of service with liberty to accumulate such leave upto a period of five months. Leave encashment for accumulated leave for a maximum of five 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.

The above remuneration to be allowed to the Chairman & 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 Chairman & 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 has been considered and recommended for approval by the Remuneration Committee in its meeting held on 1st August, 2011.

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 date 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 and Mr. Shirish Kulkarni who are relatives of Mr. D. S. Kulkarni are concerned or interested in the resolution.

Item No. (7)

Mrs. J. D. Kulkarni was appointed as a Wholetime Director of the Company on 23rd August, 2006 for a period of 5 years. She looks after the administrative matters of the Company.

The Board of Directors at its meeting held on 2nd August, 2011 has passed a resolution for the reappointment of Mrs. J. D. Kulkarni as Wholetime Director for a further period of 5 years from 1st October, 2011. As required by the provisions of the Companies Act, 1956, approval for such re-appointment is being sought from the shareholders.

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

1. Remuneration of ₹ 50,000/- (Rs. Fifty Thousand Only) per month.
2. Provident Fund Contribution : As per Company Rules

The said remuneration be treated as minimum remuneration payable to Mrs. J. D. Kulkarni, Whole time Director of the Company in case of inadequacy or absence of profit (calculated in accordance with the provisions of Section 198 and other applicable provisions of the Companies Act, 1956) in any financial year till the end of her term.

The contribution at (2) above is subject to any change effected in the scheme/ rules of the fund.

3. Car: Provision of the Company's car with driver
4. Telephone: Provision of one telephone at residence and mobile phone.

Perquisites: These shall be with an overall upper limit of ₹ 5 Lacs per annum on the value thereof. Such perquisites will include leave travel allowance; reimbursement of medical expenses; club fees, subject to maximum of two clubs; personal accident insurance premium and gas and electricity expenses

OTHER BENEFITS:

Gratuity Benefit 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 Benefit in accordance with the rules and regulations in force in the Company from time to time.

Leave: Leave on full pay and allowances at the rate of one month for every eleven months of service with liberty to accumulate such leave upto a period of five months. Leave encashment for accumulated leave for a maximum of five 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.

The above remuneration 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 considered and recommended for approval by the Remuneration Committee in its meeting held on 1st August, 2011.

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 date 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 and Mr. Shirish Kulkarni who are relatives of Mrs. J. D. Kulkarni are concerned or interested in the resolution.

Item No. 8

The Company proposes to develop an 'Integrated Township' at a large stretch of land acquired by it near Manjari, Pune. Location clearance has been obtained and the Company has approached the concerned authorities for other clearances. The Company desires to launch the 'Integrated Township' as soon as practicable.

As per the requirements of the Urban Development Department under Maharashtra Regional and Town Planning Act, 1966, development of a Township attracts various provisions as to its construction, development, maintenance, finance, infrastructure, etc. Infrastructure development forms an integral part. A Township is required to develop infrastructure like roads, water supply, sanitation and other amenities

on the housing site through developmental planning. Setting up of public utilities like school, hospital, shopping complex, playground, etc. is mandatorily required for an approved Township.

In order to consider and avail the opportunities to start new business activities in the areas mentioned above, it is thought desirable to pass an enabling resolution to this effect. Several clauses of Memorandum of Association of the Company either singly or in a combination empower it to commence any or many of these activities, which will be subjected to the Board approval.

Section 149(2A) of the Companies Act, 1956 requires consent of the shareholders by special resolution for commencement of the said new business activities.

Relevant Clause Nos. are produced in brief:

Clause No.	Gist of the Business Activity
24	Trustees, insurance agents, underwriters, guarantee brokers, commission agents, etc.
26	Business of mechanical, electrical, civil and hydraulic engineers, contractors, consultants, experts, manufacturers and sellers and dealers in all engineering lines
27	Manufacture, deal, hire, store and warehouse all engines, machinery, machines
40	Deal in Steel and fabricated steel items.
47	Rural development, rural uplift, social development, creating employment
48	Assist government in achieving various socio-economic goals
49	Train or pay for training of any employee, Director of the Company
50	Charitable dispensaries, hospitals, gymkhanas, play grounds, clubs, libraries
51	Estate agent and estate manager
54	Schools, colleges or training centers or places for instructions
59	Undertake activities of pollution control
62	Cinema theatres, recording and editing, dubbing studios
63	Business of consultants, advisors, investigators, surveyors.
66	Establish, purchase or acquire take on lease, sub-lease, run, conduct cold storage, warehouses, etc.
68	All kinds of agency business – transporter, clearing agents, freight contractors, steamer agents, forwarding agent, licensing agents.
72	Business of finance Company
73	Deal in stocks, shares, bonds, debentures, debenture stocks, deposits, units, etc.
74	Device and implement schemes for developing saving habits promotion and investment.
75	Act as financial, investment, taxation, labour, secretarial, technical consultants.

In view of the Green Initiative undertaken by the Company, whole text of the relevant clauses is not reproduced above. The full text of the aforesaid relevant clause numbers, available in the Memorandum of Association of the Company which 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 date of the ensuing Annual General Meeting. Members co-operation is solicited. The full text of Memorandum of Association is also available on the website of the Company www.dskdl.com/Investors/Memorandum of Association

None of the Directors are concerned or interested in passing this resolution except as shareholders of the Company.

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

Place : Pune
Date : 2nd August, 2011

D. S. KULKARNI
(CHAIRMAN & MANAGING DIRECTOR)

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

PARTICULARS	Mr. V. C. Joshi	Mr. K. K. Taparia	Mr. D. S. Kulkarni	Mrs. J. D. Kulkarni
Date of Birth	11/02/1932	27/06/1951	28/06/1950	27/10/1947
Date of first appointment	30/09/1993	02/01/2008	01/10/2001	23/08/2006
Date of reappointment	29/09/2009	29/09/2009	01/10/2006	30/09/2006
Qualifications	MA (Mumbai) Political Science (Cambridge) Tripos in Economics	BE Mechanical Chartered Engineer	B.Com	S.S.C
Expertise in specific functional area	Financial Management	Technical Management	Construction and Marketing	Administration
Directorships held in other public companies	DSK Global Education & Research Private Limited	Archidply Industries Ltd. HNG Float Glass Ltd. Universal Construction Machinery & Equipment Ltd. HNG Cement Ltd. DSK Global Education & Research Private Limited	DSK Motors Ltd. DSK Global Education & Research Pvt. Ltd. DSK Southern Projects Pvt. Ltd. DSK SEZ Projects (Pune) Pvt. Ltd.	NIL
Memberships / Chairmanships of committees in Public Companies	1	5	1	NIL
No. of shares held in the company	Nil	Nil	3044688	732410

DIRECTORS' REPORT

Dear Member,

Your Directors have pleasure in presenting their 20th Annual Report of the Company for the year ended 31st March, 2011.

FINANCIALS

Particulars	₹ Lacs	
	2010-2011	2009-2010
Operating Income & Increase in stocks	18,095.51	15,208.69
Profit before tax	2,512.95	2,998.98
Less : Provision for tax/deferred tax	845.88	820.65
Profit after tax	1,667.06	2,178.33
Less : Prior year adjustments	7.40	3.75
Add : Balance Brought forward	10,429.91	8,557.19
Profit available for Appropriation	12,089.58	10,731.78
Proposed Dividend	258.01	258.01
Tax on Dividend	43.85	43.85
Balance of Profit carried to Balance Sheet	11,787.72	10,429.92

OPERATIONS:

The year under review witnessed growth in total income from ₹ 152.46 Crores to ₹ 182.40 Crores. The Company completed 3 projects comprising of 777 units which were earlier in execution. The profit for the year was ₹ 16.67 Crores against ₹ 21.78 Crores for the earlier year. The profit was lower mainly on account of increase in the input costs which were decided to be absorbed by the Company.

Our country is reeling under the pressure of high inflation. This inflation has forced Reserve Bank of India to raise interest rates many times. Though interest cost on borrowing especially for the ones desirous of buying houses has gone up, this has not affected yours Company's business so far due to its brand equity. However, continuous rise in interest rates may have some impact in future. The Company has undertaken many projects which are in different stages of execution. It will be heartening for the Members to know that most of the projects are booked for the dwelling units made available for sale. The Company remains focused on containing the expenses as a part of its internal drive.

DIVIDEND:

Your Directors have pleasure in recommending dividend of 10% (i.e. Re. 1 per equity share) on the paid up capital of the Company. The dividend payout will be ₹ 2,58,01,008/- (Previous Year: ₹ 2,58,01,008/-) and in addition, there will be outgo on account of dividend distribution tax of ₹ 43,84,881 /- (Previous Year: ₹ 43,84,881 /-)



SUBSIDIARIES AND CONSOLIDATION:

The Company has in all five subsidiaries. Two subsidiaries are operating in the USA; one of which is a wholly owned subsidiary and the other is a step-down (also wholly-owned) subsidiary namely DSK Developers Corporation and DSK Woods, LLC respectively. Both these subsidiaries are in the business of construction and development. The construction activity at the project site at Plainsboro, New Jersey is in progress. The real estate market in the USA is expected to recover in some time. The Company closed sale of two bungalows during the year under review.

Another subsidiary company is DSK Global Education & Research Pvt. Ltd. (“DSK Global”), which runs a training institute in the areas of Industrial Design Engineering, Animation & Gaming at well known campus **DSK SUPINFOCOM INTERNATIONAL CAMPUS**. The year 2010-2011 was the third year of the Institute and the first batch of students will pass out in 2011-2012. The student strength has gone upto 270 in FY 2010-11. Education business builds slowly but firmly. The reporting year witnessed a business loss.

The fourth subsidiary is DSK SEZ Projects (Pune) Pvt. Ltd. (“DSK SEZ”) which is a wholly owned subsidiary of the Company. Consequent upon withdrawal of SEZ notification, your Company is evaluating possibility of use of DSK SEZ as a SPV for some other project.

The fifth subsidiary is DSK Southern Projects Pvt. Ltd. (“DSK Southern”) which, in association with M/s Mantri Dwellings Pvt. Ltd. (formerly known as NuMart Developers Pvt. Ltd.), a Sushil Mantri Group company, is developing a premium residential project of 42 storied apartments at Bangalore named “Mantri DSK Pinnacle”. The project has been well received. DSK Southern earned profit for the year under review.

This Annual Report contains the stand alone financial statements and reports of D.S. Kulkarni Developers Ltd. and the consolidated financial statements. The Ministry of Corporate Affairs, Government of India by its notification dated 8th February, 2011 has granted general exemption to all the companies, doing away with the requirement of attaching annual accounts of subsidiary companies to that of the holding company, mandated by the provisions of Section 212 of the Companies Act 1956, subject to fulfillment of certain conditions, which are duly fulfilled by your Company. However, in terms of the requirements to avail general exemption, a statement containing brief financial details of the subsidiary companies for the year ended 31st March, 2011 is included in the Annual Report. The annual accounts of the subsidiary companies and the related detailed information will be made available to the investors and will be kept for inspection at the Company's registered office and that of the subsidiaries concerned. The holding company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

DISINVESTMENT IN JOINT VENTURE

The Company had entered into a joint venture by the name of DSK Tricone Infrastructure and Construction Ltd. (“DSK Tricone”). As the said Joint Venture continued to incur losses and as the purpose of forming the Joint Venture could not be fulfilled, the Board of Directors has decided to disinvest the whole of the Company's shareholding in DSK Tricone.

INTEGRATED TOWNSHIP:

The Company proposes to develop an 'Integrated Township' on a large stretch of land acquired by it near Manjari, Pune. The Company has received location clearance and Government has notified the Special Township Project on the said location. The Company is in the process of securing rest of the permissions and is confident of launching this project in the near future.

PROJECTS UNDER EXECUTION:

Following are the sites at different stages of planning, construction/ development as on the date of this Report:

Sr. No	Name of the Site	Saleable Area in Sq. Ft	Location
1	DSK - Gandhakosh	1,74,219	Baner, Pune.
2	DSK - Warale	3,12,508	Warale, Talegaon.
3	DSK Sundarban Plot C	54760	Hadapsar
4	DSK- Hariyali - Phase II	26,515	Modibaug, Shivajinagar, Pune
5	DSK-Vishwa Villa	34,328	Dhayari, Sinhgad Road, Pune
6	DSK- Meghmalhar Row Houses	43,344	Dhayari, Sinhgad Road, Pune
7	DSK- Meghmalhar- Ph2	4,00,130	Dhayari, Sinhgad Road, Pune
8	DSK Vishwa Phase 6 &7	11,22,700	DSK Vishwa, Dhyari Pune
9	DSK Madhukosh	1,36,000	Andheri, Mumbai
10	DSK Sundarban Plot B	35,880	Hadapsar, Pune
11	Integrated Township	1,01,69,000	Manjri, Hadapsar, Pune

DIRECTORS:

Pursuant to Article 73 of the Articles of Association of the Company, Mr. V. C. Joshi and Mr. K. K. Taparia retire by rotation. Both being eligible, offer themselves for re-appointment.

Mr. D. S. Kulkarni, Chairman & Managing Director of the Company was re-appointed by the Board for a term of five years w.e.f. 1st October, 2011. Member's approval is sought to the re-appointment.

Mrs. J. D. Kulkarni, Whole time Director of the Company was re-appointed by the Board for a term of five years w.e.f. 1st October, 2011. Member's approval is sought to the re-appointment.

Appropriate explanation and background of Mr. K. K. Taparia, Mr. V. C. Joshi, Mr. D. S. Kulkarni and Mrs. J. D. Kulkarni have been given in the explanatory statement to the notice calling Annual General Meeting and Corporate Governance Report.

FIXED DEPOSITS:

Fixed deposits accepted from the public, shareholders and employees as on 31st March, 2011 stood at ₹105.34 crores as against ₹139.16 crores at the end of the previous year. During the year under report, the Company collected ₹ 46.42 crores as deposits as against ₹130.57 crores collected in the previous year. None of the fixed deposits which have matured have remained unpaid.

LISTING:

The equity shares of the Company are listed on Bombay Stock Exchange (BSE), National Stock Exchange (NSE). There are no arrears on account of payment of listing fees to the Stock Exchanges.

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

Since the Company's business consists of real estate development, the Company does not employ heavy equipment and machinery. Hence consumption of electricity is negligible. The Company does not consume fuel oil. Hence details of conservation of energy and use of alternative sources of energy cannot be stated. The Company has not acquired any technology. Hence the question of technology absorption does not arise.

During the year under review Company earned Foreign Exchange of ₹ 121.19 Lacs (previous year ₹ 91.87 Lacs). The total Foreign Exchange outgo was ₹ 179.91 lacs (previous year ₹ 242.73 Lacs).

PARTICULARS REGARDING EMPLOYEES:

The following are the particulars of employees that are required to be given u/s 217(2A) of the Companies Act, 1956.

AUDITORS:

The Auditors M/s Gokhale, Tanksale & Ghatpande, Chartered Accountants, Pune (Membership No. 30462 and registration no.103277W) hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. Appropriate certificate under Section 224 (1B) of the Companies Act, 1956, has been received from them. You are requested to reappoint the Auditors.

Name	Age	Educational qualification	Designation	Date of joining	Previous employment	Gross remuneration ₹ In lacs	Net remuneration ₹ In lacs	Percentage Shareholding
Mr. D. S. Kulkarni	62	B.Com.	Chairman & Managing Director	20/09/91	None	172.10	120.62	11.80%

AUDIT COMMITTEE:

Pursuant to the provisions of section 292A of the Companies Act, 1956 and Clause 49 II (A) of the Listing Agreement, an Audit Committee comprises the following Directors:

1. Mr. V. C. Joshi, Chairman
2. Dr. M. K. P. Setty, Member
3. Mr. K. K. Taparia, Member

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, the report on Corporate Governance and the statement of Management Discussion and Analysis are annexed to, and forms part, of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required by section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period,
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- (iv) that the directors have prepared the annual accounts for the year under review on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors are thankful to the Central and State Government, Government departments, Government agencies, Municipal Corporations and Local Bodies for their continued co-operation. The Directors express their gratitude to the financial institutions and banks, housing and mortgage finance companies, customers, suppliers, contractors, architects, labourers and shareholders and deposit holders for the confidence shown in the Company and co-operation given to the Board in managing the affairs of the Company. Your Directors are appreciative of performance of the employees at all level in furtherance of the business, of the Company.

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

D. S. KULKARNI
(CHAIRMAN & MANAGING DIRECTOR)

Place : Pune
Date : 2nd August, 2011

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY ON CORPORATE GOVERNANCE:

The Corporate Governance policies of the Company mainly focus on the compliance of various statutes, transparency, processes and customs by which the Company is administered, directed and controlled. It is desired to serve the needs of shareholders and other stakeholders, by undertaking and controlling the Company's activities with good business practices, objectivity, accountability and integrity. Environmental aspects are given due importance in the conduct of the Company's business.

