



घराला घरपण देणारी माणसं[®]

ANNUAL REPORT

2013-2014



Dear Stakeholders,

The only thing constant is change and if we sincerely believe in the truth we shall all change. With the changed political scenario in India, we are slowly noticing that business graphs are on their way upwards. Frankly, at the DSK Group, regardless of the shifting political sands or economic upheavals we have stood rock like for our investors, customers, associates and colleagues alike. This comes from

our ability to see the changes and adapt accordingly.

Our vision is 20-20, sharp, focussed and clear about where we are heading and that is towards the top, not even pausing to rest on our laurels, of which there have been several since I last wrote to you, like the stunning launch of five projects in one day, following the footsteps of that we outdid everyone else in the industry with our mega record shattering launch of the DSK Dream City, setting trends that we wish others would follow! Not satisfied we took the financial bull by the horns and announced the issue of Non-Convertible Debentures that received a rocking response from all over India from retail public, and capped it with a bold innovative scheme, "Aadhi Ghar Paise Nantar" designed to suit all wallet sizes! Everything at the DSK Group is big ticket as people matter the most to us.

Today, as I write this, we are sitting on the threshold of taking a quantum leap forward as the DSK Group grows from strength to strength and our Company continues to flex its enviable biceps in the marketplace.

Internal churning has resulted in acquisition of corporate talent across the board as we begin to corporatize ourselves to prepare for the coming years. The other ventures in the Group, DSK Entertainment, an entertainment vertical, winning an Emmy Award in the United States for its serial, "Sabrina" and our very own home-grown solar powered laptop, Mobiliz being awarded the world's most prestigious prize, The Red Dot! Wow moments for the DSK Group have become passé!

Come let us refresh our pledge to lead the way, raising the bar to newer heights. My best wishes to all of you, who have been on this long and arduous journey with us, and to those who will become a part of the DSK Family as we go along.

Thanks & regards,

D.S.Kulkarni

28th August, 2014



घराला घरपण देणारी माणसं®

BOARD OF DIRECTORS

MR. D. S. KULKARNI
(Chairman & Managing Director)

MR. V. C. JOSHI

DR. M. K. P. SETTY

MR. K. K. TAPARIA

MR. R. D. KHAROSEKAR

MR. SHIRISH KULKARNI
(Executive Director)

COMPANY SECRETARY

MR. AMOL PURANDARE

CREDIT SOURCES

ICICI BANK LTD

ICICI HOME FINANCE COMPANY LIMITED

BANK OF MAHARASHTRA

KOTAK MAHINDRA BANK LTD.

SANGLI URBAN CO-OP. BANK LTD.

KALYAN JANATA SAHAKARI BANK LTD.

TATA CAPITAL HOUSING FINANCE LIMITED

RELIANCE CAPITAL LIMITED

SREI EQUIPMENT FINANCE PRIVATE LIMITED

RELIANCE CONSUMER FINANCE PRIVATE LIMITED

AUDITORS

GOKHALE, TANKSALE & GHATPANDE,
CHARTERED ACCOUNTANTS, PUNE

REGISTERED OFFICE

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

Contents

Notice of Annual General Meeting	05
Directors' Report	17
Report on Corporate Governance	22
Management Discussion and Analysis Report	38
Independent Auditors' Report	43
Balance Sheet	48
Statement of Profit and Loss	49
Cash Flow Statement	50
Notes to the Financial Statements	52
Statement Under Section 212	89
Independent Auditors' Report on Consolidated Financial Statements	90
Consolidated Balance Sheet	92
Consolidated Statement of Profit and Loss	93
Consolidated Cash Flow Statement	94
Notes to Consolidated Financial Statements	96
Proxy Form and Attendance Slip	125

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of D. S. Kulkarni Developers Ltd. will be held on Tuesday, the 30th day of September, 2014 at 9.30 a.m. at S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411 030, India to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated Balance Sheets as at 31st March, 2014 and the Profit & Loss Account and Cashflow Statement 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. D. S. Kulkarni (DIN 00394027), Chairman & Managing Director who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Gokhale Tanksale & Ghatpande, Chartered Accountants, Pune (Firm Registration No 103277W) be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 26th Annual General Meeting and that Board of Directors be and are hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with Auditors."

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and the Listing Agreement entered into with the Stock Exchanges, Mr. V. C. Joshi (DIN 00549735), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 upto 29th September, 2019, not liable to retire by rotation on terms and conditions referred to in the explanatory statement of material facts annexed to the notice.

6. To consider and if thought fit to pass with or without modification(s) following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and the Listing Agreement entered into with the Stock Exchanges, Dr. M. K. P. Setty (DIN 00151350), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 upto 29th September, 2019, not liable to retire by rotation on terms and conditions referred to in the explanatory statement of material facts annexed to the notice.

7. To consider and if thought fit to pass with or without modification(s) following resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and the Listing Agreement entered into with the Stock Exchanges, Mr. R. D. Kharosekar (DIN 03075915), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 upto 29th September, 2019, not liable to retire by rotation on terms and conditions referred to in the explanatory statement of material facts annexed to the notice.

8. To consider and if thought fit to pass with or without modification(s) following resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and the Listing Agreement entered into with the Stock Exchanges, Mr. K. K. Talaria (DIN 01829829), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 upto 29th September, 2019, not liable to retire by rotation on terms and conditions referred to in the explanatory statement of material facts annexed to the notice.

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule – V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013 the approval of members be and is hereby accorded to re-appoint Mr. Shirish Kulkarni as Wholetime Director of the Company, designated as Executive Director, for the period of one year from 27th July, 2014 to 26th July, 2015 on the terms and conditions of his re-appointment as set out in the draft Agreement to be entered between the Company and Mr. Shirish D. Kulkarni, a draft of which is placed before this meeting and initiated by Mr. V. C. Joshi, Director for the purpose of identification.”

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mr. Shirish Kulkarni minimum remuneration as provided in the draft agreement to be entered into with him.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Mr. Shirish Kulkarni within the limits stipulated in the Companies Act, 2013.”

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution:**

“RESOLVED THAT in supersession of the ordinary resolution passed at the 17th Annual General Meeting of the Company held on 27th September, 2008 and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Rules made thereunder and its related and applicable provisions, if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) consent of the members be and is hereby accorded to the Board of Directors

(hereinafter referred to as the Board which term shall be deemed to include any Committee thereof) of the Company for borrowing from time to time any sum or sums of money on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business,), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any time exceed the limit of Rupees 2000 Crores"

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution."

11. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution**:

"RESOLVED THAT in supersession of the ordinary resolution passed at the Annual General Meeting held on 28th September, 1992 and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, the Rules made there under and its related and applicable provisions, if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) the consent of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create mortgage(s)/charge(s) and/or hypothecation in addition to the mortgage(s)/charge(s) and/or hypothecation created / to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any part of the immovable and/or movable properties and assets of all kinds of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company in the form of first and/or second and/or pari-passu/subservient mortgage, charge and/or floating charge to secure in favour of Financial Institutions, Banks, Lenders, etc. for securing the borrowings, of the Company availed / to be availed by loans sanctioned/ to be sanctioned by the Financial Institutions, Banks and any other Lender(s) to the Company at any time together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges and other expenses and charges and all other monies payable by the Company to the said Financial Institutions, Banks and Lenders in respect of such loans and borrowings on such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Company, Financial Institutions, Banks and its Lenders, etc.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalise the documents with Financial Institutions, Banks and Lenders of the Company for creating aforesaid mortgage / charge and/or hypothecation and to do all such acts, deeds, things and matters as may be necessary and expedient for giving effect to the above Resolutions."

12. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 73 and 76 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, the consent of the members be and is hereby accorded to the Board of Directors of the Company to invite, accept or renew fixed deposits from the public and members, within limits prescribed in the Act and the overall borrowing limits of the Company, as approved by the Members, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to finalise the scheme for invitation and acceptance of fixed deposits from the Members and the public and to sign and execute deeds, applications, documents, circulars and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing Proxy as per the format included in the Annual Report should be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organisation.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.

3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under Item Nos. 5 to 12 set out above and details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges in respect of Directors seeking appointment/re-appointment at this Annual General Meeting are annexed hereto.
4. Members are requested to notify to the Company immediately any change in their address, quoting folio number and giving complete address in capital letters with the PIN code. The Beneficial Owners of the dematerialised shares may inform the concerned Depository Participant of any change in their address.
5. Members who hold shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
6. Members are requested to support the 'Green Initiative in Corporate Governance' undertaken by the Company, by registering/updating their e-mail addresses, in respect of shares held in dematerialised 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).
7. The Share Transfer Books of the Company will remain closed from 25th September, 2014 to 26th September, 2014 (both days inclusive).
8. As per 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 self attested copy of PAN card to the Company or Registrars and Share Transfer Agents for registration of such transfer of shares.
9. 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.
10. 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 date of the Annual General Meeting.
11. The Company's shares are compulsorily traded in dematerialised 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 dematerialised at the earliest which will enhance effectiveness of the 'Green Initiative'.

12. The dividend as recommended by the Directors, if declared at the Annual General Meeting, will be paid to those Members whose names appear in the Register of Members on 30th September, 2014.
13. 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.
13AB Samhita Warehousing Complex
Near Sakinaka Telephone Exchange Lane,
Off Andheri -Kurla Road, Sakinaka, Andheri (E) Mumbai – 400 072.
12. Pursuant to the provision of Sections 205A and 205C of the Companies Act, 1956 (or as amended/re-enacted) the Company has transferred the unpaid or unclaimed dividends declared upto (and including) FY 2005-2006 to the **Investor Education and Protection Fund** of the Central Government. Pursuant to the provisions of Investor Education & Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, (or as amended/re-enacted) the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th September, 2013 (i.e. the date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs
13. The details of the dividend declared for and from the Financial Year 2006-07 till 2012-13 and the respective due dates for transfer to the Investors Education and Protection Fund are given in the Section relating to General Shareholders' Information. Members who have not yet encashed the dividend warrant(s) are requested to forward their claims to the Company's Registrar and Share Transfer Agents. **It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no. claim shall lie with the Company in respect of such amount.**
14. **E-voting** – In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialised form the facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The Board of Directors of the Company has appointed Kanj & Associates as the Scrutiniser for this purpose.

The instructions for members for voting electronically are as under:-

- (A) The voting period begins on 27th September, 2014 at 9.00 a.m. and ends on 29th September, 2014 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of 24th September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving copy of Annual Report by e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.

- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for **D. S. Kulkarni Developers Ltd.** on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com before the start of the e-voting period.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com

In case of members receiving the physical copy of Annual Report:

- (B) Please follow all steps from SL. NO. (i) to SL. NO. (xvii) above to cast vote.

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

Place: Pune
Date: 29th May, 2014

D. S. KULKARNI
CHAIRMAN & MANAGING DIRECTOR

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT AT THE ANNUAL GENERAL MEETING

PARTICULARS	Mr. D. S. Kulkarni	Mr. S. D. Kulkarni	Mr. V. C. Joshi	Dr. M. K. P. Setty	Mr. R. D. Kharosekar	Mr. K. K. Taparia
Date of Birth	28/06/1950	23/04/1985	11/02/1932	04/08/1933	08/11/1941	27/06/1951
Date of first appointment	01/10/2001	27/07/2009	30/09/1993	30/09/1993	27/05/2010	02/01/2008
Date of re-appointment	01/10/2011	26/07/2014	27/09/2013	26/09/2012	26/09/2012	27/09/2013
Qualifications	B.Com	Post Graduate Diploma in Business Level 9 in Business Strategy, Finance and Banking, Organisational Development Skills (Unitec University, Auckland, New Zealand)	MA (Mumbai) Political Science (Cambridge) Tripos in Economics	M. Sc.	B. Sc., LL.B., IAS	BE Mechanical Chartered Engineer
Expertise in specific functional area	Construction and Marketing	Business Management	Financial Management	Financial Management	Legal Consultant	Technical Management
Directorships held in other public companies	1. DSK Motors Ltd. 2. DSK Southern Projects Pvt. Ltd. 3. DSK Township Projects Pvt. Ltd.	1. DSK Motors Ltd.	Nil	1. Mysore Snacks Foods Ltd. 2. Mysore Vegetable Oil Products Ltd.	Nil	1. Universal Construction Machinery & Equipment Ltd. 2. Archidply Industries Ltd.
Memberships / Chairmanships of Committees in Public Companies	Nil	Nil	Nil	Nil	Nil	2
No. of Shares held in the Company	54,08,269	15,20,000	Nil	450	Nil	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXED TO THE NOTICE CALLING THE TWENTYTHIRD ANNUAL GENERAL MEETING TO BE HELD ON TUESDAY, THE 30TH DAY OF SEPTEMBER, 2014 AT PUNE.