2. BOARD OF DIRECTORS:

The Company has seven directors. The Board consists of three whole-time directors individually titled as Chairman and Managing Director; Whole-time Director; and Executive Director respectively. The other four directors are Independent Directors. The percentage of independent directors is 57.14% of the total strength of the Board. The Constitution of the Board is given below:

Director	Director Identification No. (DIN)	Whole time / Independent	Number of outside directorships held (ii)	Committee positions held in other companies (v)
Mr. D. S. Kulkarni	00394027	Chairman & Managing Director	6	-
Mrs. J. D. Kulkarni	00417358	Whole-time Director	-	-
Mr. Shirish Kulkarni	01850287	Executive Director	2	-
Mr. V. C. Joshi	00549735	Independent Director	1	1
Dr. M. K. P. Setty	00151350	Independent Director	4	1
Mr. K. K. Taparia	01829829	Independent Director	5	3
Mr. R. D. Kharosekar	03075915	Independent Director	-	-

- (i) The Company does not have any nominee director appointed by any institution.
- (ii) Outside directorships of other directors (excluding Mr. D. S. Kulkarni) do not include alternate directorships, directorships held in private companies & section 25 companies and directorship of companies incorporated outside India.
- (iii) Mr. D. S. Kulkarni is having directorships in two companies incorporated in USA, one of which is a wholly owned direct subsidiary of D. S. Kulkarni Developers Ltd. and the other one is a step-down wholly owned subsidiary.
- (iv) During the year under review, the Company did not enter into any business transactions with independent directors.
- (v) For the purpose of reckoning the limit of committee membership under clause 49(I)(C)(ii) of the Listing Agreement, chairmanship/ membership of the Audit Committee and the Shareholder Grievance Committee only have been considered.
- (vi) The Board has laid down a code of conduct for all the Board Members and senior management of the Company. A declaration regarding adherence to the Code of Conduct is given separately.

3. AUDIT COMMITTEE:

- a. A qualified and independent Audit Committee of the Company has been constituted in line with the provisions of Clause 49 II (A) of the Listing Agreement with the Stock Exchanges read with section 292A of the Companies Act, 1956.
- b. The Audit Committee had three directors as members throughout the FY 2010-11. All these members are independent directors. All members of the audit committee are financially literate and have accounting and related financial management expertise.
- c. The Chairman of the Audit Committee is an Independent Director.
- d. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 29th September, 2010.
- e. The Audit Committee meetings are usually attended, along with its members, by Finance Head, Statutory Auditor, Internal Auditor and Secretarial Consultant. The Audit Committee invites such of the executives whenever it considers appropriate, to be present at the meetings of the Committee. The Company Secretary acts as a Secretary to the Audit Committee.
- f. The composition of the Committee and the attendance of each member of the Committee are given below:

Name	Designation	Wholetime/ Independent	Profession	Committee Meetings	
				Held	Attended
Mr. V. C. Joshi	Chairman	Independent Director	Management Consultant	4	4
Dr. M. K. P. Setty	Member	Independent Director	Industrialist	4	4
Mr. K. K. Taparia	Member	Independent Director	Industrialist	4	4

- g. Four Audit Committee meetings were held during the year, the dates of which are: 21st May, 2010, 27th July, 2010, 27th October, 2010 and 31st January, 2011 and the time gap between two meetings did not exceed four months. There was a proper quorum of independent directors at all the Committee meetings.

The brief terms of reference of the Audit Committee include:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the approval and fixation of audit fees and payments for other services rendered by them.
- Reviewing with the management, the annual and quarterly financial statements before submission of the same to the Board for approval.
- Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems and internal audit function.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditor.
- Discussion about the nature and scope with statutory auditors before the commencement of audit.
- Reviewing draft financial statements and Directors' report (before submission to the Board).

- Recommending accounting policies and practices.
- Reviewing related party transactions.
- Ensuring compliance with Accounting Standards.

III OTHER COMMITTEES:

1. Share Transfer And Shareholder Grievance Committee:

To expedite the process of transfer of physical shares and ready settlement of shareholders complaints, the authority has been delegated to the Share Transfer and Shareholders' Grievance Committee which comprises of Mr. D. S. Kulkarni as only one member.

Mr. Amol Purandare acts as the Company Secretary and the Compliance Officer of the Company.

The Company has allotted an exclusive email id for the purpose of investor grievances: secretarial@dskdl.com

Details of Complaints received and redressed:

Opening	Received during the year	Resolved during the year	Pending
Nil	1	1	Nil

Number of meetings held during the year under report were fifteen.

2. Remuneration Committee:

The following are the members of the Remuneration Committee.

1. Mr. V. C. Joshi, Chairman
2. Mr. K. K. Taparia, Member
3. Mr. R.D. Kharosekar, Member

The Remuneration Committee has been constituted to recommend / review the remuneration package of the Whole-time Directors & if referred to, senior staff members, based on performance and defined criteria. The Remuneration Committee was reconstituted in Board Meeting held on 10th May, 2011 to induct Mr. R. D. Kharosekar as its member in place of Mr. Vijay Dixit who had passed away.

The remuneration policy is generally in line with the existing industry practices/ current market trends.

No meeting was required to be held during the year under report.

Details of remuneration to Whole-time Directors for the year.

The aggregate value of salary and perquisites paid for the year ended 31st March, 2011 to the Managing / Whole-time Directors is as follows:

Name	Designation	Salary	Perquisites	Total
Mr. D. S. Kulkarni	Chairman & Managing Director	171.71	0.40	172.10
Mrs. J. D. Kulkarni	Wholetime Director	5.89	0.32	6.22
Mr. Shirish Kulkarni	Executive Director	19.17	0.40	19.56

3. Finance Committee:

The committee was formed under section 292(1) of the Companies Act, 1956 to oversee the finance function of the Company.

The following are the members of the Committee:

1. Dr. M. K. P. Setty, Chairman
2. Mr. V. C. Joshi, Member
3. Mr. D. S. Kulkarni, Member

Five meetings were held during the year.

The Board has voluntarily formed Committee for Planning of Projects above Rs.100 Crores; Management & Monitoring Committee to oversee operations of foreign subsidiaries; Merger Committee for considering merger proposals & Issuance of Securities Committee to consider fresh issue of capital. These committees have well defined terms of reference by the Board and meet as often as required.

Remuneration Paid To Directors:

Details of remuneration paid to Directors are given below:

₹ Lacs

Director	Relationship with other Directors	Business relationship with DSKDL	Loans and advances from DSKDL	Remuneration paid during 2010-11		
				Sitting Fees	Salary & perquisites	Total
Mr. D. S. Kulkarni	Husband of Mrs. J. D Kulkarni and father of Mr. Shirish Kulkarni	Promoter	Nil	Nil	172.10	172.10
Mrs. J. D. Kulkarni	Wife of Mr. D. S. Kulkarni and mother of Mr. Shirish Kulkarni	Promoter	Nil	Nil	6.22	6.22
Mr. Shirish Kulkarni	Son of Mr. D.S. Kulkarni and Mrs. J. D. Kulkarni	Promoter	Nil	Nil	19.56	19.56
Mr. V. C. Joshi	-	None	Nil	0.75	Nil	0.75
Dr. M. K. P. Setty	-	None	Nil	0.60	Nil	0.60
Mr. K. K. Taparia	-	None	Nil	0.45	Nil	0.45
Mr. R.D.Kharosekar	-	None	Nil	0.20	Nil	0.20

Board Meetings And Attendance At Board Meetings And The Last Annual General Meeting:

The Board of the Company met six times during the year under report. The dates of Board Meeting were as follows:

2nd April, 2010	27th May, 2010	27th July, 2010	29th September, 2010
27th October, 2010	31st January, 2011		

The Company placed before the Board the annual operating plans and budgets and performance reports/statements of various departments. Information regarding implications of amendments to various laws; defaults, if any, in obligations; details of business operations; etc. were also regularly placed before the Board. Minutes of every Committee meeting were placed before, and noted by, the Board. The time gap between two Board Meetings generally does not exceed three months.

The attendance at the Board Meetings and at the last Annual General Meeting was as under:

Director	Attendance	
	Board Meetings during the Financial Year 2010-2011	Annual General Meeting dated 29th September, 2010
Mr. D. S. Kulkarni	6	Yes
Mrs. J. D. Kulkarni	5	Yes
Mr. Shirish Kulkarni	5	Yes
Mr. V. C. Joshi	6	Yes
Dr. M. K. P. Setty	4	Yes
Mr. K. K. Taparia	5	Yes
Mr. R. D. Kharosekar	4	Yes

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the year ended 31st March, 2011 is published separately in this Annual Report.

General Body Meetings:

Year / Date of Annual General Meeting/ EOGM	Location and time	Whether special resolution passed	Particulars
AGM 2009-10 29th September, 2010	S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Pune 411 030 at 9.30 a.m.	No	N.A.

AGM 2008-09 29th September, 2009	S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Pune 411 030 at 9.30 a.m.	Yes	1. To approve reduction in salary of the Chairman & Managing Director 2. To approve reduction in salary of the Wholtime Director 3. To approve reduction in salary of the former Executive Director 4. Application U/s 309(5B) of the Companies act, 1956. 5. To appoint Mr. Shirish Kulkarni as Executive Director.
AGM 2007-08 27th September, 2008	Gharkul Lawns, River Side 100 D.P. Road, Off Mhatre Brigde, Patwardhan Baug, Pune - 411 052 at 9.30 a.m.	No	N.A.

No special resolution was passed in the year under report through postal ballot.

Information in respect of Directors seeking appointment/ re-appointment as required under Clause 49 VI (A) of Listing Agreement:

Mr. V. C. Joshi and Mr. K. K. Taparia retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. V. C. Joshi is MA in Political Science from Bombay University and MA in Economics from Cambridge University – UK and is also an Associate Member of the Institute of Bankers. He has worked in Bank of India from 1963 to 1992 and retired as its General Manager. He was deputed as Director to the National Insurance Academy for the period 1989-93. He has worked as a Senior Consultant for Financial Services with NIBM and also with Price Waterhouse. He was also a member of the following committees:

1. Government of India Committee on Training for Bank Personnel.
2. Committees on Information Technology for Banks.

He has been on the Company's Board since October 1993.

He is also a member of the Audit Committee, Finance Committee and Remuneration Committee of the Company.

Mr. Kamal Kishore Taparia is a Mechanical Engineer. He started his career as an Asst. Purchase Officer in 1972 and due to his hard work and excellence received recognition in his field. During his career path, he developed market for slag cement in Mumbai, now operating to full capacity, established the Organization & Management Systems for Aditya Birla Cement Group, did Project Management & Finance Management for Indorama Cement and pioneered the Launch of 53 Grade Birla Super cement in India.

He is associated with many professional societies and holds positions like Chairman, BAI - Mechanisation for Construction Committee; Chairman, CIDC Core Group for Const. Equipment & Machinery; Co-Chairman, Indian Institute of Bridge Engineers-Pune; Member GC, ICI – Chennai, Member GC, ACCI – Singapore & Member of Academic Council of PG Programme in Project, Construction and Infrastructure Management (PCIM), MITCOM, Pune.

He is also a member of the Audit Committee, Remuneration Committee and Project Planning Committee of the Company.



Mr. D. S. Kulkarni, Chairman & Managing Director of the Company. In the year 1981 he entered the building & construction business and within a short span he made a special niche for the brand name DSK by completing highly successful & prestigious projects. The sole objective of DSK is "to build homes rather than the mere houses & to excel on the firm foundation of **“trust & truth”**". The word **DSK** is synonymous with **“TRUST” & “QUALITY”** which is a very rare phenomenon in the Construction Industry. DSK's Quality, Customer's Faith, Customer friendliness as well as well planned Marketing Strategies have not only forced others to take a back seat but it has also created a benchmark for others in the construction industry. DSK has perhaps revolutionised the concept of selling homes.

Mrs. J. D. Kulkarni handles the administration of the Company. She has experience over 20 years. She is an entrepreneur and is having her business by the name 'Telesmell' since last over 30 years. She has contributed a lot in the progress of the Company since inception.

The Board recommends the reappointment of Mr. V. C. Joshi, Mr. K. K. Taparia, Mr. D. S. Kulkarni and Mrs. J. D. Kulkarni as Directors of the Company.

Disclosures:

1. There are no related party transactions of the Company which have potential conflict with the interests of the Company at large.
2. In the preparation of financial statements, treatments as per Accounting Standards issued by the Institute of Chartered Accountants of India have been followed.
3. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets: NIL

The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with Stock Exchange:

- a) The Company has set up a Remuneration Committee, details of which have been given earlier in this Report.
 - b) The statutory financial statements of the Company are unqualified.
4. In terms of SEBI circular No. D&CC/FITTC/CIR-16 dated 31st December, 2002, a qualified Practicing Company Secretary carried out audits to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit reports confirm that the total issued and paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The certificates were forwarded to BSE and NSE, where the equity shares are listed and were also placed before the Share Transfer and Shareholders' Grievance Committee.

Means of Communication:

The quarterly and half-yearly results were published in newspapers having wide circulation and the said results were also displayed on the website of the Company www.dskdl.com.

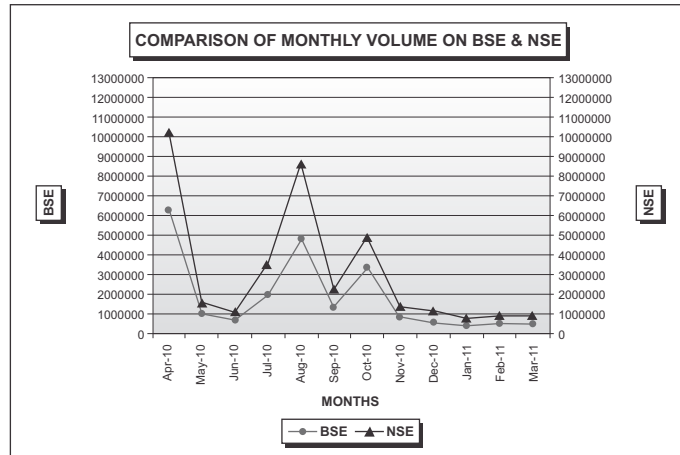
The Quarterly results were published as follows during the year:

Sr. No.	Quarter ended	Newspaper in which published	
		English	Vernacular
1.	31.03.2010	Economic Times	Maharashtra Times
2.	30.06.2010	Economic Times	Maharashtra Times
3.	30.09.2010	Financial Express	Loksatta
4.	31.12.2010	Economic Times	Maharashtra Times

GENERAL SHAREHOLDER INFORMATION

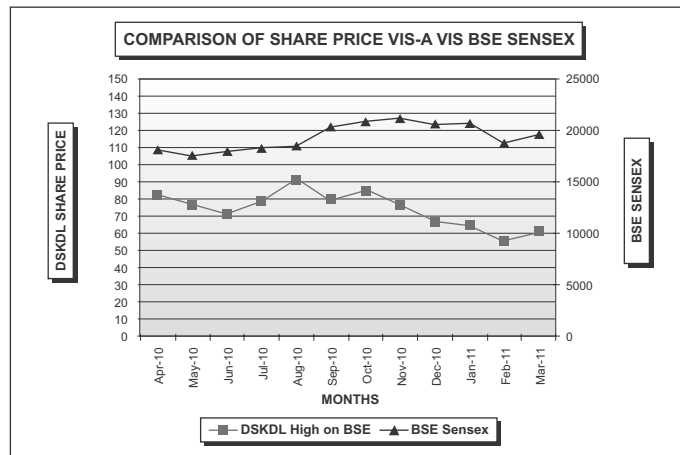
- i. Annual General Meeting:**
- Date and time** 29th September, 2011 at 9.30 a.m
- Venue** S. M. Joshi Socialist Foundation Auditorium,
S. No. 191/192, Navi Peth, Ganjave Chowk,
Opp. Patrakar Bhavan, Pune - 411 030.
- ii. Financial Calendar**
- Financial Reporting for
- Quarter ending 30th June By 14th August
- Quarter ending 30th September By 14th November
- Quarter ending 31st December By 14th February
- Year ending 31st March By 14th May
- Annual General Meeting By end of September 2011
- iii. Dates of current book closure** 22nd Sept., 2011 to 29th Sept., 2011
- iv. Dividend payment date** 4th October 2011
- v. Listing on Stock exchanges**
- Bombay Stock Exchange Limited
 - The National Stock Exchange of India Ltd.
- vi. Stock Code**
- Bombay Stock Exchange Limited 523890
 - The National Stock Exchange of India Limited DSKULKARNI
- vii. Market Price Data**
- 1. Comparison of High and Low share price and volume on BSE and NSE**

Month	BSE			NSE		
	High	Low	Monthly Volume	High	Low	Monthly Volume
April, 2010	81.95	60.80	6253980	81.35	60.00	10196745
May, 2010	76.00	64.50	955359	76.45	64.40	1490498
June, 2010	71.20	64.00	593889	70.95	58.25	1055264
July, 2010	78.45	64.55	1929954	78.40	64.30	3450274
August, 2010	91.10	71.00	4755948	91.30	70.50	8618380
September, 2010	79.20	71.10	1292259	79.00	71.50	2190952
October, 2010	84.40	70.00	3301729	84.90	69.30	4834173
November, 2010	76.50	54.75	766947	76.35	53.50	1314348
December, 2010	66.50	52.60	500190	66.50	52.20	1076444
January, 2011	64.30	52.35	328556	64.05	52.50	708746
February, 2011	55.45	46.10	426661	56.00	46.25	844817
March, 2011	60.50	51.00	435903	60.80	50.45	854362



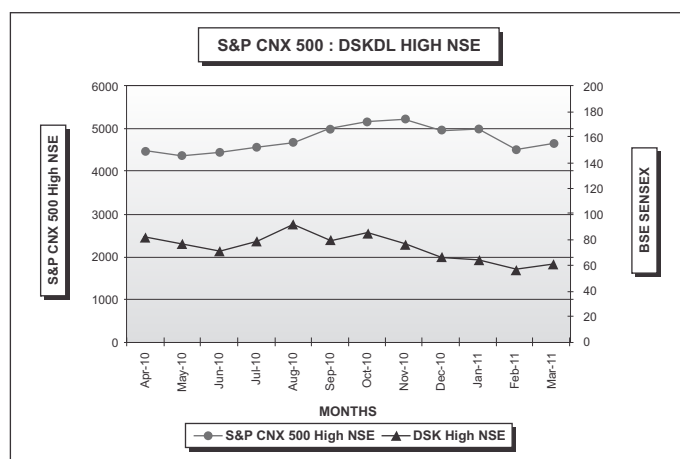
2. Performance of the share prices of the Company on BSE in Comparison to BSE Sensex

Month	DSKDL High on BSE	BSE Sensex	Month	DSKDL High on BSE	BSE Sensex
April, 2010	81.95	18,047.86	October, 2010	84.40	20,854.55
May, 2010	76.00	17,536.86	November, 2010	76.50	21,108.64
June, 2010	71.20	17,919.62	December, 2010	66.50	20,552.03
July, 2010	78.45	18,237.56	January, 2011	64.30	20,664.80
August, 2010	91.10	18,475.27	February, 2011	55.45	18,690.97
September, 2010	79.20	20,267.98	March, 2011	60.50	19,575.16



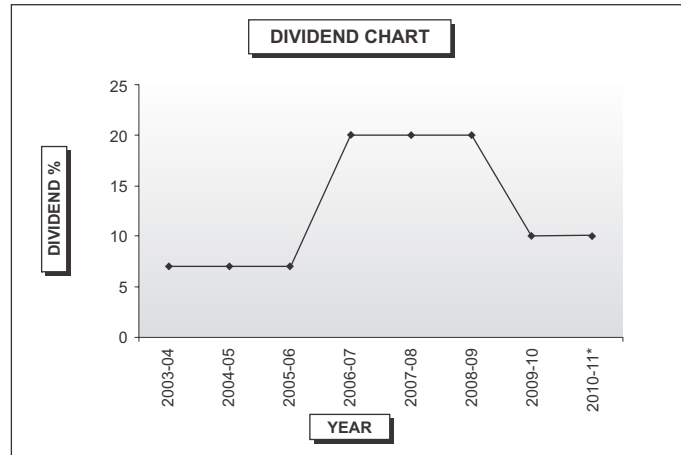
3. Performance of the share prices of the Company on NSE in Comparison to S&P CNX 500

Month	S&P CNX 500 HIGH NSE	DSK HIGH NSE	Month	S&P CNX 500 HIGH NSE	DSK HIGH NSE
April, 2010	4446.35	81.35	October, 2010	5159.95	84.90
May, 2010	4360.45	76.45	November, 2010	5212.15	76.35
June, 2010	4432.45	70.95	December, 2010	4947.50	66.50
July, 2010	4554.90	78.40	January, 2011	4988.25	64.05
August, 2010	4665.10	91.30	February, 2011	4483.50	56.00
September, 2010	4987.60	79.00	March, 2011	4647.60	60.80



4. Dividend History:

Sr. No.	Year	Dividend %
1	2003-04	7
2	2004-05	7
3	2005-06	20
4	2006-07	20
5	2007-08	20
6	2008-09	10
7	2009-10	10
8	2010-11*	10



*Dividend for FY 2010-11 is subject to the approval by members in the ensuing AGM.

UNCLAIMED DIVIDENDS/REFUND AMOUNTS AND TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956, the unclaimed and unpaid dividend and the application monies received by Company for allotment of shares and due for refund for a period of seven years are required to be transferred to the Investor Education & Protection Fund administered by Central Government. Unclaimed Dividend upto 2002-03, has been transferred to the Investor Education & Protection Fund.

The table given below gives the dates of dividend declaration since 2003-04 and the follow on issue (FPO) refund amounts and the corresponding dates when the said amounts are due to be transferred to the Investor Education & Protection Fund.

Year	Type	Date of declaration / refund	Due date of transfer
2003-04	Dividend	28th September, 2004	27th October, 2011
2004-05	Dividend	05th September, 2005	04th October, 2012
2005-06	Dividend	30th September, 2006	29th October, 2013
2006-07	FPO Refund	16th May, 2006	15th June, 2013
2006-07	Dividend	29th September, 2007	28th October, 2014
2007-08	Dividend	27th September, 2008	26th October, 2015
2008-09	Dividend	29th September, 2009	28th October, 2016
2009-10	Dividend	29th September, 2010	28th October, 2017

SHARE TRANSFER SYSTEM:

1. The Share Transfer and Shareholders' Grievance Committee looks after the share transfer system. The Share Transfer Committee generally meets twice in a month. The resolutions passed by this Committee are confirmed at the subsequent Board Meetings.

2. Sharepro Services (India) Pvt. Ltd., Registrar & Transfer agent of the Company looks after the work relating to transfers.
3. The Company's shares are traded on Stock Exchanges in compulsorily dematerialised form. But the off market trading of shares of the Company is also possible in physical form. The share transfer forms received at Company are sent to the R & T Agent for further processing.
4. The Company ensures that all transfers are effected within a period of one month from the date of their lodgement.
5. As required under clause 47(c) of the Listing agreement entered into by the company with Stock Exchanges, certificate is obtained every six months from a Practicing Company Secretary with regards to, inter-alia, effecting transfer, transmission, sub-division and consolidation of equity shares within one month of the lodgement. The certificates are forwarded to BSE and NSE, where the equity shares are listed and also placed before the Board of Directors.

Distribution of Shareholdings as at 31st March, 2011:

Slab of Shareholding of Share	No. of Shareholders	Percentage of total shareholders	Amount in ₹	Percentage of total paid up capital
1-500	31676	99.54	44770360	17.35
501-1000	57	0.18	4224250	1.64
1001-2000	41	0.13	6074360	2.35
2001-3000	9	0.03	2253250	0.87
3001-4000	4	0.01	1498490	0.58
4001-5000	4	0.01	1775740	0.69
5001-10000	10	0.03	6892000	2.67
10001 and Above	20	0.07	190521630	73.85
Total	31821	100.00	258010080	100.00

Categories of shareholders as at 31st March, 2011

Categories	Number of shares	% to shareholding
Promoters, Directors & Relatives	10402036	40.32
Mutual Funds & UTI	250000	0.97
Banks / Financial Institutions / Insurance Companies	80615	0.31
Foreign Institutional Investors	44000	0.17
Private Corporate Bodies	2072778	8.03
Indian Public	8854298	34.32
Non-resident Indians/OCBs	4097281	15.88
Total	25801008	100.00



Dematerialisation of shares

As on 31st March, 2011, out of the total holding of 2,58,01,008 equity shares 2,15,02,569 shares representing 83.34% of the total holding are in dematerialized form.

Investor Correspondence

Registrar & Transfer agents	Sharepro Services (India) Pvt. Ltd. Samhita Warehousing Complex, Gala No-52 to 56, Bldg No.13 A-B, Near Sakinaka Telephone Exchange, Andheri -Kurla Road, Sakinaka, Mumbai-400072.
	Ph. No. 022-67720300/67720400
	Fax No. 022- 28591568/28508927
	sharepro@shareproservices.com
	Contact: Ms. Manisha Jadhav / Ms. Indira Karkera
Company website	www.dskdl.com
Email id for investor grievances	secretarial@dskdl.com
Registered Office	'DSK House', 1187/60, J. M. Road, Shivajinagar, Pune - 411005
Mumbai Office	'DSK House', 1st & 2nd Floor, Veer Savarkar Marg (Cadle Road), Next to Mayor's Bungalow, Shivaji Park, Dadar, Mumbai - 400 028.

DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT.

This is to confirm that the company has adopted a Code of Conduct for all its Board Members and Senior Management of the Company. This Code is available on the Company's website.

I confirm that the Board Members and Senior Management of the Company have in respect of the financial year ended 31st March, 2011 complied with the Code of Conduct as applicable to them.

D. S. Kulkarni
Chairman & Managing Director

Place : Pune
Date : 10th May, 2011

CERTIFICATE

To the Members of

D. S. Kulkarni Developers Limited

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of corporate governance by D. S. Kulkarni Developers Limited ('the Company') for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchange, Mumbai and the National Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination conducted in the manner described in the 'Guidance Note on Certification of Corporate Governance' issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and on the basis of our examination described above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above - mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Gokhale, Tanksale & Ghatpande,

Chartered Accountants

Firm Registration No. 103277W

S. M. Ghatpande

Partner

Membership No. 30462

Place : Pune

Date : 10th May, 2011



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview

The Indian economy saw significant improvement in the year gone by and the country remains one of the fastest growing countries in the world. Fiscal 2011 was marked by surging inflation which is seen a major dampener to the country's growth. The RBI has raised interest rates eleven times between March 2010 and July 2011 to counter inflationary pressures.

Despite surging inflation, higher cost of credit, rising global commodity prices and rising raw material costs, the Indian economy has shown remarkable resilience. With the GDP growth estimated at about 8% for the coming year, India's growth story looks promising.

Real Estate Sector Overview

In the past two years, real estate markets across the world were volatile and uncertain. But challenges to the global economy such as the financial meltdown, downturn, sub-prime crisis and their after effects may fade gradually and the global real estate markets may spring back to normalcy over a period of time.

While the domestic economy and real estate markets have survived difficult times and escaped a prospective depression and achieved improved performance over the past year, the market sentiment remains cautious.

A steadily growing economy and favorable demographics viz. a large young population are the two strongest growth drivers of the Indian real estate market. Higher disposable income of customers employed in the IT/ITES, automotive, retail and telecommunication sectors, and the like has led to strong demand for real estate especially in the regions in which your Company operates.

Residential Real Estate

There is a large need for housing in every Indian city. According to the Eleventh Five Year Plan (2007–2012), the housing shortage is estimated to increase from more than 24 million units in 2007 to 26 million units by 2012. This presents a unique opportunity to the real estate industry in the country.

Moving forward, the affordable and mid-segment categories are expected to account for a major portion of residential demand. Also, the real estate industry in cities of Mumbai and Pune, where the Company has significant presence, is seeing signs of suburbanization. Due to lack of land parcels and prohibitive property rates within limits of the main cities, the young population prefers residential properties in the suburbs. The Company's plan of developing an integrated township near Manjari, Pune is geared towards capturing this demand.

The Outlook

The longer term demand projection for real estate is certainly healthy given the housing shortage. In the short term, the demand for optimally priced and quality real estate is expected to grow.

The Company's quality consciousness, consistent customer focused approach and impeccable customer service has contributed in making it a strong brand in real estate development in the regions where it operates. With the goodwill and brand value, the Company is well placed to cater to the rise in growth volumes for housing real estate.

There seems to be a gap in luxury housing in demand from high income group (HNI) and what is available in the market. The fascination for distinctiveness in this class of consumers keeps product expectations persistently changing in this segment. HNI and NRIs returning to India expect what is available internationally and are willing to pay price for the quality and exclusivity. Keeping in mind this niche clientele, the company wishes to penetrate Pune's luxury housing segment on a large scale basis in the years to come.

Opportunities

Mid income housing projects – Rapid urbanization rate in India, lack of availability of land, growing middle class and higher disposable incomes have pushed up the demand for mid-income or affordable housing projects. Government's initiative to allow interest subvention for the prescribed loan amount is encouraging. Government infrastructure initiatives in Western Maharashtra – such as the Mumbai Urban Transport Project (MUTP) and Metro Rail Project and Outer Ring Road Project in Pune are expected to give a major thrust to real estate demand in suburban areas by enabling geographic expansion of cities. This is especially of advantage to the Company since most of the new projects are in these two commercially important cities outskirts of the cities.

Threats, Risks & Concerns

Lower availability of bank finance – RBI has increased provisioning for lending to real estate. The tightening of lending norms has adversely affected availability of bank funds for real estate construction. Also, consistent rate hikes by RBI has increased the cost of borrowings. Deeming Real Estate to infrastructure status by the Government may increase availability of long term finance to the real estate sector.

Rising construction costs – Lack of availability of land in the cities (in which your Company has/ is planning projects) has led to prices within city limits to touch record levels. This coupled with rising labour, commodity and raw material prices has put pressures on profit margins.

Non - harmonized regulatory policies – Regulations governing housing and urban development are the responsibility of individual states in India and hence vary substantially. There is no single window clearance system since most approvals are provided by the respective departments at the city level. In India, more than 52 approvals are required for housing and real estate projects, which can take a couple of years to clear, as several agencies are involved in providing clearances. Delay in approvals leads to cost and time overruns in projects. In 2011, change in local political environment also affected the pace of approvals in the Mumbai and Pune regions.

Constraints in availability of labour – The construction industry is facing a shortage of skilled and semi-skilled labour. As per CREDAI, the shortage is as much as 40% of the required labour. Most of the skilled and unskilled labourers come to Maharashtra from Tamil Nadu, Orissa, Rajasthan, Uttar Pradesh, West Bengal, Bihar and North Karnataka. With the implementation of NREGA and also with workers moving to manufacturing and service-oriented businesses, as a result of 2008-2010 slowdown in the construction industry, there has been a reduction in migratory labour available for construction projects. Upward revision of minimum wages has also increased the cost of available labour.

According to one survey by a property research firm, nearly half of the 930,000 under-construction residential units in the country scheduled for delivery between 2011 and 2013, are likely to be delayed by up to 18 months as a result of labour shortage, rising construction costs and lack of adequate finance. Approximately 40% of these units are based in Western Maharashtra.

Rising interest on housing loans – Housing loans are becoming more and more expensive with each successive hike in interest rates by the RBI. This is acting as a deterrent as many potential buyers are postponing property buying decisions.

Multiple taxation – In addition to the duties and fees, real estate is now burdened with VAT as well as Service Tax. This increases property cost for buyers.

Risk Mitigation

The Company is planning to develop a self-sufficient township in the outskirts of Pune city to cater to the target customers.

For existing construction projects, tight control on costs and exploration of new avenues for sourcing of construction material are expected to provide cost savings to the Company in the longer run.

The Company is adopting to new construction techniques which reduce involvement of manual labour. With intense monitoring of project schedules, with the participation of all the departmental heads, the Company is attempting to contain project delays but for the factors beyond control.

In response to housing loans becoming dearer and difficult to obtain, the Company would launch new projects that would focus on small and affordable housing.

The Company's strong brand is a vivid differentiator in the construction industry.

The Company has a strong management team with significant experience, knowledge and execution capability.

Internal Control Systems and their adequacy

The Company has a policy of reviewing and if necessary, revising its systems and procedures to ensure controls at appropriate levels. All operating parameters are periodically monitored and strengthened. Concurrent internal audit to review processes, checks and controls, as defined in the audit plan drawn up by the Audit Committee in consultation with statutory auditors of the Company are carried out by an independent firm of Chartered Accountants. The Audit Committee of the Board of Directors reviews the effectiveness of internal controls and suggests improvements for strengthening them whenever required.

Customer Care and Satisfaction

The Company, inter alia, believes in oral publicity by satisfied customers and depends on their strength for its growth. The Company also believes in making its customers happy at their heart and arranges many social and cultural events for them. The Company invites its customers for events like “Bhoomipujan” at the launching of a project. Handing over ceremony is held at the time of giving possession of flats to its customers. The Company is always ready to assist all its existing customers. The Company educates its customers by giving tips and arranging meetings for them on taking precautionary measures during monsoon and how to keep their surroundings clean and also to maintain their buildings to ensure long life for their house. The Company arranges meetings with the adhoc committee of the societies formed to know their difficulties and tries solving the difficulties to the possible extent.

Financial Performance

Your Company has registered an increase of 20% in its income of the company and increase of 23% in its consolidated income. Company's current ratio is 2.24 times and Debt-Equity Ratio is 0.42. With the launch of new projects and Special Township within a year ahead Company's income is expected to grow with consequential rise in profits.

Development of Human Resources

The Company endeavors to keep work place and working environment cheerful by having good HR practices, implementation of various welfare schemes, celebration of certain events by having active participation of all employees, developing leadership qualities amongst them, etc. The Company aims to retain deserving employees and who can also be nurtured to take Leadership Roles.