Item Nos. 5 to 8

The Company had, pursuant to the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. V. C. Joshi, Dr. M. K. P. Setty, Mr. R. D. Kharosekar and Mr. K. K. Taparia, as Independent Directors at various times, in compliance with the requirements of the respective provisions.

As per the provisions of Section 149(4) which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement which would be effective from 1st October, 2014 which *inter alia* stipulates the conditions for the appointment of Independent Directors by a listed company.

The Nomination and Remuneration Committee has recommended the appointments of these Directors as Independent Directors from 30th September, 2014 upto 29th September, 2019.

The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval.

The brief profile of Independent Directors to be appointed is given below:

Mr. V. C. Joshi, aged 82 years, is the Independent & Non-Executive Director of our Company. Mr. Joshi holds a degree of Master of Arts in Political Science from Bombay University and in Economics from University of Cambridge, United Kingdom. Mr. Joshi has more than thirty (30) years of experience in banking sector and has been associated with our Company since the year 1993. Mr. Joshi is an Ex-banker and an authority in Economics. He has worked as a Senior Consultant for financial services with PWC and NIBM.

Dr. M. K. P. Setty, aged 80 years, is the Independent & Non-Executive Director of our Company. Dr. Setty holds a degree of Doctor of Literature from Avinashilingam University for Women, Tamilnadu. Dr. Setty has more than thirty (30) years of experience in education sector and is associated with our Company since the year 1993. Dr. Setty has also been associated with companies in various sectors viz. food processing, advertising, finance and automobiles. He has been conferred with honour 'the Kannada Rajyotsava Award' by the Government of Karnataka in recognition of his services to the Industry and Education. He has held various prestigious positions in various institutions and associations. He is the only non-Government official to be invited by the Government of Karnataka to serve as a Chairman of the Karnataka Industrial Investment Development Corporation Limited.

Mr. K. K. Taparia, aged 63 years, is the Independent & Non-Executive Director of our Company. Mr. Taparia holds a degree of B.E. (Mechanics) from MBM Engineering College, University of Jodhpur. Mr. Taparia has more than forty (40) years of experience in manufacturing and marketing sector and is associated with our Company since the year 2008. Mr. Taparia is a management consultant.

Mr. R.D. Kharosekar, aged 72 years, is the Independent & Non-Executive Director of our Company. Mr. Kharosekar holds a degree of Bachelor of Science and Bachelors of Law (L.L.B) from University of Poona. Mr. Kharosekar has more than twenty (20) years of experience in the Indian Administrative Service (IAS) and is associated with our Company since the year 2010. He has worked as a senior IAS Officer and retired as a Commissioner of Tribal Research & Training. He has served in various capacities in the State and Central Government and has received an award from the State Government for outstanding work done for development of tribes of Maharashtra. He has also produced and directed films for creating awareness about various schemes amongst the weaker sections and tribes.

None of the Directors or Key Management Personnel of the Company and their relatives, other than Independent Directors for their respective appointments, are concerned or interested, financially or otherwise

Item No. 9

Mr. Shirish Kulkarni is a Promoter-Director of the Company and has served the Company as its Executive Director since 2009. The Board of Directors of the Company at its meeting held on 27th July, 2014 reappointed Mr. Shirish D. Kulkarni as Wholtime Director, designated as Executive Director, for a period of 1 year with effect from 26th July, 2014, subject to the approval of members at the ensuing Annual General Meeting of the Company. The remuneration, as recommended by the Nomination and Remuneration Committee was also approved by the Board at its Meeting held on 27th July, 2014. As required by the provisions of the Companies Act, 2013, approval for such re-appointment is being sought from the shareholders.

The Company has been benefitting from his dynamic leadership, business management strategies and knowledge. Hence your Directors are of the opinion that it would be in the interest of the Company to reappoint him as the Executive Director for a term of one year as proposed in the resolution.

Pursuant to the aforesaid Board resolution re-appointing Mr. Shirish Kulkarni as the Executive Director, the Company proposes to enter into an agreement with Mr. Shirish Kulkarni w.e.f. 27th July, 2014. The re-appointment of Mr. Shirish Kulkarni is as per the provisions of Sections 196, 197, 203, schedule – V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders in the Annual General Meeting. Hence the resolution stated in Item No. 9 is placed before the Annual General Meeting for its approval.

The salient terms and conditions of re-appointment and remuneration of Mr. Shirish Kulkarni, as set out in the said draft agreement effective from 27th July, 2014 to 26th July, 2015 are as under:

1. Mr. Shirish 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.
2. Period of Agreement: One year i.e. 27th July, 2014 to 26th July, 2015.
3. The remuneration and perquisites payable to Mr. Shirish Kulkarni, with effect from 27th July, 2014 are as under:
 - I. Salary
 - Basic Salary of ₹ 1,48,785
 - House Rent Allowance of ₹ 44,636/-
 - City Compensatory Allowance of ₹ 12,394/-
 - Conveyance Allowance of ₹ 1,200/-
 - Medical Allowance of ₹ 2,500/-
 - Other Allowance of ₹ 14,879/-

- II. Provident Fund: 12% of the basic salary per month subject to maximum as per company rules.
The said contribution above is subject to any change effected in the schemes/ rules of the respective fund.
- III. Car: Provision of the Company's car with driver for official purpose of the Executive Director.
- IV. Telephone: Provision of telephone (landline and mobile) and internet connection at residence.
- V. Perquisites will include -
 - a. leave travel allowance as per company rules in force from time to time.
 - b. personal accident insurance upto ₹ 5,00,000/-.

VI. OTHER BENEFITS:-

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

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

Leave: The Executive Director shall be entitled to have leave on full pay and allowance at the rate of fifteen days earned leave and six days casual for every twelve months of service. He shall be paid Leave encashment in accordance with the rules and regulations in force in the Company from time to time.

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

The above remuneration to be allowed to the Executive Director shall be subject to such limits for the remuneration as laid down by the Companies Act, 2013 or any re-enactment, alteration, modification thereof. The Company shall pay to, or reimburse, the Executive 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 may be paid as minimum remuneration to the Executive Director during the term of his re-appointment in case of inadequacy or absence of profits.

The above remuneration has been considered and recommended for approval by the Nomination & Remuneration Committee in its meeting held on 26th July, 2014.

The draft agreement to be entered into by the Company with Mr. Shirish 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 190 of the Companies Act, 2013. The resolution for the proposed re-appointment of the Executive Director is recommended for approval by the shareholders.

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

Item No. 10 and 11

In accordance with the provisions of Sections 293 (1) (d) and 293 (1) (a) of the Companies Act, 1956 the shareholders had, in the Annual General Meeting held on 27th September, 2008, authorised the Company to borrow sums in excess of paid-up capital and free reserves of the Company subject to a ceiling of ₹ 2000 crores (other than temporary borrowings) and mortgage and/or hypothecate company's properties therefor.

Section 180 of the Companies Act, 2013 (notified on 12th September, 2013) mandates that the aforementioned powers of the Board shall be exercised only through Special Resolution passed in the meeting of shareholders as compared to the requirement of ordinary resolution under the provisions of the Companies Act, 1956. Consequently, the Board recommends to the shareholders to pass special resolution under Section 180(1) (c) and Section 180(1)(a) of the Companies Act, 2013, without altering the borrowing limits already approved by way of general resolution earlier. Accordingly, the proposed resolution is placed before the shareholders for their approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution.

Item No. 12

The Board of Directors at their meeting held on 27th July, 2014, have in-principle approved and recommended the invitation and acceptance of Fixed Deposits from the members and public pursuant to Sections 73 and 76 of the Companies Act, 2013 ("Act") and Companies (Acceptance of Deposits) Rules, 2014 ("Rules") and applicable provisions, if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) as one of the modes to meet the ongoing fund requirements of the Company. The Fixed Deposit program would be credit rated on an annual basis and the Company may provide deposit insurance cover, if required under the Act read with the said Rules. It is proposed to authorise the Board or a committee thereof to negotiate and finalise the terms of Fixed Deposit Scheme and to do such other acts and deeds as may be necessary or incidental thereto.

In compliance with the provisions of Sections 73 and 76 of the Act, read together with Rule 2(e) of the Companies (Acceptance of Deposits) Rules, 2014, approval of the Members by way of special resolution is being sought. The funds to be borrowed through the Fixed Deposits program would be within the overall borrowing limits of the Company. The Board commends the Resolution set out at Item No. 12 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in the said resolution, except to the extent of any Fixed Deposits that may be placed with the Company by them, their relatives or by the companies/institutions in which they are directors.

DIRECTORS' REPORT

Dear Member,

Your Directors have pleasure in presenting their 23rd Annual Report of the Company for the year ended 31st March, 2014.

FINANCIALS:

Particulars	₹ Lacs	
	2013-2014	2012-2013
Operating Income and Increase in stocks	23,255.07	23,433.34
Profit before tax	2,565.40	2,842.82
Less: Provision for tax/deferred tax	1,260.82	999.96
Profit after tax	1,304.58	1,842.86
Add: Balance of Profit Brought forward	14,743.95	13,221.40
Profit available for Appropriation	16,048.53	15,064.26
Prior Year Adjustments	(32.04)	18.44
Proposed Dividend	258.01	258.01
Tax on Dividend	43.85	43.85
Balance of Profit carried to Balance Sheet	15,778.70	14,743.95

OPERATIONS:

The year under review witnessed a flattish total income which was ₹232.55 Crores as compared to ₹234.33 Crores for previous financial year. The profit for the year was ₹13.05 Crores against ₹18.43 Crores for the earlier year.

Though the year was quiet as regards any new activity in the last quarter of the year the Company launched four projects in Pune one at Sinhgad Road, two at Pirangut, one each at Baner and Kondwa. At the launch of these projects, the Company received satisfactory response for the initial bookings. The Company thereafter launched its 'flagship' project, DSK Dream City which is a special integrated township spread across more than 200 acres at Pune-Solapur Road.

The financial year 2013-14 was an eventful year for the Indian Real Estate sector with the introduction of Real Estate Regulatory Bill and Land Acquisition Bill in the parliament. On the home buyers' side, the year can be best described as a lackluster year with high property prices and increasing home loan interest rates that kept the buyers waiting on the sidelines. Inflation played a big part in RBI's stance to increase interest rates and keep liquidity in control. This led to increase in borrowing cost for the home buyers as well.

Though the immediate future looks hazy, the Company is confident of its progress and growth in the business on account of unmatched brand pull and launching of "never-seen-before" township in the outskirts of Pune.

DIVIDEND:

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

PUBLIC ISSUE OF SECURED NON-CONVERTIBLE DEBENTURES:

Your Directors have pleasure to inform you that the Board of Directors of the Company have approved to offer, issue and allot (including re-issue to the extent redeemed) of non-convertible debt instruments in the form of secured non-convertible debentures to the public, in one or more tranches, ("*Debentures*"), from time to time, upto a maximum sum of ₹ 250 Crore (Rupees Two Hundred and Fifty Crores only).

SUBSIDIARIES AND CONSOLIDATION:

The Company has in all four 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. Out of the 11 single house bungalows, 6 bungalows have already been sold and construction of the rest 5 is in progress. The WOS is having another piece of land in New Jersey whereat another construction is being considered.

Though initially the slowdown of the USA real estate market affected the performance of the USA subsidiaries, the Company expects better performance in future as US economy is showing signs of recovery and as such real estate market may be revived.

Another subsidiary company is DSK Southern Projects Pvt. Ltd. ("DSK Southern") which, in association with M/s Mantri Dwellings Pvt. Ltd., a Sushil Mantri Group company, is developing a premium, high-end residential project of 42 storied apartments at Bangalore named "Mantri DSK Pinnacle". Out of the total 133 units, 74 units have been sold so far. The progress of the project is satisfactory.

The fourth subsidiary is DSK Township Projects Pvt. Ltd. DSK Township is retained as a SPV (Special Purpose Vehicle) for future use. DSK Township is yet to commence business.

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 circular 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, 2014 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 also at those of the subsidiaries concerned. The holding company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on request.

INTEGRATED TOWNSHIP:

The Company is desirous of developing a novel and sole of its kind township "DSK Dream City" on its land situated near Manjari, Pune. The township will exhibit a Sports City.

Whilst everyone dreams of living in an environment that is conducive not only to comfortable but a community living where each member enjoys the Company of the other while residing in the lap of Mother Nature. DSK Dream City has been conceived as a path-breaking new Township Project offering a lifestyle to the prospective citizens never experienced before, anywhere.

The DSK Dream City will satiate the needs of those parents who often complain that there are no places for their wards to play and experience an outdoor life. Indeed the concrete jungles created to satisfy the avarice of builders and developers all over the Country, have virtually left no place for any quality of life – indoors or outdoors. The lack of quality roads, unrestrained pollution, traffic snarls, lack or mutualisation of modes of transportation have all ensured that the growth of our next generations is not free of encumbrances. In such

a tense and unhealthy environment, someone has to bear the yolk and take it upon one's own self to help emancipate the society of such ills. DSK Dream City is one such effort that is going to ensure a very healthy and conducive way of life to our future generations.

Not only that there will be very well designed dwelling units for over 40,000 citizens with most modern features of safety and security, but it shall have within its precincts all possible modes of transportation like waterways of pristine blue water, trams, electronic bicycles, battery operated buses and cars and even jogging tracks with lively music and diffused lighting with Six lane tree lined roads.

The Dream City has been planned by an Architect from foreign shores along with nearly a dozen consultants from abroad and another two dozen from within our Country. There will be four exclusive zones namely – knowledge, leisure, culture and well-being zones. A super-specialty hospital, convention centre, town hall & huge library, police and postal set ups will complete the basic needs of people.

There will be nine sports academies with endeavour of world famous names associated with them with thirty six sports. There will be theme gardens, medicinal & herbal gardens and tall tropical trees.

As if that was not enough, the DSK Dream City will offer its people a shopper's delight with high street markets, a very large mall and even a street bazar.

Location clearance has been received and the township has been notified. The Company has also obtained the environmental clearance and the requisite authorities have sanctioned the land use plan and Phase I Building Plan.

PROJECTS UNDER DEVELOPMENT:

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

No.	Name of the Project and Location	Permissible Built-up Area (Sq. Ft.)
1.	DSK Vishwa – Anandghan, Kirkitwadi, Pune	10,45,462
2.	DSK Vishwa – Meghmalhar (Phase II), Dhayari, Kirkitwadi, Pune	4,88,512
3.	DSK Vishwa – Meghmalhar (Row House), Kirkitwadi, Pune	42,714
4.	DSK Gandhakosh, Baner, Pune	2,86,110
5.	DSK Nandanvan, Pirangut, Pune	2,05,082
6.	DSK Mayurban, Pirangut, Pune	3,34,332
7.	DSK Kasturi [Plot A], Bavdhan, Pune	10,693
8.	DSK Kasturi [Plot B], Bavdhan, Pune	30,208
9.	DSK Madhukosh, Andheri (E), Mumbai	2,58,144
10.	DSK Gold Leaf, Baner Road, Pune	44,934
11.	DSK Garden Enclave [Wing H], Kondhwa, Pune	55,868
12.	DSK Dream City – Phase I (Waterfall Residence), Pune-Sholapur Road, Pune	22,63,248
13.	DSK Woods, New Jersey (USA)	36,542
Total		51,01,849

DIRECTORS:

The Company consists of total 6 directors out of which four directors are Independent and Non-Executive Directors and the rest two are Executive Directors. By virtue of Section 149 of the Companies Act, 2013 and rules made there under the Independent Directors are not liable to retirement by rotation. Therefore Mr. D.S. Kulkarni who was earlier appointed by the members as a non-retiring Director, now retires by rotation at this Annual General Meeting and is eligible for re-appointment.

Mr. Shirish Kulkarni, Executive Director of the Company was re-appointed by the Board in the same capacity for a term of one more year w.e.f. 27th July, 2014. Member's approval is being sought for the re-appointment.

Mr. V. C. Joshi, Mr. K. K. Taparia, Dr. M. K. P. Setty and Mr. R. D. Kharosekar have furnished declaration of independency under sub-section 6 of Section 149 of the Companies Act, 2013 and accordingly these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting of the Company.

FIXED DEPOSITS:

Fixed deposits accepted from the public, shareholders and employees as on 31st March, 2014 stood at ₹ 171.44 crores as against ₹ 155.62 crores at the end of the previous year. During the year under report, the Company collected ₹ 66.72 crores and repaid ₹ 50.89 crores as deposits as against ₹ 19.65 crores collected and ₹ 20.33 crores repaid in the previous year. None of the fixed deposits which have matured have remained unpaid.

There were no over dues on account of principal or interest on public deposits other than the unclaimed deposits as at the year end. The Company proposes to invite and accept Fixed Deposits from the shareholders and the public in accordance with Sections 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. Attention of the Members is invited to the relevant item in the Notice of the Annual General Meeting and the Explanatory Statement thereto.

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 ₹ 230.85 (previous year ₹ 191.83 Lacs). The total Foreign Exchange outgo was ₹ 709.20 Lacs (previous year ₹ 82.83 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.

Name	Age	Educational qualification	Designation	Date of joining	Previous employment	Gross remuneration ₹ in lacs	Net remuneration ₹ in lacs	Percentage Shareholding
D. S. Kulkarni	64	B. Com.	Chairman & Managing Director	20/09/91	None	277.23	183.93	20.96%

AUDITORS:

M/s. Gokhale, Tanksale & Ghatpande, Chartered Accountants, (Registration No. 103277W), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for one year and to hold office from the conclusion of this Annual General Meeting till the conclusion of the twenty fourth Annual General Meeting of the Company to be held in the year 2015. The appointment of the Statutory Auditor was recommended by the Audit Committee at its meeting held on 29th May, 2014. M/s. Gokhale, Tanksale & Ghatpande have, under Section

139(1) of the Companies Act, 2013 and the Rules framed thereunder furnished a certificate of their eligibility and consent for re-appointment. Ratification of the appointment of the Auditors is sought herewith.

AUDIT COMMITTEE:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 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, 2014, 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 Governments, Government departments, Government agencies, Municipal Corporations and Local Bodies for their guidance and co-operation. The Directors place on record 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.

For and on behalf of the Board of Directors of
For D. S. KULKARNI DEVELOPERS LTD.

Place: Pune
Date: 29th May 2014

D. S. KULKARNI
CHAIRMAN & MANAGING DIRECTOR

REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY ON CORPORATE GOVERNANCE:

The Corporate Governance policy of the Company contemplates compliance with statutes, transparency in dealings, simplification of processes and adherence to customers, which will help the Company to achieve its business objectives while maintaining business ethics and professional standards. In pursuit of business excellence, the affairs of the Company are administered, directed and controlled in a manner which helps to enhance shareholders' and other stakeholders' value by adapting better 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 Board of Directors of the Company consists of six directors of which four are independent directors and the rest two are whole-time directors individually titled as Chairman and Managing Director and Executive Director respectively. The percentage of independent directors is 66.67% of the total strength of the Board. The constitution of the Board and other relevant information are given below:

Director	Director Identification No. (DIN)	Wholetime / Independent	Number of outside directorships held (ii)	Committee positions held in other companies (v)
Mr. D. S. Kulkarni	00394027	Chairman & Managing Director	10	-
Mr. V. C. Joshi	00549735	Independent Director	-	-
Dr. M. K. P. Setty	00151350	Independent Director	2	1
Mr. K. K. Taparia	01829829	Independent Director	2	1
Mr. R. D. Kharosekar	03075915	Independent Director	-	-
Mr. Shirish Kulkarni	01850287	Executive Director	6	-

- (i) The Company does not have any nominee director appointed by any institution.
- (ii) Outside directorships of other directors (excluding Mr. D. S. Kulkarni and Mr. Shirish Kulkarni) do not include alternate directorships, directorships held in private companies and non-profit companies as also directorship of companies incorporated outside India.
- (iii) Mr. D. S. Kulkarni holds directorships in three US incorporated entities. Two of the companies are related to the Company as its wholly owned subsidiary and a wholly owned step-down subsidiary respectively.
- (iv) During the year under review, the Company did not enter into any business transaction with independent directors.
- (v) For the purpose of reckoning the limit of committee memberships under Clause 49(I)(C)(ii) of the Listing Agreement, chairmanship/membership of the Audit Committees and the Shareholder Grievance Committees only have been considered.
- (vi) The Board has laid down a Code of Conduct for all the Board Members and senior management staff of the Company. A declaration regarding adherence to the Code of Conduct is given separately. A copy of the Code of Conduct is made available on the website of the Company.

3. AUDIT COMMITTEE:

- a) A qualified and Independent Audit Committee of the Board has been constituted in line with the provisions of Clause 49 II (A) of the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

- b) The Audit Committee continued to have three directors as members throughout the FY 2013-14. All these members including Chairman of the Committee 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 was present at the last Annual General Meeting of the Company held on 27th September, 2013.
- d) The Audit Committee meetings are usually attended, apart from its members, by invitees such as, Finance Head, Statutory Auditors, Internal Auditors, Secretarial Consultant, etc. The Audit Committee invites such of the executives of the Company as are desired and whenever it considers necessary, to be present at the meeting of the Committee. The Company Secretary acts as a Secretary to the Audit Committee.
- e) The composition of the Audit Committee and the attendance of each member of the Audit 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	Business	4	4
Mr. K. K. Taparia	Member	Independent Director	Management Consultant	4	3

- f) Four Audit Committee meetings were held during the year, the dates of which are: 20th May, 2013, 13th August, 2013, 26th October, 2013 and 30th January, 2014. The time gap between two meetings did not exceed four months. There was a proper quorum of independent directors present at all the Audit Committee meetings.

The existing 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;
- Reviewing with the management, the quarterly and annual 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 internal 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statements and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

III. OTHER COMMITTEES:

1. Share Transfer Committee:

The Share Transfer and Shareholder Grievance Committee was reconstituted on 26th October, 2013 as an independent Share Transfer Committee, solely for considering matters relating to transfer, transmission of shares, fixing record dates, etc.

The Share Transfer Committee comprises of Mr. D. S. Kulkarni as the only one member.

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

The existing terms of reference of the Share Transfer Committee includes:

- to expedite the process of transfer of physical shares, to approve share transfers, D-Mat of shares, Re-mat of shares, transmission, transposition, name deletion, consolidation and splitting of share certificates of the Company.
- to issue duplicate share certificates.
- to authorize persons to sign on behalf of the Company share certificates, share allotment letters, etc.
- to fix the dates for closure of the Company's Register of Members and Transfer Books of Shares and / or fixing Record Dates, in consultation with the Stock Exchanges.
- inform the Board about the compliance to the Listing Agreement and SEBI guidelines, adequacy of risk management and internal controls relating to share transfer and other share related activities excluding grievance handling stated above.
- to obtain quarterly share reconciliation statement and related half yearly certificate from Practicing Company Secretary.

The Share Transfer Committee meets as and when the Company receives share transfer, transmission, De-Mat, Re-Mat, split requests from the shareholders of the Company. A meeting of Share Transfer Committee is called by the sole Committee member or the Company Secretary, either sumoto or at the request of the Board of Directors, to conduct the business referred above. Quorum is the sole committee member.