The Company is focusing more on the training and development initiatives on various subjects such as Team Work, Motivation, Leadership Development, Soft Skill development, health and many more. The Company has been aiming to have behavioral as well as technology related training programmes to not only improve the general attitude but also upgrade the competency of the employees. Overall focus is on bridging the gap of knowledge, skill and attitude.

Corporate Social Responsibility

The Company is the flagship organization of the well known DSK Group (“the Group”). The Group is alive to and collectively undertakes its corporate responsibility towards society. The Group has continued to carry out socially beneficial activities.

The Group distributed free school books to needy students & libraries and constructed school buildings & toilet facilities in schools which cater to poor students. The 10th std. students who secured grand success in the exams in spite for their family's financial weak status were felicitated. The Group helps the organizations which work for orphans. In order to give them the experience of actual cricket match on the ground, a group of 100 orphaned children were sponsored to watch the match of the IPL tournament at D.Y. Patil Stadium, Mumbai.

The Company completed 12 years of DSK Gappa (literary chats). This programme has now become Milestone in Pune's cultural activities.

The Group so far planted about 35000 trees in collaboration with Green Hills, Pune. The trees were planted on land made available by government & individuals. The Group distributes saplings to individuals on their demand.

To celebrate the Ganesh Festival in eco friendly manner, the floral and other offerings given to Lord Ganesha are collected by the Company's volunteers during every Ganpati immersion & treated so that it can be used as manures.

As a part of birthday celebrations of Shri D.S. Kulkarni, 'DSK Self Made Man Award ' of Rs. 1,00,000/- (Rs. One Lakh Only) will continue to be presented to first generation entrepreneurs.

As a part of social responsibility, donations were given to NGOs working for social cause. The Company strongly believes in offering eco friendly homes to its customers. It is believed to be an exceptional approach which provides a healthy lifestyle to the customers. The Company has made various important improvements in the areas of fresh water distribution and treatment, sewage treatment plant (STP) for purified water for gardening, rain water utilization and harvesting, energy conservation planning, solid waste/garbage management, eco friendly material, provision of nature parks for big projects

Cautionary Statement

Certain statements in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections, etc. whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities and other force majeure conditions, etc. over which Company does not have any control.

AUDITORS' REPORT TO THE MEMBERS OF D. S. KULKARNI DEVELOPERS LIMITED.

- 1 We have audited the attached Balance Sheet of D.S. Kulkarni Developers Limited as at the 31st March 2011, the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003, and the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose, on the basis of our opinion, our examination of the relevant records and according to the information and explanations given to us, in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have 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 Profit and Loss Account and the Cash Flow Statement of the Company dealt with by this Report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of the written representation received from the directors as at 31st March, 2011, and taken on record by the Board of Directors, we do hereby certify that none of the directors of the Company as on 31st March 2011 is disqualified under Section 274(1) (g) of the Companies Act, 1956 on the said date for being appointed as a director in the aforesaid Company;
- (vi) We cannot, as required by S.227(3)(g) of the Companies Act, 1956, state whether the cess payable u/s 441A of the Companies Act, 1956, has been paid and, if not, the details of the amount of cess not so paid because the Central Government has not, till the date of this report, notified u/s 441A(1) the amount of cess payable u/s 441A(2) and has not specified u/s 441A(4) the manner in which the said cess is to be paid.
- (vii) In our opinion, to the best of our information and according to the explanations given to us, the said accounts, read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at the 31st March 2011;
- b) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For Gokhale, Tanksale & Ghatpande

Chartered Accountants
Firm Registration No. 103277W

S. M. Ghatpande

Partner
Membership No. 30462
Place : Pune.
Date : 10th May, 2011

Annexure Referred to in Paragraph 3 of Our Report of Even Date on the Accounts of D.S. Kulkarni Developers Limited For the Year Ended 31st March 2011.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The contents of Paragraph 4(i)(c) of CARO, 2003 are not applicable since the company has not disposed of a substantial part of its fixed assets.
- (ii) (a) Physical verification of inventory has been conducted by the management at reasonable intervals during the year.
- (b) 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) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) The company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (b) The company has not taken loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) There are adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of real estate, goods and services. We have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) The transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301, of the Companies Act, 1956 have been recorded in the register;
- (b) The transactions referred to under sub clause (a) above, which exceed ₹ 5,00,000/- in each case have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has complied with the provisions of Section 58A, Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975 and the Reserve Bank of India Directives in the matter of acceptance of deposits from the public. No order has been passed by the Company Law Board in this regard.
- (vii) The company has an internal audit system, which, in our opinion, is commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth Tax, Service tax, Customs Duty, Excise Duty, cess and other statutory dues with the appropriate authorities.
- (b) There are no disputed amounts outstanding in respect of Sales Tax / Wealth tax / Service tax / Customs Duty / Excise Duty / Cess as at the last day of the Financial year. The disputed amounts in respect of Income tax are as follows

Sr.	Amount in ₹ Lacs	Forum where dispute is pending	Assessment Year
1	22.25	Income Tax Appellate Tribunal	2004-05
2	10.00	Income Tax Appellate Tribunal	2005-06
3	7.14	Commissioner of Income Tax (Appeals)	2006-07
4	197.80	Commissioner of Income Tax (Appeals)	2007-08
5	209.44	Commissioner of Income Tax (Appeals)	2008-09
	446.63		

- (x) The company has no accumulated losses at the end of the financial period and has not incurred any cash losses during the period and in the preceding year.
- (xi) The company has not defaulted in repayment of dues to any financial institution or bank. The company has no debenture holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore the question of maintenance of documents and records in respect thereof does not arise.
- (xiii) The company is not a chit fund, nidhi, mutual benefit / society.
- (xiv) The company is not dealing in shares, debentures and other securities and hence the question of maintenance of proper records of the transactions and contracts does not arise.
- (xv) The company has given guarantee of ₹ 108.84 crores for a loan taken by its subsidiary.
- (xvi) During the year under review the company has applied the term loans obtained during the period for the purpose for which the said loans were obtained
- (xvii) During the year under review the company has not used for long term investment the funds raised on short term basis.
- (xviii) During the year under review, the company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The company has no debentures.
- (xx) During the year under review the company has not raised any money by public issue.
- (xxi) During the year under review no fraud on or by the Company has been noticed or reported.

For Gokhale, Tanksale & Ghatpande

Chartered Accountants
Firm Registration No. 103277W

S. M. Ghatpande

Partner
Membership No. 30462
Place : Pune.
Date : 10th May, 2011

D. S. Kulkarni Developers Ltd.

Balance Sheet as at	Sch	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Sources of Funds					
Share Capital	1	258,010,080		258,010,080	
Reserves & Surplus	2	4,356,413,824	4,614,423,904	4,220,633,119	4,478,643,199
Loan Funds					
Secured Loans	3	1,562,583,966		2,585,598,034	
Unsecured Loans	4	1,076,281,000	2,638,864,966	1,407,634,000	3,993,232,034
Deferred Tax Liability			7,694,981		5,606,615
Total			7,260,983,851		8,477,481,848
Applications of Funds					
Fixed Assets	5				
Gross Block		473,576,588		402,165,985	
Less: Depreciation		(57,770,834)	415,805,754	(46,383,557)	355,782,428
Investments	6		507,016,015		367,342,700
Current Assets, Loans & Advances	7	10,510,169,735		10,525,335,265	
Less : Current Liabilities & Provisions	8	(4,172,007,653)	6,338,162,082	(2,793,701,094)	7,731,634,171
Miscellaneous Expenditure (to the extent not written off)	9		-		22,722,549
Total			7,260,983,851		8,477,481,848
Notes to & forming part of the Accounts	17				

As per our audit report of even date Schedules 1 to 9 & 17 form part of the Balance Sheet.

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

For & on behalf of the Board of Directors

D. S. Kulkarni
Chairman & Managing Director

S. M. Ghatpande
Partner
Membership No. 30462
Place : Pune
Date : 10th May, 2011

V. C. Joshi
Director
Place : Pune
Date : 10th May, 2011

Amol Purandare
Company Secretary

D. S. Kulkarni Developers Ltd.

Profit & Loss Account for the year ended	Sch	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Income					
Operating Income & Increase in Stocks	10		1,809,551,161		1,520,868,703
Other Income	11		14,406,371		3,754,181
Total			1,823,957,532		1,524,622,884
Expenditure					
Development Expenses	12		1,279,863,754		943,255,379
Administrative Expenses	13		63,408,652		55,522,324
Staff Expenses	14		74,891,352		57,919,597
Selling Expenses	15		77,177,052		71,430,256
Financial Expenses	16		43,006,406		63,139,958
Depreciation	5		11,592,952		10,734,559
Miscellaneous Expenses Written Off	9		22,722,550		22,722,556
Total			1,572,662,718		1,224,724,627
Net Profit before tax and extra-ordinary items			251,294,814		299,898,257
Less: Provision for corporate tax					
Current Tax Liability		(82,500,000)		(81,020,800)	
Deferred Tax Liability		(2,088,366)	(84,588,366)	(1,044,328)	(82,065,128)
Profit after tax			166,706,448		217,833,129
Less: Prior Years' Adjustments			(739,853)		(374,751)
Add : Opening Balance			1,042,991,840		855,719,352
Profit available for Appropriation			1,208,958,435		1,073,177,730
Appropriations					
Proposed Dividend			25,801,008		25,801,008
Tax on Dividend			4,384,881		4,384,881
Balance Carried to Balance Sheet			1,178,772,546		1,042,991,840
			1,208,958,435		1,073,177,730
Earnings per share - Basic & Diluted (₹)			6.46		8.44
Number of shares			25,801,008		25,801,008
Notes to & forming part of the Accounts	17				

As per our audit report of even date. Schedules 5 and 10 to 17 form part of the Profit & Loss Account.

For Gokhale, Tanksale & Ghatpande

For & on behalf of the Board of Directors

Chartered Accountants

Firm Registration No. 103277W

D. S. Kulkarni

Chairman & Managing Director

S. M. Ghatpande

Partner

V. C. Joshi

Director

Amol Purandare

Company Secretary

Membership No. 30462

Place : Pune

Date : 10th May, 2011

Place : Pune

Date : 10th May, 2011

D. S. Kulkarni Developers Ltd.

Cash Flow Statement for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
A) Cash Flow From Operating Activities				
Net Profit before Tax & Extraordinary Items		251,294,814		299,898,257
<i>Adjustments for</i>				
- Depreciation	11,592,952		10,734,559	
- Miscellaneous Expenses Written off	22,722,550		22,722,556	
- Loss/(Profit) on Sale of Assets	5,126		368,739	
- Prior Years' Adjustments	-		(374,751)	
- Interest Expenditure	43,006,406		63,139,958	
- Interest & Dividend Received	(8,593,227)	68,733,807	(2,712,207)	93,878,853
Operating Profit before Working Capital Changes		320,028,621		393,777,110
<i>Adjustments for</i>				
- (Increase) Decrease in Inventories	197,595,008		613,678,300	
- Increase (Decrease) in Trade Payables	1,299,120,128		(1,312,932,750)	
- (Increase) Decrease in Receivables	235,673,757		(230,379,175)	
- (Increase) Decrease in Loans & Advances	(213,152,887)	1,519,236,006	499,458,744	(430,174,880)
- Cash generated from Operations		1,839,264,627		(36,397,771)
- Income Tax Paid		(113,467,247)		(84,022,618)
Net Cash from Operating Activities (A)		1,725,797,380		(120,420,389)
B) Cash Flow from Investing Activities				
Purchase of Fixed Assets	(71,674,738)		(8,883,521)	
Sale of Fixed Assets	53,333		525,000	
Interest & Dividend Received	8,593,227		2,712,207	
Decrease (Increase) in Investments	(139,673,315)		-	
Net Cash used in Investing Activities(B)		(202,701,493)		(5,646,314)
C) Cash Flow from Financing Activities				
Interest Paid	(43,006,406)		(63,139,958)	
Dividend Paid	(25,801,008)		(25,801,008)	
Dividend Tax Paid	(4,384,881)		(4,384,881)	
Increase (Decrease) in Secured Loans	(1,023,014,068)		(617,630,802)	
Increase (Decrease) in Unsecured Loans	(331,353,000)		1,011,978,861	
Net Cash used in Financing Activities(C)		(1,427,559,363)		301,022,212
Net increase/decrease in cash and cash equivalents (A+B+C)		95,536,524		174,955,510

Cash & Cash Equivalent as at beginning of the year		195,267,045		20,311,536
Cash & Cash Equivalent as at end of the year		290,803,569		195,267,045

Note to the Cash Flow Statement : Cash and Cash Equivalents include Cash and Bank Balances
This is the Cash Flow Statement referred to in our report of even date.

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

For & on behalf of the Board of Directors

D. S. Kulkarni
Chairman & Managing Director

S. M. Ghatpande
Partner
Membership No. 30462
Place : Pune
Date : 10th May, 2011

V. C. Joshi
Director
Place : Pune
Date : 10th May, 2011

Amol Purandare
Company Secretary

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Balance Sheet as at	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 1: Share Capital				
Authorised:				
50,000,000 Equity Shares of ₹ 10/- each		500,000,000		500,000,000
Issued, Subscribed & Fully Paid up :				
25,801,008 Equity Shares of ₹ 10/- each		258,010,080		258,010,080
Of the above, in FY 2007-08, 3,800,000 Equity Shares of ₹ 10/- each were issued by way of consideration other than cash to the promoters of the amalgamating company in pursuance of the Mumbai High Court Order dated 17th July, 2008 u/s 391-394 of the CA, 1956 at a premium of ₹ 282.76 per share				
Total		258,010,080		258,010,080
Schedule 2: Reserves & Surplus				
General Reserve		95,370,072		95,370,072
Profit & Loss Account		1,178,772,546		1,042,991,840
Share Premium Account		3,082,271,206		3,082,271,206
Total		4,356,413,824		4,220,633,119
Schedule 3: Secured Loans (secured as stated in Schedule 17)				
From Banks				
Working Capital Limits	(26,825,865)		148,471,582	
Project / Term Loans	1,451,499,100	1,424,673,235	2,310,442,903	2,458,914,485
Other Loans				
Vehicle Term Loans	8,910,731		7,306,289	
Loans against pledge of Promoters' Shares	129,000,000	137,910,731	119,377,260	126,683,549
Total		1,562,583,966		2,585,598,034
Schedule 4: Unsecured Loans				
Fixed Deposits				
From shareholders & guaranteed by directors	152,669,000		331,531,000	
From others	900,712,000	1,053,381,000	1,060,103,000	1,391,634,000
Inter-corporate Deposits		22,900,000		16,000,000
Total		1,076,281,000		1,407,634,000

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Balance Sheet as at 31st March, 2011

Schedule 5: Fixed Assets & Depreciation

	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 1-Apr-10 ₹	Additions 2010-11 ₹	Transfers 2010-11 ₹	As at 31-Mar-11 ₹	As at 1-Apr-10 ₹	Additions 2010-11 ₹	Transfers 2010-11 ₹	As at 31-Mar-11 ₹	As at 31-Mar-10 ₹
Land	259,202,673	13,288,346	-	272,491,019	-	-	-	272,491,019	259,202,673
Plant & Machinery	59,033,481	43,293,111	-	102,326,592	4,964,986	3,524,601	-	93,837,005	54,068,495
Office Machinery	38,662,284	5,170,259	-	43,832,543	26,854,206	3,763,346	-	13,214,991	11,808,078
Furniture & Fixtures	4,054,862	595,966	-	4,650,828	1,048,577	259,660	-	3,342,591	3,006,285
Vehicles	41,212,686	9,327,056	(264,135)	50,275,607	13,515,788	4,045,345	(205,675)	32,920,149	27,696,898
Total	402,165,985	71,674,738	(264,135)	473,576,588	46,383,557	11,592,952	(205,675)	415,805,75	355,782,428
Previous Year	395,419,094	8,883,521	(2,136,630)	402,165,985	36,891,888	10,734,559	(1,242,890)	355,782,428	358,527,206

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Balance Sheet as at	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-2010 ₹	31-Mar-2010 ₹
Schedule 6: Investments				
Trade Investments; Unquoted, at cost				
Investment in Subsidiaries:				
10,00,000 Shares of US \$ 1 each in DSK Developers Corporation USA	50,950,000		50,950,000	
25,50,000 Equity Shares of ₹ 10/- each in DSK Global Education and Research Pvt. Ltd	25,500,000		25,500,000	
20,00,000 Equity Shares of ₹ 10/- each in DSK SEZ Projects (Pune) Pvt. Ltd	20,000,000		20,000,000	
10,000 Class A Equity Shares of ₹ 10/- each in DSK southern Projects Pvt. Ltd.	39,906,662		-	
10,000 Class B Equity Shares of ₹ 10/- each in DSK Southern Projects Pvt. Ltd	100,000		-	
26,96,500 Optionally Convertible Debentures Series II of ₹ 100/- each in DSK Southern Projects Pvt. Ltd	269,650,000		-	
50,000 Ordinary Equity Shares of ₹ 10/- each in DSK Southern Projects Pvt. Ltd	100,016,653	506,123,315	-	96,450,000
Investment in Joint Ventures:				
25,000 Ordinary Equity Shares of ₹ 10/- each in DSK Southern Projects Pvt. Ltd	-		250,000	
10,000 Class B Equity Shares of ₹ 10/- each in DSK Southern Projects Pvt. Ltd	-		100,000	
26,96,500 Optionally Convertible Debentures Series II of ₹ 100/- each in DSK Southern Projects Pvt. Ltd	-		269,650,000	
23,000 Equity Shares of ₹ 10/- each in DSK Tricon Infrastructure Construction Ltd	230,000	230,000	230,000	270,230,000
Non-Trade Investments; Unquoted, at cost				
1,000 Shares of ₹ 50/- each fully paid up in Shree Sadguru Jangli Maharaj Sahakari Bank Ltd.	50,000		50,000	
10 Shares of ₹ 100/- each fully paid up in Janata Sahakari Bank Ltd.	1,000		1,000	
10 Shares of ₹ 50/- each fully paid up in Mahalaxmi Co-op. Bank Ltd.	500		500	
4,080 Shares of ₹ 25/- each fully paid up in Greater Bombay Co-op. Bank Ltd.	102,000		102,000	
19,968 Shares of ₹ 25/- each fully paid up in Kalyan Janata Sahakari Bank Ltd.	499,200		499,200	
100 Shares of ₹ 100/- each fully paid up in Pune Sahakari Bank Ltd.	10,000	662,700	10,000	662,700
Total		507,016,015		367,342,700

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Balance Sheet as at	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-2010 ₹	31-Mar-2010 ₹
Schedule 7: Current Assets, Loans & Advances				
Inventories (Taken , Valued & Certified by the Management)				
Material at site	12,502,639		16,813,433	
Expenses allocable to Projects	19,033,308		19,033,308	
Work in Progress & Finished Tenements	9,406,584,422	9,438,120,369	9,599,868,636	9,635,715,377
Sundry Debtors (Unsecured, considered good)				
Outstanding for more than six months	3,741,905		2,062,976	
Others (Due by concerns in which Directors are interested - Nil (P.Y. Nil))	15,265,949	19,007,854	252,618,635	254,681,611
Cash & Bank Balances				
Cash on hand	1,182,453		2,294,028	
<i>Balance with Scheduled Banks</i>				
- On Current Accounts	161,770,507		165,756,530	
- On Deposit Accounts	127,850,609	290,803,569	27,216,488	195,267,045
Loans & Advances (Unsecured, considered good)				
Advances towards land, goods & services	23,535,872		19,286,258	
Advance to Subsidiary Company / JV	342,019,954		138,088,905	
Advance Tax & Tax deducted at source	381,431,104		272,017,280	
Deposits	15,251,013	762,237,943	10,278,789	439,671,232
Total		10,510,169,735		10,525,335,265

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Balance Sheet as at	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 8: Current Liabilities & Provisions				
Current Liabilities				
Sundry Creditors	144,748,193		196,817,961	
Advance against tenements / Plots	1,797,746,007		1,185,419,694	
Unclaimed Dividend	1,808,323		1,824,687	
Unclaimed Deposits	16,578,000		34,529,000	
Advance from Subsidiary	14,535,584		14,915,659	
Deposits	10,000		10,000	
Deposits from Subsidiary	2,500,000		2,500,000	
Other Liabilities	1,781,796,279	3,759,722,385	1,024,585,255	2,460,602,256
Provisions				
Provision for Income Tax & FBT	382,099,379		302,912,949	
Proposed Dividend	25,801,008		25,801,008	
Tax on Dividend	4,384,881	412,285,268	4,384,881	333,098,838
Total		4,172,007,653		2,793,701,094
Schedule 9: Miscellaneous Expenditure				
Preliminary Expenses: Composite Issue Expenses				
Balance b/d	22,722,550		45,445,106	
Less: Written off during the year	(22,722,550)	-	(22,722,556)	22,722,550
Total		-		22,722,550

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Profit & Loss Account for the year ended	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-2010 ₹	31-Mar-2010 ₹
Schedule 10: Operating Income & Increase in Stocks				
Operating Income				
Sales of Tenements	1,795,874,170		1,796,560,634	
Sale of Land & Development Rights	31,106,250		305,552,628	
Labour Charges	3,464,961		10,999,311	
Contract Receipts	15,418,805		-	
Income from Subsidiary / JV	87,990,303		10,851,711	
Rent	9,066,183	1,942,920,672	13,605,340	2,137,569,624
Sale of RMC		59,914,703		-
Increase in Stock of WIP & Finished Tenements				
Closing Stock	9,406,584,422		9,599,868,636	
Opening Stock	(9,599,868,636)	(193,284,214)	(10,216,569,557)	(616,700,921)
Total		1,809,551,161		1,520,868,703
Schedule 11: Other Income				
Bank Interest		7,905,758		1,342,674
Other Interest		687,469		1,369,533
Sundry creditors A/c written back		4,076,485		-
Other Receipts		1,736,658		1,041,974
Total		14,406,371		3,754,181
Schedule 12: Development Expenses				
Land & Development Rights		170,497,680		59,066,339
Sub-Contractors' Charges (Including Material)		463,033,480		355,517,352
Other Development Expenses		646,332,593		528,671,687
Total		1,279,863,754		943,255,379

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Profit & Loss Account for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 13: Administrative Expenses				
Professional Fees		14,602,366		11,628,875
Postage, Telephone & Telegram		3,989,353		4,663,388
Rent, Rates & Taxes		16,137,634		16,201,229
Repairs & Maintenance		6,497,509		3,469,640
Printing & Stationery		3,749,665		2,946,382
Legal Charges		3,767,259		2,388,363
Conveyance		6,213,202		4,025,787
Electricity Charges		2,979,536		2,721,504
Office Expenses		2,211,600		1,585,038
Subscription		809,182		1,000,401
Insurance		366,016		702,813
Company Audit Fees	300,000		248,175	
Tax Audit Fees	50,000	350,000	55,150	303,325
Other administrative expenses		1,735,330		3,885,578
Total		63,408,652		55,522,324
Schedule 14: Staff Expenses				
Salaries, Wages, Bonus etc.	47,352,139		34,240,655	
Contribution to Provident & Other Funds	4,151,332	51,503,471	2,971,097	37,211,752
Directors' Remuneration		19,685,908		18,206,526
Staff Welfare		3,388,623		1,869,839
Directors' Sitting Fees		200,000		270,000
Recruitment Charges		113,350		361,480
Total		74,891,352		57,919,597

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Profit & Loss Account for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 15: Selling Expenses				
Advertisement		41,879,932		46,332,681
Domestic Travel Expenses		2,679,500		3,577,611
Foreign Travel Expenses		4,045,577		3,178,448
Sales Promotion		11,165,199		4,782,719
Domestic Exhibition Expenses	2,630,785		5,149,924	
Foreign Exhibition Expenses	1,444,245	4,075,030	474,242	5,624,166
Brokerage		9,476,620		114,420
Donations		937,500		136,000
Miscellaneous Balances w/off		460,483		16,197
Entertainment Expenses		132,079		114,435
Other Selling Expenses		2,325,132		7,553,579
Total		77,177,052		71,430,256
Schedule 16: Financial Expenses				
Interest on Deposits & Loans		5,340,433		46,406,091
Interest to Banks & Financial Institutions		28,359,269		9,895,942
Interest Others		436,328		145,105
Vehicle Loans		620,706		1,484,176
Brokerage for Fixed Deposit		3,150,456		5,208,643
Foreign Exchange Difference		5,099,213		-
Total		43,006,406		63,139,958

D.S. Kulkarni Developers Limited

Balance Sheet as at 31st March, 2011

Schedule - 17 Notes to & forming part of the Accounts

A Significant Accounting Policies:

- 1 The Company is not a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956, inasmuch as its equity securities are listed on the National & Bombay Stock Exchanges, it did have borrowings (including public deposits) in excess of ₹ 10 crores at any time during the immediately preceding accounting year and its turnover (excluding other income) exceeded ₹ 50 crores in the immediately preceding accounting year.
- 2 Accordingly, these financial statements comply in all material respects with the relevant provisions of the Companies Act, 1956, the Generally Accepted Accounting Principles in India, and the Accounting Standards issued by the Institute of Chartered Accountants of India which are prescribed in the Companies (Accounting Standards) Rules 2006 notified by the Central Government under section 211(3C) read with sections 210A(1) and 642(1)(a) of the said Act. 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.

3 Basis of Preparation of Financial Statements

- a) **Accounting Convention:** These financial statements are prepared under the historical cost convention.
- b) **Method of Accounting:** As required by Section 209(3)(b) of the Companies Act, 1956, 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.
- c) **Use of Estimates:** The preparation of financial statements requires 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 these financial statements and the reported amounts of revenues and expenses for the years presented.

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.

- d) **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.
 - e) **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.
 - f) **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.
 - g) **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 extraordinary 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.
 - h) **Previous Year Figures:** The figures in the balance sheet for the previous year have been rearranged to facilitate comparison.
- 4 **Effect of Changes in Foreign Exchange Rates:** In accordance with AS 11 issued by the Institute of

Chartered Accountants of India, transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction. Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the rate of exchange prevailing on the balance sheet date. In the case forward contracts for foreign exchange, the difference between the forward rate and the exchange rate at the date of the transaction is recognized over the life of the contract. Such contracts outstanding at the year end are marked to market, and the resultant exchange difference is recognised as income or expense in the profit and loss account. The profit or loss arising on cancellation or renewal of such contracts is recognised as income or expense for the year.

5 Fixed Assets

- a) **Accounting for Fixed Assets:** In accordance with AS 10 issued by the Institute of Chartered Accountants of India, Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operative expenses and interest in case of construction.
 - b) **Leases:** In accordance with Accounting Standard 19, issued by the Institute of Chartered Accountants of India, assets given / taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease income / payments under operating leases are recognised as an income / expense on a straight-line basis over the lease term. The Company has not so far entered into any financial lease arrangement.
 - c) **Borrowing Costs:** In accordance with Accounting Standard 16 issued by the Institute of Chartered Accountants of India, borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which those are incurred.
 - d) **Intangible Assets:** In accordance with AS 26 & AS 10 issued by the Institute of Chartered Accountants of India, the Company has expensed the preliminary expenses and those pre-operative expenses which did not result in the creation of a tangible asset. However, share issue expenses (which are outside the purview of AS 26) are deferred and written off over a period of five years.
 - e) **Impairment of 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 the 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.
- 6 Investments:** In accordance with AS 13 issued by the Institute of Chartered Accountants of India, 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. Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.
- 7 Inventories:** In accordance with AS 2 & 9 issued by the Institute of Chartered Accountants of India,
- a) Inventories of finished tenements are valued at the carrying value or estimated net realizable value, (as certified by the management) whichever is the less.
 - b) 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.
 - c) Inventories of construction materials are valued at cost of acquisition or net replacement value (as certified by the management), whichever is the less.

8 Revenue Recognition :

- a) In accordance with AS 9 issued by the Institute of Chartered Accountants of India, 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.
- b) 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.

- 9 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.

10 Employee Benefits :

- a) In accordance with Accounting Standard 15 issued by the Institute of Chartered Accountants of India, benefits to the employees comprising of payments under defined contribution plans like provident fund and family pension fund are charged to Profit & Loss Account. There are no defined benefit plans.
- b) The liability for gratuity is funded through Group Gratuity scheme of the Life Insurance Corporation of India which is in nature of a Defined Contribution Plan and accordingly periodic contributions to the LIC are charged to Profit & Loss Account.

- 11 Provisions, Contingent Liabilities and Contingent Assets:** In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India, provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized.

12 Tax Expense :

- a) In accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India, Tax expense comprises current corporate tax and deferred corporate tax. Current corporate tax is measured at the amount expected to be paid to the tax authorities using the applicable tax rates and tax laws. Minimum Alternative Tax (MAT) credit for a particular assessment year is recognised as an asset only after the assessment for that year is complete and such credit is finally quantified. The recognition of such credit is limited to the extent there is convincing evidence that the Company's corporate tax liability under the normal scheme of taxation, during the period in which the MAT Credit can be carried forward u/s 115JAA of the IT Act, 1961, will exceed the MAT liability u/s 115JB. In accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), in the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as "MAT credit entitlement" under the head "Current Assets".
- b) The Company reviews the "MAT credit entitlement" at each balance sheet date and writes down its carrying amount to the extent such credit is set-off u/s 115JAA or there is no longer convincing evidence as stated supra. Deferred corporate 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 corporate tax assets are not recognized unless, in the judgement of the management, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred corporate tax is reviewed at each balance sheet date.

13 Related Party Disclosures: Please see Annexure

14 Earnings per Share: The Company reports basic and diluted Earnings per share (EPS) in accordance with Accounting Standard 20, issued by the Institute of Chartered Accountants of India. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive. The basic & diluted EPS is stated in the Profit & Loss Account as well as in the Notes to Accounts.

15 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 and Jointly Controlled Entities 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.

16 Financial Reporting of Interests in Joint Ventures: In accordance with Para 53 of AS 27 issued by the Institute of Chartered Accountants of India, the Company has made the necessary disclosures in Annexure 1 hereto. The Consolidated Financial Statements include the book values of like items of assets, liabilities, incomes and expenses of the Company's Joint Ventures after fully eliminating intra-group balances, intra-group transactions and unrealised profits and losses.

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

- a) **Construction Contracts:** AS 7 is not applicable since the Company is not engaged in execution of construction contracts
- b) **Accounting for Government Grants:** AS 12 is not applicable since the Company has not so far received any Government Grants.
- c) **Accounting for Amalgamations:** AS 14 is not applicable since the Company has not entered into any amalgamation during the year under review.
- d) **Segment Reporting:** AS 17 is not applicable since the company operates only in one segment, namely, integrated real estate development and construction of residential and commercial tenements.
- e) **Accounting for Investments in Associates in Consolidated Financial statements:** AS 23 is not applicable because the Company has no associates.
- f) **Discontinuing Operations:** AS 24 is not applicable since the Company has not so far discontinued operations.
- g) **Interim Financial Reporting:** AS 25 is not applicable since these financial statements are not interim statements.
- h) **Financial Instruments - Recognition & Measurement, Presentation & Disclosures:** AS 30, 31 & 32 issued by the Institute of Chartered Accountants of India are recommendatory in nature for the initial period of two years, i.e; FYs 2009-10 & 2010-11 and will become mandatory w.e.f 01st April, 2011. Moreover, the said standards have not so far been notified by the Central Government u/s 211(3C) of the Companies Act, 1956. Hence, the Company has not applied these accounting standards in the preparation and presentation of these financial statements.

Annexure 1 referred to in Para A (16) of Schedule 17

Disclosure in respect of Company's Joint Ventures in India pursuant to AS 27 ₹ Lacs

Sr.	Particulars	Name of the Joint Venture
		DSK Tricone Infrastructure and Construction Ltd.
	Location	India
1	Nature of Joint Venture	Jointly Controlled Entity
2	Proportion of Ownership Interest	46%
3	Reserves & Surplus	-
4	Loans / Borrowings	11.51
5	Current Liabilities	385.19
6	Deferred Tax Liability	9.38
7	Fixed Assets (Net)	112.63
8	Investments	0.00
9	Current Assets	261.89
10	Profit & Loss Account	33.85
11	Gross Income	894.22
12	Expenses (excluding interest, depreciation & taxes)	884.14
13	Interest	1.54
14	Depreciation	7.18
15	Provision for Taxation	2.61
16	Profit after Tax	(1.24)
17	Contingent Liabilities	-
18	Capital Commitments	-

B Additional Information:

1 Security for Term Loans from Banks / Institutions / Others :

1.1 All the Term Loans / Corporate Loans for construction projects are secured by equitable / registered mortgage of specific immovable properties and are also secured by a hypothecation charge on the Company's movables at the respective sites

1.2 The term loans for acquisition of vehicles are secured by hypothecation of the respective vehicles.

- 1.3 The charges securing the term loans obtained from Bank of Maharashtra, Central Bank of India, Indian Overseas Bank and Kalyan Janata Sahakari Bank include a collateral pari passu charge on a specific immovable property.
- 1.4 Repayment of all the term loans and payment of interest thereon is personally guaranteed by the Company's Chairman & Managing Director and in certain cases, other specified individuals.
- 1.5 The cash credit limit from Bank of Maharashtra is secured by personal guarantee of the Company's Chairman & Managing Director and other specified individuals. The said limit is also collaterally secured by mortgage of some immoveable properties.
- 1.6 The Promoters have pledged 63,05,210 (P.Y. 38,75,805) equity shares held by them in order to secure loans advanced to Company by certain lenders for the purposes of the Company's business

- 2 **Interest accrued & due on Term Loans:** The balance of term loans as at the balance sheet date includes interest accrued & due as follows:

₹ Lacs

Particulars	31-Mar-11	31-Mar-10
Banks	17.18	211.77

- 3 **Installments of Term Loans due in next one year:**

₹ Lacs

Particulars	2010-11	2009-10
Banks	5,429.01	15,020.51

- 4 **Investments in Subsidiary:** In the opinion of the management, no loss is expected to arise in respect of investments for which an additional provision is required
- 5 **Current assets, loans and advances:** In the opinion of the management the current assets, loans and advances are stated at the value which will be realized if they are sold in the ordinary course of the Company's business.