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

2. Stakeholders' Relationship Committee:

The Company had a Share Transfer and Shareholders' Grievance Committee till 25th October, 2013. In view of the provisions of Section 178 of the Companies Act, 2013 a Stakeholders' Relationship Committee was constituted on 26th October, 2013. As a consequence, the functions of the erstwhile Share Transfer and Shareholder's Grievance Committee were split. Functions relating to transfer of shares and other share related activities (excluding grievance handling) was entrusted to the Share Transfer Committee. Functions relating to attending and resolving stakeholders' grievances was allotted to the Stakeholders' Relationship Committee.

The following are the members of the Stakeholder' Relationship Committee.

1. Mr. R. D. Kharosekar - Chairman
2. Mr. V. C. Joshi - Member
3. Mr. D. S. Kulkarni - Member

The terms of reference of the Stakeholders' Relationship Committee includes:

- look into redressal of shareholders'/investors' complaints related to transfer of shares, non receipt of Annual Report, non-receipt of dividend, etc.
- consider and resolve the grievances of other stakeholders of the Company.
- oversee performance of the Registrars and Transfer Agents of the Company.
- recommend measures for overall improvement in the quality of investor services.
- monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.
- Monitor stakeholders' complaints registered at Company, Stock Exchanges, SCORES, etc.

The Chairman of the Committee and, in his absence, any other member of the committee authorised by him in this behalf shall attend the general meetings of the company.

The Committee meeting is called as and when required and convenient. A period of 15 days is given to the functional or departmental head to resolve the grievance. A grievance status report is then submitted to the Committee members periodically. Thereafter, a Committee meeting is called either by the Company Secretary or by a Committee member to resolve the grievance.

Quorum will be as per the requirements of the Articles of Association.

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

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	2	2	Nil

3. Nomination and Remuneration Committee:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Remuneration Committee was renamed and reconstituted as the Nomination and Remuneration Committee on 26th October, 2013.

The following are the members of the Nomination and Remuneration Committee.

1. Mr. K. K. Taparia - Chairman
2. Mr. V. C. Joshi - Member
3. Mr. R. D. Kharosekar - Member
4. Mr. Shirish Kulkarni - Member

The terms of reference of the Nomination and Remuneration Committee include:

- to identify persons who are qualified to become directors and who may be appointed in senior management cadre in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- to carry out evaluation of every director's performance.
- to formulate the criteria for determining qualifications, positive attributes and independence of a director.
- to recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The chairperson of the committee and in his absence, any other member of the committee authorised by him in this behalf shall attend the general meetings of the Company.

The Nomination & Remuneration Committee may meet as and when required. A meeting thereof may be called by a Committee member, or by the Company Secretary or on requisition by the Board of Directors. Quorum will be as per the requirements of the Articles of Association.

The remuneration policy followed by the Company is generally in line with the prevailing industry practices/current market trends.

No meeting was held during the year under report.

Details of remuneration to Wholetime Directors for the year.

The aggregate value of salary and perquisites paid for the year ended 31st March, 2014 to the Managing/Wholetime Directors is as follows: -

₹ Lacs

Name	Designation	Salary	Perquisites & Others	Total
Mr. D. S. Kulkarni	Chairman & Managing Director	276.73	0.50	277.23
Mr. Shirish Kulkarni	Executive Director	25.94	0.50	26.44

4. **FINANCE COMMITTEE:**

The Finance Committee which had been formed under the provisions of Section 292(1) of the erstwhile Companies Act, 1956 to oversee the finance function of the Company was reconstituted as well as its terms of reference were brought in line with the provisions of the Companies Act, 2013.

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 |
| 4. | Mr. Shirish Kulkarni | - Member |

The terms of reference of the Finance Committee include:

- to borrow monies as may be required from time to time for the purpose of the Business of the Company upto an aggregate sum of ₹ 900 Crores outstanding at any one time;
- to negotiate, settle and finalise all terms and conditions for the borrowings;
- to offer and provide security and to create / extend charges on the assets of the company in respect of loans;
- to execute and sign the loan, security and other documents and to affix the Common Seal as per the Articles of Association of the Company;
- to invest the funds of the company;
- to grant loans or give guarantee in respect of loans;
- to raise further capital / issue securities, including debentures, whether in or outside India;
- approve policy for the management of foreign exchange risk, interest rate risk and refinancing risk.
- to set and from time to time review guidelines for short, medium and long-term investment plans of the Company.
- to sub-delegate the authority with defined limits, to the extent permissible.

The Finance Committee meets as and when required. Its quorum is in accordance with the provisions of the Articles of Association of the Company.

Four Committee meetings were held during the year.

5. **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Committee was constituted on 26th October, 2013 to cater to the requirements of the Companies Act, 2013.

The following are the members of the Committee:

- | | | |
|----|----------------------|------------|
| 1. | Mr. D. S. Kulkarni | - Chairman |
| 2. | Mr. R. D. Kharosekar | - Member |
| 3. | Dr. M. K. P. Setty | - Member |

The Corporate Social Responsibility Committee shall:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred to in Clause (a) of Section 135 of the Companies Act, 2013;
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

No meeting of the Committee was held during the period under report.

6. **DEBENTURE COMMITTEE:**

The Debenture Committee has been constituted specifically for the matters relating to the public issue of debentures as approved by the Board of Directors at its meeting held on 8th April, 2014.

The following are the members of the Committee:

1. Mr. V. C. Joshi - Chairman
2. Mr. R. D. Kharosekar - Member
3. Mr. D. S. Kulkarni - Member
4. Mr. S. D. Kulkarni - Member

The Debenture Committee shall be authorised to determine and approve

- the terms and conditions and number of the Debentures to be issued.
- the timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of oversubscription, if any, etc.
- to approve and make changes to the Draft Prospectus.
- to approve the Final Prospectus, including any corrigendum, amendments supplements thereto, and the issue thereof.
- to issue and allot the Debentures.
- to approve all other matters relating to the issue.
- to do all such acts, deeds, matters and things relating to execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilization of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, extension of Issue and/or early closure of the Issue.

No meeting of the committee was held during the period under report.

During the year under report, the Board of Directors dissolved the following dormant committees:

- a) Project Planning Committee
- b) Management & Monitoring Committee
- c) Merger Committee
- d) Securities Issuance Committee.

Remuneration paid to Directors:

Details of remuneration paid to Directors are given below:

₹ Lacs

Director	Relationship with other Directors	Business relationship with DSKDL if any	Loans and advances from DSKDL if any	Remuneration paid during 2013-14		
				Sitting Fees	Salary and perquisites	Total
Mr. D. S. Kulkarni	Father of Mr. Shirish Kulkarni	Promoter	Nil	Nil	277.23	277.23
Mr. Shirish Kulkarni	Son of Mr. D. S. Kulkarni	Promoter	Nil	Nil	26.44	26.44
Mr. V. C. Joshi	-	None	Nil	1.05	Nil	1.05
Dr. M. K. P. Setty	-	None	Nil	0.95	Nil	0.95
Mr. K. K. Taparia	-	None	Nil	0.50	Nil	0.50
Mr. R. D. Kharosekar	-	None	Nil	0.25	Nil	0.25

Board Meetings and Attendance at Board Meetings and the last Annual General Meeting:

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

20 th May, 2013	14 th August, 2013	27 th September, 2013	26 th October, 2013
16 th December, 2013	30 th January, 2014		

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. Minutes of every Committee meeting and subsidiaries Board meetings were placed before, and noted by, the Board.

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

Director	Attendance	
	Board Meetings during the Financial Year 2013-2014	Annual General Meeting dated 27 th September, 2013
Mr. D. S. Kulkarni	5	Yes
Mr. Shirish Kulkarni	6	Yes
Mr. V. C. Joshi	6	Yes
Dr. M. K. P. Setty	6	Yes
Mr. K. K. Taparia	5	Yes
Mr. R. D. Kharosekar	5	Yes

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the year ended 31st March, 2014 is attached separately and forms a part of this Annual Report.

General Body Meetings:

Year/Date of Annual General Meeting/ EOGM	Location and time	Whether special resolution passed	Particulars
AGM 2012-13 27 th September, 2013	Maratha Chambers of Commerce, Pudemjee Hall, 1014, Shukrawar Peth, Tilak Road, Pune 411 002 at 9.30 a.m.	No	N.A.
AGM 2011-12 26 th September, 2012	S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Pune 411 030 at 9.30 a.m.	No	N.A.
AGM 2010-11 29 th September, 2011	S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Pune 411 030 at 9.30 a.m.	Yes	Re-appointment of Managing Director Re-appointment of Wholetime Director To approve commencement of new business activities u/s.149(2A) of Companies Act, 1956

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:

1. **Mr. D.S. Kulkarni**, aged 64 years, is the Promoter, Chairman and Managing Director of our Company. Mr. D.S. Kulkarni has been honoured with the Degree of Doctorate in Science by Dr. Vijay Kelkar, Chancellor of Pravara Institute of Medical Sciences (*Deemed University*), Ahmednagar. In the year 1981, Mr. D.S. Kulkarni forayed into the business of building & construction and within a short span created the brand 'DSK' by successful completion of prestigious projects in Pune and Mumbai. Mr. Kulkarni has over three (3) decades of experience in the real estate industry. Mr. D.S. Kulkarni has been awarded with several awards by various organizations for his achievements viz. FIE Foundation Award in the field of Entrepreneurship, Suryadatta Lifetime Achievement Award for excellence in the field of corporate world etc.

He is a relative of Mr. S. D. Kulkarni and is holding 54,08,269 equity shares of the Company.

2. **Mr. Shirish Kulkarni**, aged 28 years, is a Promoter and Whole Time Director of our Company. Mr. Shirish Kulkarni holds a degree of Bachelor of Commerce (B.Com) from Symbiosis College. He has also completed his Post Graduate Diploma in Level 9 in Business Strategy, Finance and Banking, Organisational Development Skills from Unitec University, Auckland, New Zealand. Mr. Shirish Kulkarni has more than eight (8) years of experience in the real estate and other industries. He looks into business development of our Company.

He is a relative of Mr. D.S. Kulkarni and is holding 15,20,000 equity shares of the Company.

3. **Mr. Vasant Chintaman Joshi**, aged 82 years, is the Independent & Non-Executive Director of our Company. Mr. Joshi holds a degree of Master of Arts in Political Science from Bombay University and in Economics from University of Cambridge, United Kingdom. Mr. Joshi has more than thirty (30) years of experience in banking sector and has been associated with our Company since the year 1993. Mr. Joshi is an Ex-banker and an authority in Economics. He has worked as a Senior Consultant for financial services with PWC and NIBM.

He is a member of the Audit Committee, Finance Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Debenture Committee of the Company.

4. **Dr. M.K.P. Setty**, aged 80 years, is the Independent & Non-Executive Director of our Company. Dr. Setty holds a degree of Doctor of Literature from Avinashilingam University for Women, Tamilnadu. Dr. Setty has more than thirty (30) years of experience in education sector and is associated with our Company since the year 1993. Dr. Setty has also been associated with companies in various sectors viz. food processing, advertising, finance and automobiles. He has been conferred with honour 'the Kannada Rajyotsava Award' by the Government of Karnataka in recognition of his services to the Industry and Education. He has held various prestigious positions in various institutions and associations. He is the only non-Government official to be invited by the Government of Karnataka to serve as a Chairman of the Karnataka Industrial Investment Development Corporation Limited.

He is a Member of the Audit Committee, Finance Committee and Corporate Social Responsibility Committee.

5. **Mr. K. K. Taparia**, aged 63 years, is the Independent & Non-Executive Director of our Company. Mr. Taparia holds a degree of B.E. (Mechanics) from MBM Engineering College, University of Jodhpur. Mr. Taparia has more than forty (40) years of experience in manufacturing and marketing sector and is associated with our Company since the year 2008. Mr. Taparia is a management consultant.

He is a member of the Audit Committee and Nomination & Remuneration Committee of the Company.