- 6 **TDS on Income received:**

₹ Lacs

		Gross	TDS	Net
Interest	2010-11	965.84	83.48	882.36
	2009-10	13.43	1.87	11.56
Rent	2010-11	97.22	10.29	86.93
	2009-10	100.03	16.33	83.70
Professional Fees	2010-11	1.25	0.13	1.13
	2009-10	-	-	-
Labour Charges	2010-11	188.84	4.13	184.71
	2009-10	121.32	2.43	118.90
Total	2010-11	1,253.14	98.02	1,155.12
	2009-10	234.79	20.63	-

7 Additional information related to delayed payment by the Company to Micro / Small Enterprises as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006):

Sr.	Particulars	31-Mar-11	31-Mar-10
(i)	The principal amount remaining unpaid to any supplier (as defined in S2(n) of MSMED Act, 2006) as at the end of the accounting year	NA	NA
(ii)	The interest due on the principal amount remaining unpaid to any such supplier as at the end of the accounting year	NA	NA
(iii)	The amounts of payments made to such supplier beyond the appointed day during the accounting year	NA	NA
(iv)	The amount of interest paid by the company in terms of S 16 of MSMED Act, 2006, during the accounting year	NA	NA
(v)	The amount of interest due and payable for the period of delay in making payment without adding the interest specified under MSMED Act, 2006.	NA	NA
(vi)	The amount of interest accrued and remaining unpaid at the end of the accounting year	NA	NA
(vii)	The amount of further interest due and payable even in the succeeding years until such a day when the interest dues are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure u/s 23 of the MSMED Act, 2006	NA	NA

8 Amounts due to Investor Education & Protection Fund: As at the balance sheet date, there are no amounts due and outstanding to this Fund.

9 Contingent Liabilities not provided for:

₹ Laacs

		2010-11	2009-10
a)	Claims against the Company not acknowledged as debts	-	-
b)	Guarantees	-	-
c)	Guarantee in respect of secured loans obtained by subsidiary	10,884.00	10,884.00
	Balance of secured loans as at 31/03/2011	10,124.47	8,510.06
d)	Tax Matters under appeal	958.27	748.83
e)	Cases filed against the Company	721.06	796.64
f)	Estimated amount of contracts remaining to be executed on capital account	-	-
g)	Bills discounted by the Company's suppliers	500.00	500.00
	Balance on 31/03/2011	497.90	497.96
		13,063.33	12,929.47

10 Payment to Directors:

₹ Lacs

Name	Designation		Salary	Perks	Total
Mr. D.S. Kulkarni	Chairman & Managing Director	2010-11	171.71	0.40	172.10
		2009-10	156.70	0.26	156.96
Mrs. J. D. Kulkarni	Whole-time Director	2010-11	5.89	0.32	6.22
		2009-10	5.89	-	5.89
Mr. S.D. Kulkarni	Executive Director w.e.f.27/07/2009	2010-11	19.17	0.40	19.56
		2009-10	13.08	-	13.08
Mr Kedar Vanjape	Executive Director upto 18/08/2009	2010-11	-	-	-
		2009-10	6.39	-	6.39
Total		2010-11	196.77	1.12	197.88
		2009-10	182.06	0.26	182.32

11 Computation of Net Profit in accordance with S.198 & S.349 of the Companies Act, 1956:

₹ Lacs

	2010-11	2010-11	2009-10	2009-10
Profit before tax as per Profit & Loss A/c		2,512.95		2,998.98
Add: Book Depreciation	115.93		107.35	
Directors' Remuneration	196.77		182.06	
(Profit) / Loss on sale of fixed assets	0.05		3.69	
Preliminary expenses	227.23	539.98	227.23	520.32
		3,052.92		3,519.30
Less: Depreciation as per S.350		115.93		107.35
Net Profit / (Loss) u/s 198 of the CA 1956		2,936.99		3,411.95
11% of Net Profit		323.07		375.31
10% of Net Profit		293.70		341.20

12 Payment to Auditors:

₹ Lacs

	2010-11	2009-10
Company Audit Fees	3.00	2.25
Tax Audit Fees	0.50	0.50
Service Tax	0.36	0.28
Total	3.86	3.03

13 Earning in foreign exchange:
₹ Lacs

Particulars	2010-11	2009-10
Advance against Tenements	0.51	2.38
Interest from Subsidiary	120.68	89.49

14 Expenditure in foreign currency:
₹ Lacs

Particulars	2010-11	2009-10
Foreign Travel Expenses	12.33	9.68
Exhibition Expenses	4.64	1.67
Interest on FCDL Loan	107.50	231.38
Purchase of Material	55.45	-
Total	179.91	242.73

15 Expenditure on employees in receipt of remuneration exceeding ₹ 60 lacs p.a. or ₹ 5 lacs per month when employed for a part of the year
₹ Lacs

Sr	Name	Age	Educational Qualification	Designation	Date of Joining	Previous Employment	Grass Remuneration	Net Remuneration
1	D. S. Kulkarni	62	B. Com	Chairman & Managing Director	20/09/1991	None	172.10	120.62

16 Earnings Per Share (EPS):

Earnings per share is calculated in accordance with the Accounting Standard 20- 'Earnings Per Share'

Particulars	2010-11	2009-10
Profit after tax (₹ lacs)	1,667.06	2,178.33
Weighted Average Number of Equity shares	25,801,008	25,801,008
Nominal Value of Equity Share (₹)	10	10
Basic and Diluted Earnings Per Share (₹)	6.46	8.44

17 Deferred Tax Liability:

The deferred tax liability comprises of the following:

₹ Lacs

	As at 31.03.2011	As at 31.03.2010
Timing difference between book depreciation and tax depreciation	76.95	56.07
Total	76.95	56.07

18 Disclosure required by Clause 32 of the Listing Agreement

Amount of loans / advances in the nature of loans to subsidiaries / joint ventures:

₹ Lacs

Particular	Outstanding as at		Maximum amount outstanding during the year	
	31/3/2011	31/3/2010	2010-11	2009-10
A Subsidiaries				
(i) DSK Developers Corporation	2,057.91	1,662.15	2,217.28	1,662.15
(ii) DSK SEZ Projects (Pune) Private Ltd	-	-	-	-
(iii) DSK Global Education and Research Pvt. Ltd.	-	-	-	-
(iv) DSK Woods LLC USA	-	1.51	-	1.51
(v) DSK Southern Projects Pvt. Ltd.	1,654.38	-	2,288.95	-
B Jointly Controlled Entities				
(i) DSK Tricone Infrastructure and Construction Ltd.	376.17	420.85	376.17	420.85
(ii) DSK Southern Projects Pvt. Ltd.	-	169.33	-	169.33

19 Disclosure for assets taken on lease as per AS 19:

The Company has entered into operating lease arrangements for office space at Pune, Mumbai, Chennai and Bangalore. There are no future minimum lease payments under non-cancellable operating leases as all the lease arrangements are cancellable at the option of lessee.

i) Minimum lease payments recognised in Profit and Loss Account

₹ Lacs

	2010-11	2009-10
Cancellable leases	167.50	155.62
Non-cancellable leases	-	-

ii) General description of the lessee's significant leasing arrangements:

Certain lease arrangements provide a clause for price escalation.

20 Disclosure for assets given on lease as per AS 19:

The company has given its land on operating lease to its subsidiary, DSK Global Education & Research Pvt Ltd for a period of 99 years.

₹ Lacs

Sr. No.	Particulars of asset	Gross Block as at 31-03-2011	Accumulated Depreciation as at 1-4-2010	Depreciation provided for the year	Total accumulated depreciation as at 31-3-2011	Net block as at 31-3-2011
i)	Land	2,592.03	-	-	-	2,592.03

₹ Lacs

ii)	Future minimum lease payments receivable in respect of non-cancellable leases	2010-11	2009-10
	Due within one year from the Balance Sheet date	91	100
	Due in the period between one year and five years	363	400
	Due after five years	8,250	9,225
	Total	8,704	9,725

21 The company has not so far entered into any finance lease as at the balance sheet date.

22 Related Party Disclosures:

(I) The Company has identified following related parties:

A Subsidiaries:

- (i) DSK Developers Corporation
- (ii) DSK Woods LLC
- (iii) DSK SEZ Projects (Pune) Private Ltd.
- (iv) DSK Global Education and Research Pvt. Ltd.
- (v) DSK Southern Projects Pvt. Ltd.

B Jointly Controlled Entities

- i) DSK Tricone Infrastructure and Construction Ltd.

C Key Management Personnel

- (i) Mr. D. S. Kulkarni Managing Director
- (ii) Mrs. J. D. Kulkarni Whole-time Director
- (iii) Mr. S. D. Kulkarni Executive Director

D Relatives of Key Management Personnel having control or significant control over the Company by reason of voting power.

None

E Companies / Other Organisations under the control of KMP / relatives where transactions are entered into and / or outstanding balance exists as at the Balance sheet date:

- (i) Amit & Company
- (ii) Calcutta Boarding House
- (iii) D. S. Kulkarni Constructions Pvt. Ltd.
- (iv) DSK Developers Corporation
- (v) DSK Digital Technologies Private Limited
- (vi) DSK Global Education & Research Pvt Ltd
- (vii) DSK Infotech Private Limited
- (viii) DSK Motors Limited
- (ix) DSK Sales & Services
- (x) DSK SEZ Project (Pune) Pvt Ltd
- (xi) DSK Southern Projects Pvt. Ltd.
- (xii) DSK Tricone Infrastructure and Construction Ltd.
- (xiii) DSK Worldman Computers Private Limited
- (xiv) Hexagon Capital Services Private Limited
- (xv) Mangesh Agencies
- (xvi) Sanjeevani Developers
- (xvii) Shri Saptashrungi Oil Mills Pvt. Ltd.

F Companies / Other Organisations under the control of KMP / relatives where no transactions are entered into and / or no outstanding balance exists as at the Balance sheet date.

- (i) Ambiance Ventures Estates & Development Pvt. Ltd.
- (ii) Ascent Promoters & Developers Private Limited
- (iii) DSK Woods LLC
- (iv) Gharkul
- (v) Greengold Farms & Forests Pvt. Ltd
- (vi) Growrich Agroforestry Private Limited
- (vii) Holyland Agroforestry Private Limited
- (viii) Sapphire Promoters & Developers Private Limited
- (ix) Telesmell

II) Following are the transactions with the related parties mentioned in A, B, C & E above

₹ Lacs

Sr. No.	Nature of transaction	Subsidiaries		Jointly Controlled Entities		Companies / Other Organisations under the control of KMP/relatives		Key Management Personnel/Relatives of KMP		Net Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
(i)	Advances received / recovered	1,583.36	2.67	1,271.98	1,878.94	675.33	3,639.57	-	3,316.83	3,530.67	8,838.02
(ii)	Advances given / repaid	2,871.13	1,545.03	1,276.86	1,617.90	1,059.27	1,608.05	-	3,332.74	5,207.25	8,103.72
(iii)	Balance payable at end	437.47	601.41	70.63	18.26	91.67	140.55	-	75.60	599.78	835.82
(iv)	Balance receivable at end	3,712.29	1,663.66	446.80	608.53	279.17	99.58	-	14.00	4,438.26	2,385.77
(v)	Investments at the year end	5,061.23	964.50	2.30	2,702.30	-	-	-	-	5,063.53	3,666.80
(vi)	Sales during the year	136.98	-	47.78	-	173.45	-	12.38	-	370.58	-
(vii)	Services rendered	38.22	221.32	1,956.36	1.28	-	-	-	-	1,994.58	222.60
(viii)	Interest Income	879.90	89.49	2.06	-	-	-	-	-	881.96	89.49
(ix)	Rent Recovery	100.00	-	-	-	-	-	-	-	100.00	-
(x)	Services availed	-	-	-	1,171.50	25.92	12.71	-	-	25.92	1,184.21
(xi)	Purchase of materials	-	-	8.44	166.44	2.27	76.16	-	-	10.70	242.60
(xii)	Purchase of fixed assets	-	-	-	-	20.86	13.96	-	-	20.86	13.96
(xiii)	Additional Investments	1,396.73	-	-	-	-	-	-	-	1,396.73	-
(xiv)	Remuneration	-	-	-	-	-	-	197.88	182.96	197.88	182.96
(xv)	Sitting fees	-	-	-	-	-	-	2.00	2.70	2.00	2.70
(xvi)	Guarantees given	10,884.00	10,884.00	-	-	-	-	-	-	10,884.00	10,884.00
(xvii)	Staff Welfare Expenses	-	-	-	-	1.62	3.37	-	-	1.62	3.37
(xviii)	Rent Expense	-	-	-	-	2.31	2.94	92.65	84.00	94.96	-

D. S. Kulkarni Developers Ltd.

**23 Statement pursuant to Part IV of Schedule VI to the Companies Act,1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I	Registration Details			
	Registration No.	63340	State Code	25
	Balance Sheet Date	31st March, 2011		
II.	Capital Raised during the Year (Amount in ₹ Thousands)			
	Public Issue	-	Rights Issue	-
	Bonus Issue	-	Private Placement	-
III.	Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)			
	Total Liabilities	7,260,984	Total Assets	7,260,984
	Sources of Funds			
	Paid-Up Capital	258,010	Reserves & Surplus	4,356,414
	Secured Loans	1,562,584	Unsecured Loans	1,083,976
	Application of Funds			
	Net Fixed Assets	415,806	Investments	507,016
	Net Current Assets	6,338,162	Misc. Expenditure	-
	Accumulated Losses	-		
IV.	Performance of Company (Amount in ₹ Thousands)			
	Turnover	1,823,958	Total Expenditure	1,572,663
	Profit before Tax*	251,295	Profit after Tax*	166,706
	Earnings per Share in ₹* (Basic & Diluted)	6.46	Dividend rate %	10.00%
	*Before extraordinary items			
V.	Generic Names of Three Principal Products / Services of Company (as per monetary terms)			
	Item Code No.(ITC Code)		NA	
	Product Description		Real Estate Development	

Schedules 1 to 17 are hereby signed. As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande

Chartered Accountants

Firm Registration No. 103277W

For & on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

S. M. Ghatpande

Partner

Membership No. 30462

Place : Pune

Date : 10th May, 2011

V. C. Joshi

Director

Place : Pune

Date : 10th May, 2011

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company

The Ministry of Corporate Affairs, Government of India, by its notification dated 8th February, 2011 has granted a general exemption to all the companies doing away with the requirement of attaching annual accounts of subsidiary companies to that of the holding company, mandated by the provisions of Section 212 of the Companies Act 1956, subject to fulfillment of certain conditions. In terms of the requirements to avail this general exemption, a statement containing brief financial details of the subsidiary companies for the year ended 31st March, 2011 is disclosed as below:

S. No.	Name of the Subsidiary	DSK Developers Corporation	DSK Woods LLC	DSK Global Education & Research P. Ltd	DSK SEZ Projects (Pune) P. Ltd.	DSK SEZ Southern Projects P. Ltd.
1.	Financial year of the subsidiary ended on	31st March, 2011	31st March, 2011	31st March, 2011	31st March, 2011	31st March, 2011
2.	Date from which it became subsidiary	16-May-06	3-Jan-07	21-Oct-08	11-Feb-09	6-Apr-10
3.	Holding Company's interest in the subsidiary at the end of the Financial Year (no. of shares)	10,00,000	Nil, since all the shares are held by DSKDC	2,550,000	2,000,000	70,000
4.	Extent of Holding	100%	100%	51%	100%	100%
5.	The net aggregate amount of the Subsidiary's Profits (Losses) so far as it concerns members of the Holding Company and is not dealt with in the Holding Company's accounts (Rs. Lacs)					
	i) For the financial year of the subsidiary	(16.48)	(136.27)	(858.08)	0.51	98.54
	ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary	(306.61)	(946.66)	(1,126.50)	(29.47)	-
6.	Net aggregate amounts of the profits/(losses) of the subsidiary dealt with in the Company's accounts					
	i) For the financial year of the subsidiary	Nil	Nil	Nil	Nil	Nil
	ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary	Nil	Nil	Nil	Nil	Nil
7.	Disclosure of information specified in condition (iv) of the aforesaid notification:					
	i) Paid up capital	403.68	1,942.53	500.00	200.00	7.00
	ii) Reserves (Loss)	85.99	30.92	(3,906.23)	(29.15)	78.48
	iii) Total Assets	2,452.80	2,447.53	17,571.67	170.92	6,353.32
	iv) Total Liabilities	2,286.22	1,525.09	20,977.90	0.07	6,267.84
	v) Investments	1,974.45	-	-	-	-
	vi) Turnover	161.29	849.08	1,652.20	1.35	1,165.39
	vii) Profit (Loss) before taxation	(11.25)	(136.27)	(1,682.50)	(0.28)	142.64
	viii) Provision for taxation	5.22	-	-	-	44.10
	ix) Profit after Tax	(16.48)	(136.27)	(1,682.50)	0.51	98.54
	x) Proposed Dividend	-	-	-	-	-

**CONSOLIDATED
FINANCIAL STATEMENTS
2010-2011**

**AUDITORS' REPORT TO THE BOARD OF DIRECTORS
ON THE CONSOLIDATED FINANCIAL STATEMENTS OF
D.S. KULKARNI DEVELOPERS LIMITED.**

- 1 We have audited the attached Consolidated Balance Sheet of **D. S. Kulkarni Developers Limited** ("the Company") and its five Subsidiaries and one Jointly Controlled Entities (the Company and its Subsidiaries and Jointly Controlled Entities constitute "the Group") as at the **31st March 2011**, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared by the management on the basis of separate financial statements and other financial information regarding Subsidiaries and Jointly Controlled Entities. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 We did not audit the financial statements of certain subsidiaries and one jointly controlled entity. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included (in the Consolidated Financial Statements) in respect of these subsidiaries / jointly controlled entity, is based solely on the reports of such other auditors. The financial statements of such subsidiaries and jointly controlled entity reflect as of 31st March 2011 total assets of ₹ 2,928 lacs and total liabilities of ₹ 1,617 lacs and total revenues of ₹ 1,905 lacs, total expenses of ₹ 1,904 lacs and net cash flows amounting to ₹ 73 lacs for the year then ended. These assets, liabilities, revenues, expenses and cash flows have been considered in the Consolidated Financial Statements.
- 4 Subject to our remarks in paragraph 3 above:
 - (i) We report that the Consolidated Financial Statements have been prepared in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements) and AS 27 - Financial Reporting of Interests in Joint Ventures issued by the Institute of Chartered Accountants of India.
 - (iii) On the basis of the information and according to the explanations given to us and on consideration of the separate audit reports on individual financial statements of the Company and its aforesaid subsidiaries / jointly controlled entities, in our opinion, the Consolidated Financial Statements, read with the notes thereon, 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 state of affairs of the Group as at the 31st March 2011;
 - b) In the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

S. M. Ghatpande
Partner
Membership No. 30462
Place : Pune.
Date : 10th May 2011

D. S. Kulkarni Developers Ltd.

Consolidated Balance Sheet as at	Sch	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Sources of Funds					
Share Capital	1	258,010,080		258,010,080	
Reserves & Surplus	2	3,879,197,591	4,137,207,671	3,960,814,878	4,218,824,958
Minority Interest			(166,174,692)		(84,202,871)
Loan Funds					
Secured Loans	3	2,696,011,374		3,602,744,967	
Unsecured Loans	4	2,007,350,595	4,703,361,969	2,297,871,635	5,900,616,603
Deferred Tax Liability			8,561,788		6,291,760
Total			8,682,956,735		10,041,530,449
Applications of Funds					
Fixed Assets	5				
Gross Block		2,227,034,550		1,825,131,443	
Less: Depreciation		(138,443,160)	2,088,591,390	(86,680,430)	1,738,451,013
Investments	6		663,160		135,488,160
Current Assets, Loans & Advances	7	11,154,266,785		11,034,432,586	
Less : Current Liabilities & Provisions	8	(4,560,564,600)	6,593,702,185	(2,889,563,860)	8,144,868,726
Miscellaneous Expenditure (to the extent not written off)	9		-		22,722,550
Total			8,682,956,735		10,041,530,449
Notes to & forming part of the Accounts	19				

As per our audit report of even date Schedules 1 to 9 & 19 form part of the Balance Sheet.

For Gokhale, Tanksale & Ghatpande

Chartered Accountants

Firm Registration No. 103277W

For & on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

S. M. Ghatpande

Partner

Membership No. 30462

Place : Pune

Date : 10th May, 2011

V. C. Joshi

Director

Place : Pune

Date : 10th May, 2011

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.

Consolidated Profit & Loss Account for the year ended	Sch	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Income					
Operating Income & Increase in Stocks	10		2,016,320,079		1,607,251,651
Other Income	11		16,833,460		5,848,207
Educational Fees	12		163,499,556		77,652,134
Total			2,196,653,095		1,690,751,991
Expenditure					
Development Expenses	13		1,445,525,882		1,048,821,668
Administrative Expenses	14		125,888,538		93,149,065
Staff Expenses	15		184,765,603		156,330,441
Selling Expenses	16		146,685,996		119,088,899
Financial Expenses	17		115,502,960		82,731,146
Educational Expenses	18		20,917,393		8,224,160
Depreciation	5		51,979,411		39,747,578
Inventory Write-down Loss			-		97,878,951
Miscellaneous Expenses Written Off	9		22,722,550		22,722,556
Total			2,113,988,334		1,668,694,464
Net Profit before tax and extra-ordinary items			82,664,761		22,057,527
Less: Provision for corporate tax					
- Current Tax Liability		(87,432,181)		(85,019,973)	
- Deferred Tax Liability		(2,270,030)	(89,702,211)	(1,384,742)	(86,404,715)
Profit after tax			(7,037,450)		(64,347,188)
Add: Minority Interest in loss			82,442,383		72,273,720
Profit after Minority Interest			75,404,934		7,926,531
Less: Prior Years' Adjustments			(1,275,239)		(881,782)
Add : Opening Balance			762,587,570		785,728,710
Profit available for Appropriation			836,717,265		792,773,459

Consolidated Profit & Loss Account for the year ended	Sch	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Appropriations					
Proposed Dividend		25,801,008		25,801,008	
Tax on Dividend		4,384,881	30,185,889	4,384,881	30,185,889
Balance Carried to Balance Sheet			806,531,376		762,587,570
			836,717,265		792,773,459
Earnings per share - Basic & Diluted (₹)			2.92		0.31
Number of shares			25,801,008		25,801,008

Notes to & forming part of the Accounts 19

As per our audit report of even date. Schedules 5 and 9 to 19 form part of the Profit & Loss Account.

For Gokhale, Tanksale & Ghatpande

Chartered Accountants

Firm Registration No. 103277W

S. M. Ghatpande

Partner

Membership No. 30462

Place : Pune

Date : 10th May, 2011

For & on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

Place : Pune

Date : 10th May, 2011

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.

Consolidated Cash Flow Statement For The Year Ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
A) Cash Flow From Operating Activities				
Net Profit before Tax & Extraordinary Items		82,664,761		22,057,527
<i>Adjustments for</i>				
- Minority Interest	82,442,383		72,273,720	
- Depreciation	51,979,411		39,747,578	
- Miscellaneous Expenses Written off	22,722,550		22,722,556	
- Loss/(Profit) on Sale of Assets	(1,911)		414,225	
- Prior Years' Adjustments	-		(881,782)	
- Interest Expenditure	115,502,960		82,731,146	
- Interest & Dividend Received	(16,833,460)	255,811,934	(5,848,207)	211,159,236
Operating Profit before Working Capital Changes		338,476,695		233,216,763
<i>Adjustments for</i>				
- (Increase) Decrease in Inventories	127,837,307		722,005,015	
- Increase (Decrease) in Trade Payables	1,585,609,703		(1,278,052,640)	
- (Increase) Decrease in Receivables	10,328,309		(238,548,932)	
- (Increase) Decrease in Loans & Advances	(41,462,477)	1,682,312,843	220,192,728	(574,403,830)
- Cash generated from Operations		2,020,789,537		(341,187,067)
- Income Tax Paid		(113,957,821)		(81,857,297)
Net Cash from Operating Activities (A)		1,906,831,717		(423,044,364)
B) Cash Flow from Investing Activities				
Purchase of Fixed Assets	(402,200,150)		(300,971,680)	
Sale of Fixed Assets	82,272		1,094,274	
Interest & Dividend Received	16,833,460		5,848,207	
Decrease (Increase) in Investments	134,825,000		-	
Net Cash used in Investing Activities(B)		(250,459,417)		(294,029,199)

Consolidated Cash Flow Statement For The Year Ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
C) Cash Flow from Financing Activities				
Foreign Currency Translation Reserve	13,762,222		8,918,121	
Goodwill	(139,323,315)		-	
Minority Interest	(81,971,822)		(72,744,281)	
Interest Paid	(115,502,960)		(82,731,146)	
Dividend Paid	(25,801,008)		(25,801,008)	
Dividend Tax Paid	(4,384,881)		(4,384,881)	
Increase (Decrease) in Secured Loans	(906,733,593)		(432,176,607)	
Increase (Decrease) in Unsecured Loans	(290,521,041)		1,522,272,961	
Net Cash used in Financing Activities(C)		(1,550,476,398)		913,353,159
Net increase/decrease in cash and cash equivalents (A+B+C)		105,895,902		196,279,596
Cash & Cash Equivalent as at beginning of the year		219,327,292		23,047,696
Cash & Cash Equivalent as at end of the year		325,223,194		219,327,292

Note to the Cash Flow Statement : Cash and Cash Equivalents include Cash and Bank Balances

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

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

For & on behalf of the Board of Directors

D. S. Kulkarni
Chairman & Managing Director

S. M. Ghatpande
Partner

V. C. Joshi
Director

Amol Purandare
Company Secretary

Membership No. 30462
Place : Pune
Date : 10th May, 2011

Place : Pune
Date : 10th May, 2011

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Balance Sheet as at	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-2010 ₹	31-Mar-2010 ₹
Schedule 1: Share Capital				
Authorised:				
50,000,000 Equity Shares of ₹ 10/- each		500,000,000		500,000,000
Issued, Subscribed & Fully Paid up :				
25,801,008 Equity Shares of ₹ 10/- each		258,010,080		258,010,080
Total		258,010,080		258,010,080
Schedule 2: Reserves & Surplus				
General Reserve		95,370,072		95,370,072
Profit & Loss Account		806,531,376		762,587,570
Share Premium Account		3,082,271,206		3,082,271,206
Foreign Currency Translation Reserve		34,348,252		20,586,029
Goodwill on consolidation		(139,323,315)		-
Total		3,879,197,591		3,960,814,878
Schedule 3: Secured Loans (secured as stated in Schedule 17)				
From Banks				
Working Capital Limits	94,154,624		146,104,282	
Project / Term Loans	2,463,946,019	2,558,100,643	3,329,821,363	3,475,925,646
Other Loans				
Vehicle Term Loans	8,910,731		7,442,061	
Loans against pledge of Promoters' Shares	129,000,000	137,910,731	119,377,260	126,819,321
Total		2,696,011,374		3,602,744,967
Schedule 4: Unsecured Loans				
Fixed Deposits				
From shareholders & guaranteed by directors	152,669,000		331,531,000	
From others	900,712,000	1,053,381,000	1,060,103,000	1,391,634,000
From Director		929,631,222		714,284,135
Loan from others		1,438,373		1,128,500
Inter-corporate Deposits		22,900,000		16,000,000
Optionally Convertible Debentures Series I of ₹ 100/- each		-		174,825,000
Total		2,007,350,595		2,297,871,635

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Balance Sheet as at 31-Mar-11 Schedule 5: Fixed Assets & Depreciation

Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-Apr-10 ₹	Additions 2010-11 ₹	Transfers 2010-11 ₹	As at 31-Mar-11 ₹	As at 1-Apr-10 ₹	Additions 2010-11 ₹	Transfers 2010-11 ₹	As at 31-Mar-11 ₹	As at 31-Mar-11 ₹	As at 1-Apr-10 ₹
Leasehold Land	1,968,000	-	-	1,968,000	-	-	-	-	1,968,000	1,968,000
Land	259,202,673	13,288,346	-	272,491,019	-	-	-	-	272,491,019	259,202,673
Buildings	192,553,496	708,232,415	-	900,785,911	4,822,875	8,910,716	-	13,733,591	887,052,320	187,730,621
Plant & Machinery	69,224,413	43,394,438	-	112,618,851	5,487,306	4,012,542	-	9,499,847	103,119,004	63,737,107
Office Machinery	110,797,287	30,574,105	(40,341)	141,331,050	39,747,914	17,532,177	(11,007)	57,269,084	84,061,967	71,049,373
Furniture & Fixtures	17,411,205	10,274,167	-	27,685,372	2,115,640	1,390,810	-	3,506,450	24,178,922	15,295,565
Vehicles	42,486,444	10,636,950	(264,135)	52,859,259	13,786,363	4,254,855	(205,675)	17,835,542	35,023,717	28,700,081
Student Library Books	528,008	217,340	-	745,348	93,722	120,143	-	213,865	531,483	434,286
Intangible Assets	109,859,775	505,644	-	110,365,419	20,626,612	15,758,169	-	36,384,781	73,980,638	89,233,163
Capital WIP	1,021,100,143	(414,915,822)	-	606,184,321	-	-	-	-	606,184,321	1,021,100,143
Total	1,825,131,443	402,207,583	(304,476)	2,227,034,550	86,680,430	51,979,411	(216,682)	138,443,160	2,088,591,390	1,738,451,013
Previous Year	1,526,945,646	300,971,680	(2,785,883)	1,825,131,443	48,210,230	39,747,578	(1,277,378)	86,680,430	1,738,451,013	1,478,735,417

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Balance Sheet as at	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-2010 ₹	31-Mar-2010 ₹
Schedule 6: Investments				
Trade Investments; Unquoted, at cost				
Investment in Joint Ventures :				
26,96,500 Optionally Convertible Debentures Series II of ₹ 100/- each in DSK Southern Projects Pvt. Ltd	-		134,825,000	
Non-Trade Investments; Unquoted, at cost				
1,000 Shares of ₹50/- each fully paid up in Shree Sadguru Jangli Maharaj Sahakari Bank Ltd.	50,000		50,000	
10 Shares of ₹ 100/- each fully paid up in Janata Sahakari Bank Ltd.	1,000		1,000	
10 Shares of ₹ 50/- each fully paid up in Mahalaxmi Co-op. Bank Ltd.	500		500	
4,080 Shares of ₹ 25/- each fully paid up in Greater Bombay Co-op. Bank Ltd.	102,000		102,000	
19,968 Shares of ₹ 25/- each fully paid up in Kalyan Janata Sahakari Bank Ltd.	499,200		499,200	
100 Shares of ₹100/- each fully paid up in Pune Sahakari Bank Ltd.	10,000		10,000	
Total		663,160		135,488,160
Schedule 7: Current Assets, Loans & Advances				
Inventories				
(Taken , Valued & Certified by the Management)				
Material at site	13,445,353		20,229,260	
Expenses allocable to Projects	19,033,308		19,033,308	
Stationery Stock on Hand	1,044,067		1,140,623	
Work in Progress & Finished Tenements	10,050,511,635	10,084,034,363	10,171,468,479	10,211,871,670
Sundry Debtors				
(Unsecured, considered good)				
Outstanding for more than six months	5,510,923		6,649,512	
Others	255,321,477	260,832,400	264,511,197	271,160,709
(Due by concerns in which Directors are interested - Nil (P.Y. Nil))				

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Balance Sheet as at	31-Mar-2011 ₹	31-Mar-2011 ₹	31-Mar-2010 ₹	31-Mar-2010 ₹
Cash & Bank Balances				
Cash on hand	1,441,137		2,571,717	
<i>Balance with Scheduled Banks</i>				
On Current Accounts	174,956,264		175,599,028	
On Deposit Accounts	127,850,609		27,216,488	
<i>Balance with other Banks</i>				
On Current Accounts	20,975,184	325,223,194	13,940,059	219,327,292
Loans & Advances				
(Unsecured, considered good)				
Advances towards land, goods & services	79,406,631		34,944,345	
Advance to Subsidiary Company / JV	-		8,084,947	
Advance Tax & Tax deducted at source	388,936,298		278,294,862	
Deposits	15,833,899	484,176,828	10,748,762	332,072,915
Total		11,154,266,785		11,034,432,586
Schedule 8 : Current Liabilities & Provisions				
Current Liabilities				
Sundry Creditors	314,866,880		260,919,232	
Advance from Customers	1,794,769,506		1,188,863,905	
Unclaimed Dividend	1,808,323		1,824,687	
Unclaimed Deposits	16,578,000		34,529,000	
Deposits	139,011,849		10,000	
Other Liabilities	1,870,481,425	4,137,515,982	1,065,759,454	2,551,906,279
Provisions				
Provision for Income Tax	392,862,729		307,471,692	
Proposed Dividend	25,801,008		25,801,008	
Tax on Dividend	4,384,881	423,048,618	4,384,881	337,657,581
Total		4,560,564,600		2,889,563,860

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Balance Sheet as at	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 9 : Miscellaneous Expenditure				
Preliminary Expenses :				
Composite Issue Expenses				
Balance b/d	22,722,550		45,445,106	
Less: Written off during the year	(22,722,550)	-	(22,722,556)	22,722,550
Total		-		22,722,550