6. **Mr. R.D. Kharosekar**, aged 72 years, is the Independent & Non-Executive Director of our Company. Mr. Kharosekar holds a degree of Bachelor of Science and Bachelors of Law (L.L.B) from University of Poona. Mr. Kharosekar has more than twenty (20) years of experience in the Indian Administrative Service (IAS) and is associated with our Company since the year 2010. He has worked as a senior IAS Officer and retired as a Commissioner of Tribal Research & Training. He has served in various capacities in the State and Central Government and has received an award from the State Government for outstanding work done for development of tribes of Maharashtra. He has also produced and directed films for creating awareness about various schemes amongst the weaker sections and tribes.

He is a member of the Corporate Social Responsibility, Nomination & Remuneration Committee and Stakeholders' Relationship Committee of the Company.

Subsidiary Companies:

The Company does not have any material non-listed Indian subsidiary Company, whose turnover or net worth (paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth of the Company.

Further the Audit Committee of the Company reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies

The minutes of the Board meetings of the unlisted subsidiary companies are placed at the Board meeting of the Company.

The Audit Committee and the Board of Directors look into the related party transactions entered into by the Company including those with the subsidiary companies.

Details of percentage holding of the Company in the subsidiary companies as on 31st March, 2014

Sr. No.	Name of the Subsidiary Company	Registered in	Holding percentage
1	DSK Township Projects Pvt. Ltd.	India	100%
2	DSK Southern Projects Pvt. Ltd.	India	100%
3	DSK Developers Corporation	USA	100%
4	DSK Woods, LLC	USA	Wholly owned - step down subsidiary of DSK Developers Corporation

Disclosures:

- There are no related party transactions of the Company which have potential conflict with the interests of the Company at large.
- In the preparation of financial statements, treatments as per Accounting Standards issued by the Institute of Chartered Accountants of India have been followed.
- 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 Exchanges:
 - The Company has set up a Nomination & Remuneration Committee, details of which have been given earlier in this Report.
 - The statutory financial statements of the Company are unqualified.
- In terms of SEBI circular No. D&CC/FITTC/CIR-16 dated 31st December, 2002, a qualified Practicing Company Secretary carried out audit 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 report confirms 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/investors

The Quarterly results were published as follows during the year:

S. No.	Quarter ended	Newspaper in which published	
		English	Vernacular
1.	31.03.2013	Economic Times	Maharashtra Times
2.	30.06.2013	Business Standard	Maharashtra Times
3.	30.09.2013	Business Standard	Maharashtra Times
4.	31.12.2013	Business Standard	Maharashtra Times

GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting:

Date and time

30th September, 2014 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 30th May

Annual General Meeting

By end of September, 2014

iii. Dates of current book closure

25th September, 2014 to 26th September, 2014

iv. Dates of evoting

27th September, 2014 to 29th September, 2014

v. Dividend payment date

5th October, 2014

vi. Listing on Stock exchanges

BSE Limited
The National Stock Exchange of India Limited

vii. Stock Code

BSE Limited

523890

The National Stock Exchange of India Limited

DSKULKARNI

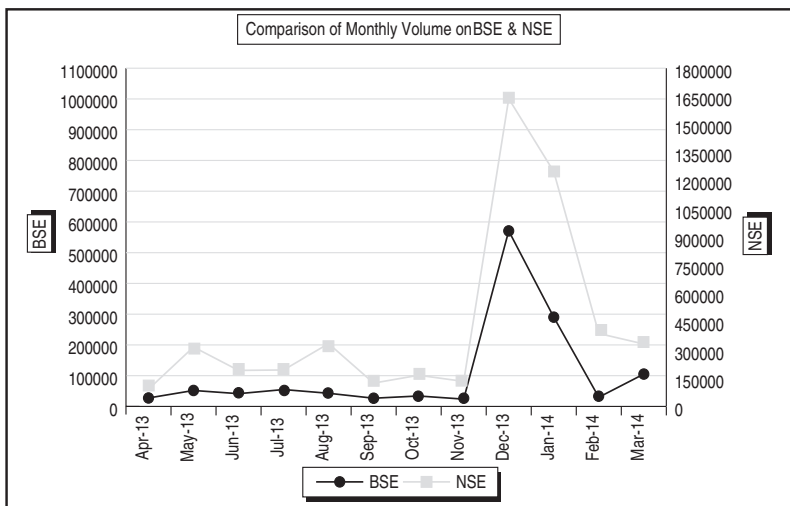
Listing fees for the financial year 2013-14 have been paid for both NSE and BSE.

The ISIN of the Company for its shares is INE891A01014.

vii. Market Price Data

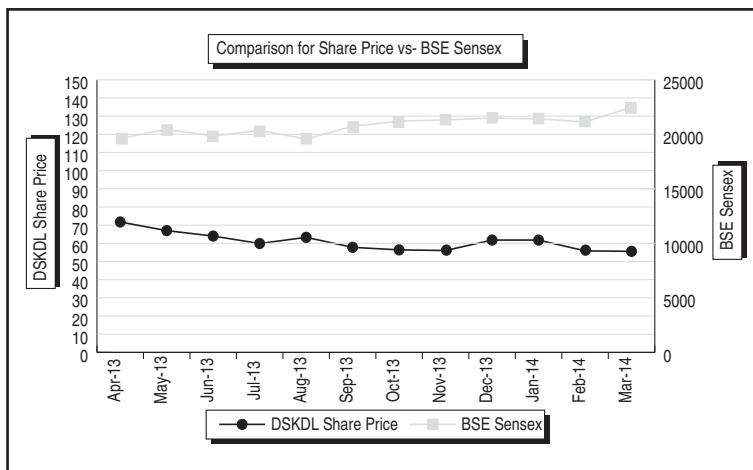
1. Comparison of High and Low share price and volume on BSE and NSE

Month	BSE			NSE		
	High	Low	Monthly Volume	High	Low	Monthly Volume
April, 2013	71.75	61.50	27,449	72.95	61.55	91,625
May, 2013	67.00	58.05	51,872	67.45	58.35	3,16,152
June, 2013	64.00	51.50	41,474	65.00	51.05	1,91,710
July, 2013	59.90	52.50	54,869	60.00	52.10	1,93,893
August, 2013	63.30	49.10	42,735	64.25	49.00	3,34,304
September, 2013	57.80	52.10	26,679	57.70	52.30	1,24,115
October, 2013	56.40	51.15	33,929	55.90	51.40	1,65,921
November, 2013	56.05	50.05	23,711	56.90	49.40	1,32,999
December, 2013	61.80	44.60	5,70,845	61.80	44.05	16,37,902
January, 2014	61.80	52.00	2,90,352	61.50	51.85	12,49,672
February, 2014	55.85	51.30	29,855	56.50	51.55	3,88,163
March, 2014	55.60	48.90	1,05,215	55.20	48.05	3,32,234



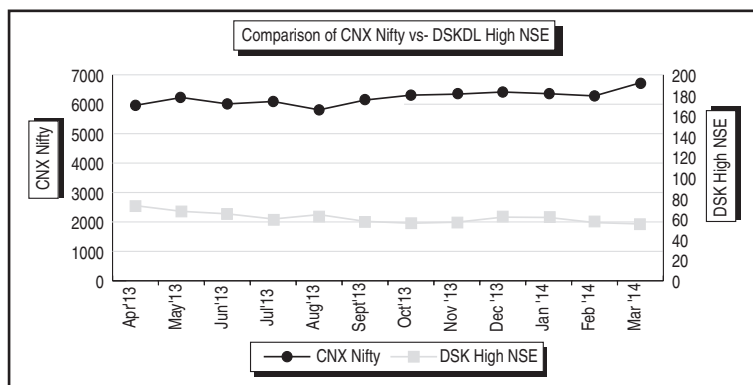
2. Performance of the share prices of the Company on BSE in Comparison to BSE Sensex

Month	DSKDL High on BSE	BSE Sensex	Month	DSKDL High on BSE	BSE Sensex
April, 2013	71.75	19,622.68	October, 2013	56.40	21,205.44
May, 2013	67.00	20,443.62	November, 2013	56.05	21,321.53
June, 2013	64.00	19,860.19	December, 2013	61.80	21,483.74
July, 2013	59.90	20,351.06	January, 2014	61.80	21,409.66
August, 2013	63.30	19,569.20	February, 2014	55.85	21,140.51
September, 2013	57.80	20,739.69	March, 2014	55.60	22,476.21



3. Performance of the share prices of the Company on NSE in Comparison to CNX NIFTY

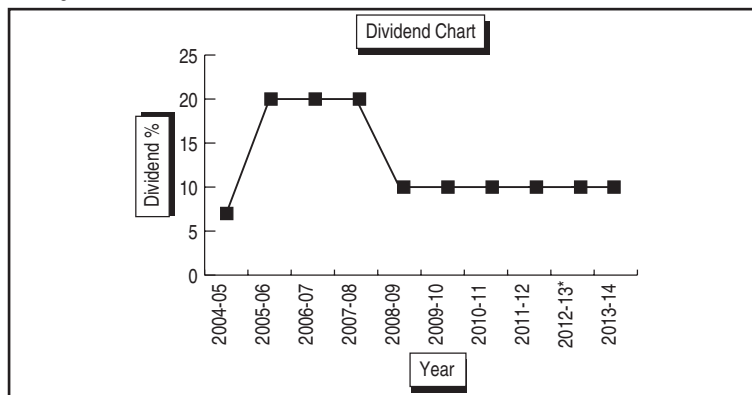
Month	DSK HIGH NSE	CNX NIFTY	Month	DSK HIGH NSE	CNX NIFTY
April, 2013	72.95	5,962.30	October, 2013	55.90	6,309.05
May, 2013	67.45	6,229.45	November, 2013	56.90	6,342.95
June, 2013	65.00	6,011.00	December, 2013	61.80	6,415.25
July, 2013	60.00	6,093.35	January, 2014	61.50	6,358.30
August, 2013	64.25	5,808.50	February, 2014	56.50	6,282.70
September, 2013	57.70	6,142.50	March, 2014	55.20	6,730.05



4. Dividend History:

Sr. No.	Year	Dividend %
1	2004-05	7
2	2005-06	20
3	2006-07	20
4	2007-08	20
5	2008-09	10
6	2009-10	10
7	2010-11	10
8	2011-12	10
9	2012-13	10
10	2013-14*	10

*Dividend recommended by the Board for FY 2013-14 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 erstwhile 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 2005-06, has been transferred to the Investor Education & Protection Fund.

The table given below gives the dates of dividend declaration since 2006-07 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
2006-07	Dividend	29 th September, 2007	28 th October, 2014
2007-08	Dividend	27 th September, 2008	26 th October, 2015
2008-09	Dividend	29 th September, 2009	28 th October, 2016
2009-10	Dividend	29 th September, 2010	28 th October, 2017
2010-11	Dividend	29 th September, 2011	28 th October, 2018
2011-12	Dividend	26 th September, 2012	25 th October, 2019
2012-13	Dividend	27 th September, 2013	26 th October, 2020

Share transfer System:

1. The Share Transfer Committee looks after the share transfer system. The Share Transfer Committee meets as and when necessary. The resolutions passed by the earlier Committee meetings are confirmed at the subsequent Committee Meetings. Minutes of the Committee meetings are placed before, and noted by, the Board of Directors.
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 fifteen days 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 regard to, inter-alia, effecting transfer, transmission, sub-division and consolidation of equity shares within 15 days 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, 2014:

Slab of Shareholdings No. of Shares	No. of Shareholders	Percentage of total shareholders	Amount in ₹	Percentage of total paid up capital
Less than 5,000	24,723	99.613	29,89,851	11.588
5,001-10,000	37	0.149	2,43,916	0.945
10,001-20,000	22	0.089	3,43,459	1.331
20,001-30,000	4	0.016	1,02,390	0.397
30,001-40,000	6	0.024	1,97,389	0.765
40,001-50,000	4	0.016	1,82,612	0.708
50,001-100,000	4	0.016	2,81,737	1.092
10,0001 & above	19	0.077	2,14,59,654	83.174
Total	24,819	100.00	2,58,01,008	100.00

Categories of shareholders as at 31st March, 2014:

Categories	Number of shares	% to shareholding
Promoters, Directors & Relatives	1,22,95,050	47.65
Mutual Funds & UTI	2,00,000	0.78
Banks/ Financial Institutions/ Insurance Companies	2,400	0.00
Foreign Institutional Investors	0	0
Private Corporate Bodies	13,20,928	5.12
Indian Public	79,58,918	30.84
NRI/ OCBs/ Foreign Nationals	40,23,712	15.60
Total	2,58,01,008	100.00

Dematerialisation of shares

The Company's Equity Shares have been dematerialised with the Central Depository Services (India) Limited (CDSL) and the National Securities Depository Limited (NSDL). The International Security Identification Number (ISIN) is an identification number for traded shares. This number is to be quoted in each transaction relating to the dematerialised shares of the Company. The ISIN of the Company for its shares is mentioned above.