Schedules forming part of the Consolidated Profit & Loss Account for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 10: Operating Income & Increase in Stocks				
Operating Income				
Sales of Tenements	2,202,526,592		1,943,485,637	
Sale of Land & Development Rights	31,106,250		305,552,628	
Labour Charges	3,464,961		10,999,311	
Contract Receipts	98,283,637		60,804,580	
Income from Subsidiary / JV	3,762,183		1,902,347	
Rent	-		4,250,199	
Designing Fees	1,471,155		4,188,011	
Sale of RMC	57,311,751	2,397,926,528	-	2,331,182,713
Increase in Stock of WIP & Finished Tenements				
Closing Stock	10,050,511,635		10,180,417,843	
Opening Stock	(10,499,273,284)	(448,761,650)	(10,904,348,905)	(723,931,063)
Excess Provision for Expenses Reversed		67,155,200		-
Total		2,016,320,079		1,607,251,651

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Profit & Loss Account for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 11: Other Income				
Bank Interest		7,979,007		1,627,422
Other Interest		736,701		2,398,425
Sundry creditors A/c written back		4,076,485		856,043
Other Receipts		4,041,267		966,316
Total		16,833,460		5,848,207
Schedule 12: Educational Fees				
Academic		124,846,394		64,236,515
Hostel		21,288,393		12,679,485
Canteen		16,501,734		350,134
Examination		863,035		386,000
Total		163,499,556		77,652,134
Schedule 13 : Development Expenses				
Land & Development Rights		170,497,680		99,792,890
Sub-Contractors' Charges (Including Material)		495,619,132		381,225,377
Other Development Expenses		741,535,235		528,682,499
Site Development		769,056		8,903,801
Labour Charges		32,072,114		26,019,950
Professional Fees		2,559,551		3,790,066
Purchases - Trading		2,473,114		407,085
Total		1,445,525,882		1,048,821,668
Schedule 14: Administrative Expenses				
Professional Fees		18,034,307		13,802,187
Postage, Telephone & Telegram		5,574,546		6,067,877
Rent, Rates & Taxes		19,233,906		17,482,875
Repairs & Maintenance		11,435,167		4,366,380
Printing & Stationery		7,798,734		5,998,001

D. S. Kulkarni Developers Ltd.

Schedules forming part of the Consolidated Profit & Loss Account for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Legal Charges		4,593,571		2,394,034
Conveyance		7,224,295		5,048,227
Electricity Charges		22,219,783		7,116,384
Office Expenses		2,211,600		1,653,546
Subscription		1,470,152		4,302,088
Insurance		5,038,230		993,402
Company Audit Fees	941,259		836,129	
Tax Audit Fees	75,000	1,016,259	77,210	913,339
Canteen Expenses		9,231,125		3,893,225
Other administrative expenses		7,875,581		19,117,500
Total		125,888,538		93,149,065
Schedule 15: Staff Expenses				
Salaries, Wages, Bonus etc.		152,730,096		128,312,502
Contribution to Provident & Other Funds		5,067,995		3,539,566
Directors' Remuneration		22,545,908		21,566,526
Staff Welfare		3,768,365		2,220,366
Directors' Sitting Fees		258,000		330,000
Recruitment Charges		395,240		361,480
Total		184,765,603		156,330,441
Schedule 16: Selling Expenses				
Advertisement		77,726,006		77,431,543
Domestic Travel Expenses	7,423,681		8,236,100	
Foreign Travel Expenses	12,507,615	19,931,296	6,382,899	14,619,000
Sales Promotion		16,863,006		4,965,012
Domestic Exhibition Expenses	9,753,081		9,989,457	
Foreign Exhibition Expenses	1,444,245	11,197,326	474,242	10,463,698
Brokerage		9,476,620		114,420
Donations		1,187,500		136,000
Miscellaneous Balances w/off		2,651,626		41,021
Entertainment Expenses		1,881,579		3,247,075
Other Selling Expenses		5,771,036		8,071,130
Total		146,685,996		119,088,899

D. S. Kulkarni Developers Ltd.

Consolidated Profit & Loss Account for the year ended	31-Mar-11 ₹	31-Mar-11 ₹	31-Mar-10 ₹	31-Mar-10 ₹
Schedule 17: Financial Expenses				
Interest on Deposits & Loans		52,619,538		17,861,792
Interest to Banks & Financial Institutions		29,051,718		27,889,746
Interest Others		436,328		145,105
Vehicle Loans		620,706		1,522,440
Brokerage for Fixed Deposit		3,150,456		5,208,643
Foreign Exchange Difference		5,099,213		30,103,419
Premium on redemption of debentures		24,525,000		-
Total		115,502,960		82,731,146
Schedule 18: Educational Expenses				
Royalty		13,040,482		6,524,649
Student Expenses		6,607,800		1,005,101
Hostel Expenses		45,179		663,739
Other Student Expenses		1,223,932		30,671
Total		20,917,393		8,224,160

D. S. Kulkarni Developers Limited

Financial Accounting Statements for the year ended 31st March, 2011

Schedule 19 - Notes on Consolidated Financial Statements

1 Basis of Consolidation:

- a) These Consolidated Financial Statements relate to **D. S. Kulkarni Developers Limited** ("the Company") and its Subsidiaries and Jointly Controlled Entities. The Company and its Subsidiaries and Jointly Controlled Entities constitute "the Group". The Consolidated Financial Statements have been prepared on the following basis:
- (i) The financial statements of the Company and its Subsidiaries and Jointly Controlled Entities have been combined 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 as per Accounting Standard 21 "Consolidated Financial Statements" and AS 27 "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India. (ICAI)
 - (ii) In the case of foreign subsidiaries, revenue items are consolidated at the average exchange rate prevailing during the year. All assets and liabilities have been converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve.
 - (iii) The financial statements of the Subsidiaries and Jointly Controlled Entities used in the consolidation are drawn up to the same reporting date as that of the Company i.e. **31st March 2011**.
 - (iv) The goodwill on consolidation included as a debit balance in the Schedule 2 to the Consolidated Balance Sheet represents the excess of the cost to the Company of its investment in Subsidiaries / Jointly Controlled Entities over the Company's portion of equity in the said Subsidiaries / Jointly Controlled Entities. There is no capital reserve on consolidation representing the excess of the Company's portion of equity in the Subsidiaries / Jointly Controlled Entities over the cost to the Company of its investment in the said Subsidiaries / Jointly Controlled Entities.
- (b) The list of Subsidiaries and Jointly Controlled Entities whose financial statements are included in the consolidated financial statements, their respective country of incorporation and the Group's ultimate holdings therein are stated below:

Sr.	Name of Subsidiary / JCE	Country of Incorporation	Holding %
(i)	DSK Developers Corporation	United States of America	100%
(ii)	DSK Woods LLC	United States of America	100%
(iii)	DSK SEZ Projects (Pune) Private Ltd.	India	100%
(iv)	DSK Global Education and Research Pvt. Ltd.	India	51%
(v)	DSK Southern Projects Pvt. Ltd.	India	100%
(vi)	DSK Tricone Infrastructure and Construction Ltd.	India	46%

2 Significant Accounting Policies:

The significant accounting policies adopted in presentation of the Consolidated Financial Statements are in line with the generally accepted accounting principles in India. These policies are similar to those followed in presentation of the Financial Statements of the Reporting Company except the following:

- a) **Segment Information:** The Group has identified in line with AS 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India three primary reporting segments on the basis of business activity and two secondary reporting segments on geographical basis. Hence pursuant to AS 17 the following particulars are stated:

Primary reporting segments on the basis of business activity

Sr.	Particulars		Real Estate Development	Education	Contracting	Total
1	Segment Revenue	2010-11	20,416.69	1,652.21	894.22	22,963.12
		2009-10	15,637.99	783.30	675.72	17,097.01
	Less: Inter segment Revenue	2010-11	(996.59)			(996.59)
		2009-10	(189.49)	-	-	(189.49)
	Net Revenue	2010-11	19,420.10	1,652.21	894.22	21,966.53
		2009-10	15,448.50	783.30	675.72	16,907.52
2	Segment Results: Profit / (Loss)	2010-11	3,075.48	(298.32)	28.93	2,806.09
		2009-10	3,847.75	(629.06)	(20.95)	3,197.74
	Less: Interest	2010-11	(914.25)	(239.24)	(1.54)	(1,155.03)
		2009-10	(2,150.84)	(94.01)	(9.57)	(2,254.43)
	Profit before tax	2010-11	2,161.23	(537.56)	27.39	1,651.06
		2009-10	1,696.91	(723.07)	(30.52)	943.31
3	Capital employed (Segment assets - Segment liabilities)	2010-11	43,368.09	(1,911.95)	1.55	41,457.69
		2009-10	43,181.14	(1,131.40)	(25.81)	42,023.93

Secondary reporting segments on geographical basis

₹ Lacs

Sr	Particulars		Domestic	Foreign	Total
(I)	Segment Revenue	2010-11	21,952.74	1,010.38	22,963.12
		2009-10	16,799.90	297.11	17,097.01
	Less: Inter segment Revenue	2010-11	(120.68)	(120.68)	
		2009-10	(89.49)	-	(89.49)
	Net Revenue	2010-11	21,832.06	1,010.38	22,842.44
		2009-10	16,710.41	297.11	17,007.52

₹ Lacs

Sr	Particulars		Domestic	Foreign	Total
(ii)	Profit before tax & Interest	2010-11	2,830.08	(23.98)	2,806.10
		2009-10	4,378.69	(1,180.95)	3,197.74
	Less: Interest	2010-11	(1,155.03)	-	(1,155.03)
		2009-10	(2,254.42)	-	(2,254.42)
	Profit before tax	2010-11	1,675.05	(23.98)	1,651.07
		2009-10	2,124.27	(1,180.95)	943.32
(iii)	Capital employed	2010-11	42,626.11	(1,168.42)	41,457.69
		2009-10	42,727.53	(703.60)	42,023.93

3 Additional Information:

The additional information stated in Schedule 17 to the Reporting Company's Financial Statements may also be referred to in the case of the Consolidated Financial Statements. The transactions of the Subsidiaries do not have a material effect on such additional information except as follows:

a) Payment to Auditors:

₹ Lacs

	2010-11	2009-10
Company Audit Fees	9.41	8.43
Tax Audit Fees	0.75	0.70
Total	10.16	9.13

b) The related parties of the Group, in addition to those listed in Para (B 22) of Schedule 17 to the financial statements of DSKDL, are as follows:

A Key Management Personnel

1. Mrs. Hemanti D. Kulkarni	4. Mr. T. S. Bhagavat
2. Mr. U. N. Tashildar	5. Mr. Mustafa Hassonjee
3. Mr. P. B. Parasnis	6. Mr. Taizun Hassonjee

B Relatives of Key Management Personnel having control or significant control over the respective Companies by reason of voting power.

None

C Companies / Other Organisations under the control of KMP / relatives where transactions are entered into and / or outstanding balance exists as at the Balance sheet date.

- 1 DSK Digital Technologies Pvt. Ltd.
- 2 D. S. Kulkarni & Associates
- 3 D. S. Kulkarni & Company
- 4 Growrich Agro Forestry Pvt. Ltd.
- 5 Mangesh Enterprises
- 6 Quantam Analytical Data System Pvt. Ltd.
- 7 Skylap Marketing Pvt. Ltd.

D Companies / Other Organisations under the control of KMP / relatives where no transactions are entered into and / or no outstanding balance exists as at the Balance sheet date.

- | | |
|---|---|
| 1 Ameristar Construction LLC (USA) | 7 Mangesh Sales Corporation |
| 2 Chandra-deep Promoters & Developers Pvt. Ltd. | 8 Shubhastu Promoters & Developers Pvt. Ltd. |
| 3 Crystal Promoters & Developers Pvt. Ltd. | 9 Vastushilp Promoters & Developers Pvt. Ltd. |
| 4 Fairyland Promoters & Developers Pvt. Ltd. | 10 Vastusiddhi Promoters & Developers Pvt. Ltd. |
| 5 Hexagon Capital Advisors Pvt. Ltd. | 11 Vastuvisharad Promoters & Developers Pvt. Ltd. |
| 6 H H Green Construction (USA) | |

The related party transactions of the Group are found in the Annexure. Schedules 1 to 19 are hereby signed.

As per our audit report of even date.

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

For & on behalf of the Board of Directors

D. S. Kulkarni
Chairman & Managing Director

S. M. Ghatpande
Partner
Membership No. 30462
Place : Pune
Date : 10th May, 2011

V. C. Joshi
Director
Place : Pune
Date : 10th May, 2011

Amol Purandare
Company Secretary

Annexure : Following are the transactions with the related parties mentioned in A, B & C above

₹ Lacs

Sr No	Nature of transaction	Companies / Other Organisations under the control of KMP / relatives		Key Management Personnel / Relatives of KMP		Net Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
(i)	Advances received / recovered	1,530.24	4,749.11	2,984.72	9,084.81	4,514.96	13,833.92
(ii)	Advances given / repaid	1,060.18	1,828.23	1,212.30	3,737.49	2,272.48	5,565.72
(iii)	Balance payable at end	1,093.56	285.54	8,908.61	7,211.09	10,002.17	7,496.63
(iv)	Balance receivable at end	311.97	179.24	-	75.60	311.97	254.84
(v)	Sales during the year	173.59	1.42	12.38	-	185.97	1.42
(vi)	Services rendered	6.53	64.70	-	-	6.53	64.70
(vii)	Interest Income	-	18.24	-	-	-	18.24
(viii)	Rent Recovery	-	10.00	-	-	-	10.00
(ix)	Services availed	80.06	16.00	92.65	84.00	172.71	100.00
(x)	Purchase of materials	7.11	76.23	0.69	-	7.80	76.23
(xi)	Purchase of fixed assets	34.01	13.96	-	-	34.01	13.96
xii)	Equity	-	-	244.50	244.50	244.50	244.50
(xiii)	Remuneration	-	-	226.48	216.56	226.48	216.56
(xiv)	Sitting fees	-	-	2.58	3.30	2.58	3.30

Notes



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D. S. Kulkarni Developers Ltd.

ATTENDANCE SLIP (To be handed over at the entrance of the Meeting hall) 20th Annual General Meeting – 29th September, 2011

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company held at S. M. Joshi Socialist Foundation Auditorium, S. No. 191/192, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411 030 on Thursday, 29th September, 2011 at 9.30 a.m.

Full name of Member (IN BLOCK LETTERS): _____

Regd. Folio No./Client Id _____ No. of Shares held _____

Email ID _____

Full name of Proxy (IN BLOCK LETTERS) _____

Member's/Proxy's Signature _____

PROXY FORM

Reg. Folio No./Client ID _____ No. of Shares held _____

I/We _____ of _____ being the Member/
Members of D. S. Kulkarni Developers Ltd., Pune do hereby appoint _____

_____ of _____ or failing him
/her _____ of _____ as my / our
proxy to attend and vote for me / us, and on my / our behalf at the Twentieth Annual General Meeting of
the Company to be held on Thursday, 29th day of September, 2011 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 and at any adjournment thereof.

Signed this _____ day of _____, 2011

Signature _____

AFFIX
REVENUE
STAMP

Note: This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.



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D. S. Kulkarni Developers Ltd.
Regd. Off. 1187/60, J. M. Road, Shivajinagar, Pune 411 005

Dear Shareholder,

Ref:

RE: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs ("MCA") has come up with the recent circulars bearing no.17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 taking a step towards "Green Initiative in Corporate Governance" by allowing paperless compliances by companies in respect of servicing of documents through electronic mode. Consequently, companies can now send various notices /documents (including notice calling General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc.) to their members through electronic mode, to the registered email addresses of the members.

Your Company, continuing its endeavour to promote the environment, supports this Green Initiative of MCA and gives opportunity to every member to contribute this social cause. It is, therefore, proposed that henceforth all the documents will be sent to the members electronically to their e-mail addresses provided by them and made available to us by the Depositories viz. NSDL/CDSL.

All you have to do is to register your e-mail id with the Company to receive communication through electronic mode. We intend using your e-mail id to send various Notices/documents, etc.

Kindly send us your email id along with your Folio/ DPID and Client ID by sending an email to dsk@shareproservices.com so as to enable us to send you documents by email instead of physical form. This may be done by visiting our Company's website: www.dskdl.com under the head INVESTORS and registering your email ids, for receiving the documents in electronic mode.

The Annual Reports would also be available on Company's website:

http://www.dskdl.com/site/investors/annual_reports

We hope that you would appreciate and contribute towards this "Green Initiative".

Best Regards,

For D. S. Kulkarni Developers Ltd.

(Amol Purandare)
Company Secretary

Notes



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D.S.Kulkarni Group of Companies



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AN ISO 9001, ISO 14001, OHSAS 18001 COMPANY

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D.S.KULKARNI DEVELOPERS LTD.

AN ISO 9001, ISO 14001, OHSAS 18001 COMPANY

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