As on 31st March, 2014, out of the total holding of 2,58,01,008 equity shares 2,15,31,503 shares representing 83.45% of the total holding are in dematerialised form.

Investor Correspondence

Registrar & Transfer Agents

Sharepro Services (India) Pvt. Ltd.

13AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange
Lane, Off. Andheri-Kurla Road, Sakinaka
Andheri (East) Mumbai - 400 072.
Ph. No.: 022-67720300/67720400
Fax No.: 022- 28591568/28508927
sharepro@shareproservices.com
Contact: Mrs. Manisha Jadhav /
Ms. Indira Karkera

Corporate Identity Number (CIN) L45201PN1991PLC063340

Registered Office 'DSK House', 1187/60, J. M. Road, Shivajinagar, Pune - 411 005

Mumbai Office 'DSK' on Veer Savarkar Marg (Cadle Road), Next to Mayor's Bungalow, Shivaji Park, Dadar, Mumbai – 400 028.

Company Secretary and Compliance Officer of the Company Mr. Amol Purandare, Company Secretary

Company website www.dskdl.com

E-mail ID for investor grievances secretarial@dskdl.com

Financial year of the Company is from 1st of April of every year to 31st of March next year.

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, 2014 complied with the Code of Conduct as applicable to them.

D. S. Kulkarni
Chairman & Managing Director

Place: Pune

Date: 29th May, 2014

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, 2014 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 of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

(S. M. Ghatpande)

Partner

Membership No.: 30462

Place: Pune

Date: 29th May, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

The year 2013-14 turned out to be a critical year for our country. Politics overshadowed economics in view of the forthcoming general elections. The global events and political uncertainties complicated the business environment. Though the governmental efforts were focused towards fight against inflation, none the less the inflation continued to scale high.

The Government's efforts to contain inflationary pressures were complemented by Reserve Bank of India by adopting appropriate monetary policies. Favourable measures followed by recovery in agriculture and allied sectors to some extent were redeeming factors. However the earlier effects of high inflation and global uncertainties had already settled in which resulted into industrial and economic slowdown. The Indian economy was vying for structural reforms to eventually get back to the glorious path of high growth seen before.

The latest gross domestic product (GDP) estimates show that industry grew by just 1.0 per cent in 2012-13 and slowed further in 2013-14, posting an increase of 0.4 per cent only. The said two consecutive years were particularly disappointing for the manufacturing sector. Decline in the growth rate for basic goods continued for the third year in succession in 2013-14. Output of capital goods also declined. Though the construction sector has been the major industry for employment it lost momentum in the last two years. Taken together with the trends in the economy, the slowdown in construction activity reflects subdued business sentiments.

Still India is seen as one of the world's most attractive investment destinations. With the hopes of penetration and broad based reforms, India is today an eye-catching destination for overseas investors. The relaxation of investment norms by the government will create a vast opportunity for foreign players, who are looking competing for a greater role in shaping the Indian market.

Real Estate Sector Overview

Real estate is one of the fastest growing sectors of the Indian economy and contributes about 5 per cent to India's gross domestic product (GDP). Growing requirements of space from sectors such as education and healthcare provide opportunities in the real estate sector. Growth in the number of tourists has resulted in demand for service apartments. Also, emergence of nuclear families and growing urbanisation has given rise to several townships that are developed to take care of the elderly.

Due to increase in urbanisation and increase in household income, demand for residential real estate is surging. It is expected that the retail and commercial space will grow since the economy is showing the signs of improving. Growing infrastructure requirement in diverse sectors such as tourism, education, healthcare, etc., augurs well for construction industry and offers several investment opportunities for both domestic as well as foreign investors.

Now with the New Government at the centre, it is expected that the stressed infrastructure will get a boost. With economy showing signs of improvement, commercial office space absorption is expected to increase. Main drivers are rapid growth in IT/ITES, BFSI, telecom, MNCs. The corporates are now shifting to Tier II cities where growth in demand for commercial spaces and residential units can be seen. With many townships coming up the FDI flow is expected to increase as real estate in India continues to be a favoured destination for foreigners. The real estate business model for large projects seems to be changing from sales to lease and maintain.

The focus on 'affordable housing' shall help the sector tide over the slow down in demand it had witnessed. However, substantial progress is possible only with the joint efforts of both the industry and the Government. On one hand, the industry should work towards increased transparency, clear land titles, improved delivery and project execution while on the other hand the Government must provide conducive legal framework and fiscal incentives to developers to build low cost and affordable housing for the masses and also review the existing FDI guidelines for investment and development in Indian real estate in order to increase the flow of foreign capital into the sector.

Residential Real Estate

Residential Real Estate sector, which has been growing over the years, is much dominated by localised, fragmented and unorganised participants. There are a few large and organised regional and pan India players. Rapid urbanisation, rise in number of nuclear families, availability of finance, repatriation from NRIs and HNIs are drivers for growth in residential real estate.

Now the growth in business and commercial activities has picked up spaces is seen in Tier II and III cities and as such residential demand in these cities is expected to grow. Now with lot of townships coming in, customers' preference has started changing. Rather than going to a small developer having smaller project they prefer good developer having track record and capability of executing and maintaining the projects. Large projects/townships offer all-in-one residential locations which small and marginal developers are unable to offer.

Unfazed by modest growth in demand developers are continuing to launch projects. There has been no decline in new launches. Many Real Estate Developers are not oblivious to the high demand for affordable houses. They are re-aligning offerings to attract those who are looking for a reasonable price tag.

The Outlook:

Though Real Estate is accelerating momentum to gather, it has to face many challenges such as inflation, high interest rates, high-risk weightage to loans, slow economic growth, higher project approval time, non-availability of skilled labour, etc.

Real Estate per se has been a major contributor to the employment growth-both to skilled and unskilled population, directly or indirectly. Still it is lagging behind to win a proper industry recognition. It requires more incentives, positive sentiments and support from the government. Stable government at the center has flowed in a positive wave of motivation and push to the economy which may transform in progressive industrial growth. It is a hope that policy focus shall be on accelerating approval process, and reducing interest cost and controlling inflation.

With the New Government aiming for stronger urban infrastructure in the country, this push can release more land for real estate development thereby cooling prices in major cities.

Real Estate Sector has always been a highly regulated sector. For each project the developers have to take many approvals. The Real Estate Regulation Bill, as introduced, is expected to regulate planned development of the sector. The another regulator will add to the difficulties for the developers but it will revive trust and greater transparency in the sector.

Currently, FDI is allowed for large projects only but these should be allowed for smaller projects also so that foreign exchange flows increase and costs are reduced. But this has to be done coupled with amply clear taxation aspects of investments.

Opportunities

With the Stable Government at the centre, it is expected that the policy paralysis will be cured and new government can take concrete steps for the reforms. Governance is expected to be smooth and speedy which will lead to faster approvals.

Real Estate sector is now witnessing announcements of many townships. Customers are also preferring a township rather than standalone project. Changing consumer taste from sales to lease and maintain will benefit the sale of units in townships. Our Company already has a large land parcels which can be converted into township like projects. Having an experience of constructing one township company can ride on the wave of township developments.

RBI and Government's continuous efforts in reducing the inflation will add fuel to the growth of the economy. If customers' purchasing power is increased, there will be boost to real estate demand-both in residential and commercial space.

The New Government is expected to provide an indirect but strong push to real estate sector by improving infrastructure. Developers will continue to focus on execution and it is expected that new launches will increase which will boost the real estate market.

The rupee fall is inviting investments in real estate in India by NRIs as it leads to investments at lower cost to them.

Threats Risks and Concerns

The acute worry for the country has been inflation in the recent past. It is still above RBI's comfort zone. Even the New Government needs sufficient time to take steps to curb inflation. As such it is expected that RBI will maintain its stance on the interest rate. It may lead to increase in cost of construction thereby increasing property prices.

Though New Government seems to be pro-infrastructure, it will take time for penetration of infrastructure in the country. It will lead to more pressure on urban areas which lack infrastructure and lead to unplanned development by unorganised sector. Further development of infrastructure will lead to increase in land parcels which will add to the cost of properties.

Already real estate project is hampered by higher project approval time. The Real Estate Regulator in the form of a watch dog has been added another window of approval. It may further extend launching of projects.

Demand was also hit as the Reserve Bank of India (RBI) curtailed certain subvention schemes, terming these as an additional risk to both banks and home loan borrowers. RBI restricted banks and housing finance companies from offering upfront disbursement of loans to developers and asked them to instead link it to the stages of completion of a project.

Liquidity crisis may lead to banks becoming more cautious on funding and as such the cheapest finance is lost. The only recourse left is NBFCs or PE funds which expect a very high returns. Though land is considered as raw material for real estate, bank funding is not available for acquisition of land. In a cash crunch situation a good land deals may be lost.

Government initiatives to reforms in rural areas are leading to reverse migration of labour from cities thereby creating shortage of semi-skilled and unskilled labour and increase in the cost of labour.

Developing a township itself is a challenge. Since it is called a city within itself, all the infrastructure need to be simultaneously constructed along with residential units, which many a time stress finances.

Many resale properties are cheaper than what developers are asking for. Investors who entered projects at early stages can earn decent profits even with a lower asking price. Buying houses in the resale market also eliminates the project execution risk. One can expect the resale market to offer better opportunities as properties get delivered and investors search for exits. As such customers are not entering the project at the execution stage.

Risk Mitigation

As the cost of borrowing is going up, aggressive execution and marketing efforts are needed to so that funds rotate early. Cost effective commercial negotiations will reduce the cost of production. Optimum financial management is inevitable.

Smooth project sanctions within minimal time will help in launching more and more projects. It will create interest in the customers and they may have more choices of their likes.

Adaptation of advanced technology, designs, automation is required to reduce the completion time of the project. Continuous study of market is necessary so as to gather information about the changing taste of the customers so that it can be incorporated in product mix. The Company has adopted itself to these.

Continuous monitoring of execution of project and taking corrective actions at the right time is important as it creates confidence in the minds of customers.

Taking advantage of encouraging government policies is important as it will benefit both to the Company and customers. Company should be able to tap the areas to acquire land where there are chances of infrastructure development. It will help company to have lands at lower rates.

Internal Control Systems and their adequacy

The Company has implemented adequate internal control systems and its monitoring measures. Whether it be horizontal or vertical, each transaction goes through system. The internal control systems are revised periodically as needed by the business dynamics. The audit committee draws up internal audit scope for each financial year along with concurrent audit and system audit. Various reports are placed before the Audit Committee and are reviewed. For integrating all the departments, an ERP system has been implemented in the Company which controls horizontal and vertical levels in the Company.

Customer Care and Satisfaction

Over the years customer satisfaction has been a main motto of the Company. We believe that our customer services and maintaining customer relations are an integral part of our Company's values and business. From the very first day of launching of project till it's handing over to society, all the customer suggestions are addressed at the various stages. "Bhumipujan" of the project is done at the hands of the flatholders. Customer meets are arranged at the various stages of the project implementation wherein valuable suggestions from customers are taken into account and mostly implemented. It helps the Company to give the best possible product. Handing over ceremony is held at the time of giving possession of flats to its customers.

Financial Performance

Though the year under review has been stagnant as far as financial numbers are concerned but the Company launched four projects - one at Sinhgad Road, two at Pirangut and one township. As these projects were launched in the last quarter of the fiscal year they will start earning revenues from the coming fiscal.

Development of Human Resources

Our management team consists of experienced and qualified professionals who have extensive experience in the development, sales and management of real estate. Our qualified and experienced management and technical teams have contributed to the growth of our operations and the development of in-house processes and competencies. Some of our Key Managerial Personnel in the areas of operations, design and development, finance, marketing, engineering, legal, human resource, and business development are qualified professionals, who are specialists in their respective business functions and have adequate industry experience to discharge their roles and responsibilities. We believe that this experience gives us the ability to anticipate the trends and requirements of the real estate market, identify and acquire lands in locations where we believe there is demand, design and develop our properties in accordance with the latest customer trends.

We implement various employee motivation techniques to ensure that our employees remain in good spirit and perform as per the expectations of our Company. We appraise our employees on a monthly basis to appreciate and reward employees taking initiatives to improve the efficiency and performance of our Company. In addition, we also provide appropriate training to our technical, engineering and marketing staff to instill leadership qualities in them. We enrol our select employees for various programmes and other technical courses on a regular basis to ensure that our employees are always updated with the developments in their particular area of work.

Environmental and Health Safety Policy

Our Company has adopted environmental friendly 'green initiatives' viz. Sewage Treatment Plant (STP), rain water harvesting, installing solar panels etc. in the construction of projects. We have implemented a number of precautionary measures for the safety of our projects, including ensuring that the structural design and construction are carried out in accordance with the National Building Code and all other applicable laws, as stipulated by the Bureau of Indian Standards; designing and constructing the projects for the appropriate seismic loads and wind pressure; constructing the projects in accordance with fire safety norms and to protect against flooding. The Company always strives for minimisation of occupation health and safety risks. Continual training for safety practices is provided at the sites for contractors and labourers so as to ensure their health and safety.

Corporate Social Responsibility

DSK Group always work for society. We believe CSR is a natural corollary of interdependence of the Company and Society. Society has given the Company so much so as Company should aspire to give it back.

For more than a decade now the Group has been organizing DSK Gappa (literary chats). It has now become a landmark in cultural movement of Pune. The purpose is to inspire the members of the society about the success path taken by those celebrities who are successful in their life. It helps society understand their values and ethics that build their success story.

"SELF MADE MAN AWARD" is bestowed upon those entrepreneurs who started from scratch and today they are successful. This award is given so as to mentor the persons who aspire success through entrepreneurship. The object of the award is to promote more and more entrepreneurship in the society.

The Group always strive to save environment. For those individuals, corporate, NGOs who make enormous contribution in conserving energy, "DSK Energy Awards" is bestowed to motivate work relating to energy conservation and renewable energy.

DSK Group encourages education for the economically weaker sections by distributing notebooks and textbooks. Students who are meritorious in their Board level exams are awarded.

On each site proper labour camps are installed wherein all basic infrastructure is provided. At the time of launching of site we run special and regular health check-up programs for the contract labors, children and their family at the beginning of a work site followed by two times in a year. In addition to this, we take extra efforts in creating health and safety awareness by conducting first-aid training, fire fighting training, mock drill, safety motivational training and many more. On each site location a play school is run for children of labourers and are given good food.

Be it a medical help or educational help or social help the Group always stands behind the needy. Medical expenses are reimbursed to those who can't afford medical expenses. The meritorious but poor students are given helping hand for their education.

During the Ganesh festival devotees offer flowers to their idol and later on it was thrown away in the river. DSK Group takes initiative to collect the 'Nirmalya', which later on gets converted into farm fertilizer and is handed over to those who are interested so that it can be used in tree plantations. On environment day, a series of tree plantation was carried out by different ventures of DSK Group in various cities. These are some of the dignified steps DSK Group has taken to save the environment is during the Ganesh Visarjan.

Previous year when there was a drought like situation the Company contributed to the Drought Relief Fund and also cultivated fodder in its bare land so that it can be distributed to those who are affected by drought.

To promote entrepreneurship in women, Flower Decoration Competition was arranged so that they can be encouraged to use their talent in business.

Through its business activities the Company is committed to protect environment in all spheres of its activities. 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 utilisation and harvesting, energy conservation planning, solid waste/garbage management, eco friendly material, provision of nature parks for big projects, etc. Continuous training is given to customers on eco-friendly methods that can be used in their life-style.

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, global and local 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.

Independent Auditors' Report to the Members

To,
The Members of **D. S. Kulkarni Developers Ltd.**
Report on the Financial Statements

We have audited the financial statements of **D. S. Kulkarni Developers Ltd.** which comprise the

- a) Balance Sheet as at the 31st March, 2014
- b) Statement of Profit and Loss for the year ended on that date
- c) Cash Flow Statement for the year ended on that date

Management Responsibility for the financial statements

The Management of the Company is responsible for -

- a) the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in Section 211(3C) of the Companies Act, 1956. (the "Act") and are free from material misstatement, whether due to fraud or error.
- b) the design and maintenance of the internal control relevant to the preparation and presentation of these financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Auditing & Assurance Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes

- a) performing procedures and examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.
- b) evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at the 31st March, 2014; and
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

- a) 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 Act, 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.
- b) As required by Section 227(3) of the Act, 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 Statement of Profit and Loss and also 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 Statement of Profit and Loss and also the Cash Flow Statement of the Company dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Act;
 - v On the basis of the written representation received from the directors as at 31st March, 2014, and taken on record by the Board of Directors, we do hereby certify that none of the directors of the Company i.e. D. S. Kulkarni Developers Ltd. as on 31st March, 2014 is disqualified u/s 274(1)(g) of the Act on the said date for being appointed as a director in the aforesaid company;
 - vi We cannot, as required by Section 227(3)(g) of the Act, state whether the cess payable u/s 441A of the Act, 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) of the Act the amount of cess payable u/s 441A(2) and has not specified u/s 441A(4) of the Act the manner in which the said cess is to be paid.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

Annexure Referred to in Paragraph (a) under the heading “Report on other legal and regulatory requirements” of Our Report of Even Date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The management has not physically verified all the fixed assets 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) During the year under review, the Company has not disposed of a substantial part of its fixed assets.
- (ii) (a) The management has conducted physical verification of inventories at reasonable intervals during the year.
- (b) The procedures of such physical verification 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 granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained u/s 301 of the Act. The number of parties and amount involved in the transactions is as follows: -

Number of Parties	Amount of loans taken	
	Balance (₹ Lacs)	
	31-Mar-14	31-Mar-13
Two (Two)	7,985.01	5,611.95

- (b) The Company has taken loans, secured or unsecured, from companies, firms or other parties covered in the register maintained u/s 301 of the Act. The number of parties and amount involved in the transactions is as follows: -

Number of Parties	Number of Parties	
	Balance (₹ Lacs)	
	31-Mar-14	31-Mar-13
One (One)	658.99	605.74

- (c) The rate of interest and other terms and conditions of loans, secured or unsecured, taken or granted by the Company, are not, prima facie, prejudicial to the interest of the Company;
- (d) In respect of the loans, secured or unsecured, taken/given by the Company, where stipulations have been made, the repayments of the principal amount and the payments of the interest have been regular.
- (iv) There are adequate internal control systems 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 goods and services. We have not observed any major weakness or continuing failure to correct a major weakness in the internal control systems in respect of these areas.

- (v) (a) The particulars of the contracts or arrangements which were entered into during the year under review with the parties referred to in Section 301 of the Act and which need to be entered into the register maintained u/s 301, of the Act have been recorded therein;
- (b) The transactions made in pursuance of the contracts or arrangements 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 of the 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 is commensurate with its size and the nature of its business.
- (viii) The Company has maintained cost records as required by the Companies (Cost Accounting Records) Rules, 2011 made by the Central Government u/s 209(1)(d) of the Act.
- (ix) (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, TDS, Income-Tax (except Advance Tax), Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. There are no arrears of outstanding undisputed statutory dues (except advance tax of approximately ₹4.36 crores) as at the last day of the financial year for a period of more than six months from the date those became payable.
- (b) There are no disputed amounts outstanding in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it as at the last day of the Financial year. The disputed amounts in respect of income tax are as follows:

₹ Lacs

Sr. No.	Forum where dispute is pending	Asst. Yr.	31-Mar-14	31-Mar-13
1	High Court of Judicature, Mumbai	2004-05	67.25	67.25
2	High Court of Judicature, Mumbai	2005-06	152.02	152.02
3	High Court of Judicature, Mumbai	2006-07	311.45	110.75
4	Income Tax Appellate Tribunal	2007-08	418.80	418.80
5	Income Tax Appellate Tribunal	2008-09	116.00	116.00
6	Income Tax Appellate Tribunal	2009-10	156.93	156.93
7	Commissioner of Income Tax (Appeals)	2010-11	99.95	99.95
8	Commissioner of Income Tax (Appeals)	2011-12	35.47	-
			1,357.87	1,121.70

The ITAT Pune decided the Company's appeals for AY 2004-05, 2005-06 & 2006-07 in favour of the Company. However, the Dept has filed a reference with the High Court of Judicature at Mumbai. The Company expects that the ITAT Pune will decide similarly the Company's appeals for AY 2007-08, 2008-09, 2009-10 & 2010-11 in favour of the Company.

- (x) The Company has no accumulated losses at the end of the financial year and has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (xii) The contents of Paragraph 4(xii) of CARO, 2003 are not applicable since the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The contents of Paragraph 4(xiii) of CARO, 2003 are not applicable since the Company is not a chit fund or a nidhi or a mutual benefit fund/society.
- (xiv) The contents of Paragraph 4(xiv) of CARO, 2003 are not applicable since the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has continued the guarantee of ₹100 crores in respect of a loan taken by its erstwhile subsidiary, DSK Global Education & Research P. Ltd. from Central Bank of India. The terms and conditions of such guarantee are not prejudicial to the interests of the Company.
- (xvi) The Company has applied the term loans obtained during the year under review for the purposes for which they were obtained.
- (xvii) The Company has not used the funds raised on short term basis for the purposes of long-term investment.
- (xviii) The contents of Paragraph 4(xviii) of CARO, 2003 are not applicable since the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained u/s 301 of the Act.
- (xix) The contents of Paragraph 4(xix) of CARO, 2003 are not applicable since the Company has not issued debentures.
- (xx) The contents of Paragraph 4(xx) of CARO, 2003 are not applicable since the Company has not raised any money by public issue during the year.
- (xxi) The contents of Paragraph 4(xxi) of CARO, 2003 are not applicable since no fraud on or by the Company has been noticed or reported during the year.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

BALANCE SHEET

Balance Sheet as at	Note No.	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds					
a) Share capital	3	2,580.10		2,580.10	
b) Reserves and surplus	4	47,555.12	50,135.22	46,520.36	49,100.46
2. Non-current liabilities					
a) Long-term borrowings	5	24,864.57		22,528.72	
b) Deferred tax liabilities (Net)	6	113.85	24,978.42	106.63	22,635.34
c) Other long term liabilities	7		25.60		25.60
3. Current liabilities					
a) Short-term borrowings	8	2,264.12		2,680.88	
b) Trade payables		1,554.79		1,588.91	
c) Other current liabilities	9	72,137.08		53,512.59	
d) Short-term provisions	10	6,884.69	82,840.68	5,833.72	63,616.10
TOTAL			157,979.92		135,377.51
II. ASSETS					
1. Non-current assets					
a) Fixed Assets					
i) Tangible assets	11	4,018.92		4,027.05	
ii) Intangible assets	12	28.11		17.80	
iii) Intangible assets under development		29.94	4,076.97	29.94	4,074.79
b) Non-current investments	13		2,204.29		4,912.87
c) Other non-current assets	14		131.98		137.80
2. Current assets					
a) Inventories	15	131,333.92		110,947.34	
b) Trade receivables	16	330.83		352.56	
c) Cash and cash equivalents	17	4,028.14		3,102.95	
d) Short-term loans and advances	18	9,587.09		6,636.01	
e) Other current assets	19	6,286.71	151,566.68	5,213.20	126,252.06
TOTAL			157,979.92		135,377.51
Contingent liabilities and commitments (to the extent not provided for)	20		12,022.88		12,290.75
Corporate Information & Statement of Accounting Policies	1-2				

The accompanying notes are an integral part of these financial statements.

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

PROFIT AND LOSS STATEMENT

Profit and Loss Statement as at		Note No.	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
I.	Revenue from operations	21		3,091.49		5,410.44
II.	Increase/(Decrease) in inventories of Finished Tenements & Work-in-Progress	22		20,010.72		17,737.19
III.	Other income	23		152.86		285.70
Total				23,255.07		23,433.34
IV.	Expenses:					
	Land and / or Development expenses	24		15,986.56		17,239.37
	Office and administration expenses	25		739.58		664.56
	Employee benefits expense	26		1,197.87		1,033.80
	Selling expenses	27		798.57		741.67
	Finance expenses	28		936.74		947.30
	Depreciation and amortisation expense	29		145.40		143.00
	Other Expenses	30		9.80		—
Total				19,814.52		20,769.71
V.	Profit before exceptional and extra-ordinary items and tax			3,440.56		2,663.63
VI.	Exceptional Items	31		(15.99)		179.18
VII.	Profit before extra-ordinary items and tax			3,424.57		2,842.82
VIII.	Extra-ordinary items	32		(859.17)		—
IX.	Profit before tax			2,565.40		2,842.82
X.	Tax expense					
	1. Current tax		(1,253.60)		(976.61)	
	2. Deferred tax		(7.22)	(1,260.82)	(23.35)	(999.96)
XI.	Profit/(Loss) for the period from continuing operations			1,304.58		1,842.86
XII.	Profit/(Loss) from discontinuing operations (after tax)			—		—
XIII.	Profit/(Loss) for the period			1,304.58		1,842.86
XIV.	Earnings per equity share					
	1 Basic	33		5.06		7.14
	2 Diluted			5.06		7.14

The accompanying notes are an integral part of these financial statements.

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

CASH FLOW STATEMENT

Cash Flow Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
A) Cash Flow from Operating Activities				
Net Profit before Tax & Extraordinary Items		3,424.57		2,842.82
Adjustments for				
Prior year adjustments	32.04		(18.44)	
Extraordinary items	(859.17)		–	
Depreciation	145.40		143.00	
Loss/(Profit) on Sale of Assets	9.80		–	
Interest Expenditure	746.36		835.68	
Foreign Exchange (Gain)/Loss	–		–	
Book Profit on Sales of Mutual Fund Units	–		(1.22)	
Interest and Dividend Received	(132.42)	(58.00)	(238.22)	720.80
Operating Profit before Working Capital Changes		3,366.57		3,563.62
Adjustments for				
Increase/(Decrease) in Short-term Borrowings	(416.76)		(2,937.77)	
Increase/(Decrease) in Other Current Liabilities	18,624.49		10,163.48	
Increase/(Decrease) in Short-term Provisions	(202.63)		–	
Increase/(Decrease) in Trade Payables	(34.12)		752.12	
(Increase)/Decrease in Inventories	(20,386.58)		(17,768.06)	
(Increase)/Decrease in Receivables	21.73		(157.03)	
(Increase)/Decrease in Loans and Advances	(2,951.08)		661.85	
(Increase)/Decrease in Other current assets	(39.80)		(25.94)	
(Increase)/Decrease in Other non-current assets	5.81	(5,378.93)	24.97	(9,286.38)
Cash generated from Operations		(2,012.37)		(5,722.76)
Income Tax Paid		(1,033.71)		(743.60)
Net Cash from Operating Activities (A)		(3,046.07)		(6,466.36)
B) Cash Flow from Investing Activities				
Purchase of Fixed Assets	(168.14)		(52.33)	
Sale of Fixed Assets	10.76		–	
Book Profit on Sales of Mutual Fund Units	–		1.22	
Interest and Dividend Received	132.42		238.22	
Decrease/(Increase) in Investments	2,708.58		160.00	
Net Cash used in Investing Activities (B)		2,683.62		347.11

CASH FLOW STATEMENT

Cash Flow Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
C) Cash Flow from Financing Activities				
Interest Paid	(746.36)		(835.68)	
Dividend Paid	(258.01)		(258.01)	
Dividend Tax Paid	(43.85)		(41.86)	
Increase/(Decrease) in Secured Loans	2,335.85		8,709.13	
Net Cash used in Financing Activities (C)		1,287.63		7,573.58
Net increase/decrease in cash and cash equivalents (A+B+C)		925.18		1,454.33
Cash and Cash Equivalent as at beginning of the year		3,102.93		1,648.60
Cash and Cash Equivalent as at end of the year		4,028.12		3,102.93
Note to the Cash Flow Statement : Cash and Cash Equivalents include Cash and Bank Balances				
Corporate Information and Statement of Accounting Policies				

The accompanying notes are an integral part of these financial statements.

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.

Notes to the financial statements for the year ended 31-Mar-14

1) Corporate Information

D. S. Kulkarni Developers Ltd. is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 ("the Act"). The Company is engaged in the business of real estate development in India. 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 Act, inasmuch as

- a) its turnover (excluding other income) did exceed ₹ 50 crores in the immediately preceding accounting year and in the year under review, and
- b) it did have borrowings (including public deposits) in excess of ₹ 10 crores at any time during the immediately preceding accounting year and in the year under review
- c) its equity shares are listed on the Mumbai and National Stock Exchanges.

although

- d) it is not the holding or subsidiary company of a company which is not a SMC
- e) it is not a bank, financial institution or an insurance company.

2. Basis of Preparation of Financial Statements

These financial statements comply in all material respects with the relevant provisions of the Act, the Generally Accepted Accounting Principles in India, 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 u/s 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.

2.1 Summary of significant accounting policies

2.1.1 Presentation and disclosure of financial statements

These financial statements are presented in accordance with the revised Schedule VI notified under the Companies Act, 1956.

2.1.2 Accounting Convention:

These financial statements are prepared under the historical cost convention.

2.1.3 Method of Accounting:

As required by Section 209(3)(b) of the Act, these financial statements are prepared in accordance with the accrual method of accounting with revenues recognized and expenses accounted on their accrual including provisions/adjustments for committed obligations and amounts determined as payable or receivable during the period.

2.1.4 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the end

of the reporting periods and the reported amounts of revenues and expenses for the reporting periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and future years affected.

2.1.5 Consistency:

These financial statements have been prepared on a basis consistent with previous years and accounting policies not specifically referred hereto are consistent with generally accepted accounting principles.

2.1.6 Contingencies and Events occurring after the Balance Sheet Date:

AS 4 issued by the Institute of Chartered Accountants of India is not applicable since there are no such contingencies nor events.

2.1.7 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies:

The Company's Profit and 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.

2.1.8 Cash Flow Statements:

Cash Flows are reported as per the Indirect Method as specified in AS 3 issued by the Institute of Chartered Accountants of India.

2.1.9 Previous Year Figures:

The figures for the previous year have been rearranged to facilitate comparison.

2.2 Fixed Assets

2.2.1 Tangible Fixed Assets: In accordance with AS 10 issued by the Institute of Chartered Accountants of India,

- i) Tangible Fixed Assets are stated at cost of acquisition or construction net of accumulated depreciation and accumulated impairment losses, if any.
- ii) The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable incidental expenses related to acquisition and installation and other pre-operative expenses of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- iii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
- iv) From accounting periods commencing on or after 7th December, 2006, the company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

- v) Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.2.2 Depreciation on Tangible Fixed Assets: In accordance with AS 6 issued by the Institute of Chartered Accountants of India,

- i) Depreciation on Tangible Fixed Assets is provided as per the straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956, for the period for which the asset is put to use.
- ii) Leasehold land is amortized on a straight-line basis over the period of the lease

2.2.3 Intangible Fixed Assets: In accordance with AS 26 issued by the Institute of Chartered Accountants of India,

- i) Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.
- ii) Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life.
- iii) Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.
- iv) The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.
- v) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized

2.2.4 Borrowing Costs: In accordance with Accounting Standard 16 issued by the Institute of Chartered Accountants of India,

- i) Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- ii) A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
- iii) borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which those are incurred.

2.2.5 Impairment of tangible and intangible assets: In accordance with AS 28 issued by the Institute of Chartered Accountants of India,

- i) The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the recoverable amount of the asset. Such recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.
- ii) The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.
- iii) Impairment losses of continuing operations, including write-down of inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.
- iv) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- v) An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

2.2.6 Research and development costs: In accordance with AS 26 issued by the Institute of Chartered Accountants of India,

- i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:
 - a) The technical feasibility of completing the intangible asset so that it will be available for use or sale.
 - b) Its intention to complete the asset.
 - c) Its ability to use or sell the asset.
 - d) How the asset will generate future economic benefits.

- e) The availability of adequate resources to complete the development and to use or sell the asset.
- f) The ability to measure reliably the expenditure attributable to the intangible asset during development.
- ii) Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

2.2.7 Leases: In accordance with Accounting Standard 19, issued by the Institute of Chartered Accountants of India,

A. Where the Company is lessee

- i) Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.
- ii) A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.
- iii) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

B. Where the Company is the lessor

- i) Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.
- ii) Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

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

- i) Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- iii) Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- iv) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.
- v) An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- vi) The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- vii) Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, or that prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher.
- viii) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

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

- i) Construction materials, components, stores and spares are valued at the lower of cost and net realizable value (as certified by the management) after providing for the cost of obsolescence. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above its cost of acquisition. Cost of raw materials, components and stores and spares is determined on FIFO basis.
- ii) Inventories of work-in-progress are valued, in accordance with the Percentage of Completion Method. Profit on incomplete projects is not recognized unless 20% expenditure has been incurred in respect of the project. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/or write off of costs carried to inventories is 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 as at the balance sheet date will not be lower than the costs so included therein.

- iii) Inventories of finished tenements are valued at the carrying value or estimated net realizable value, (as certified by the management) whichever is the less.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.5 Revenue Recognition: In accordance with AS 9 issued by the Institute of Chartered Accountants of India, Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company. The following specific recognition criteria must also be met before revenue is recognized.

- i) 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.
- ii) 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.
- iii) Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects value added taxes (VAT) and service tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.
- iv) Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.
- vi) Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

2.6 Expense Recognition: Project-specific revenue Expenses such as development and construction expenses, interest on borrowings attributable to specific projects etc. are included in the valuation of inventories of work in progress. Indirect costs are treated as period costs and are charged to the Profit and Loss Account in the year incurred. Expenses incurred on repairs and maintenance of completed projects are charged to Profit and Loss Account.

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

- i) **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii) **Conversion:** Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical

cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

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

- a) Exchange differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- b) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset in accordance with the Ministry of Corporate Affairs Notification dated 31st March, 2009. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- c) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- d) All other exchange differences are recognized as income or as expenses in the period in which they arise.

iv) **Translation of integral and non-integral foreign operation:** The Company classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations." The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself. The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date and their statement of profit and loss are translated at annual average exchange rates. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss. When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

2.8 Retirement and other employee benefits: In accordance with Accounting Standard 15 issued by the Institute of Chartered Accountants of India,

- i) Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.
- ii) The Company operates one defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end using the projected unit credit method. The Company has obtained a policy from the Life Insurance Corporation of India in respect of the gratuity obligation and the annual contribution paid by the Company to LIC is charged to the profit and loss statement. The actuarial gains and losses for the defined benefit plan are not recognized in the period in which they occur in the statement of profit and loss.

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

- i) Tax expense comprises current and deferred tax.
- ii) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- iii) Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- iv) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.
- v) In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.
- vi) At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- vii) The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
- viii) Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.
- ix) Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available for a particular assessment year as an

asset only after the assessment for that year is complete and such credit is finally quantified and only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under the head "Current Assets". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down its carrying amount to the extent such credit is set-off u/s 115JAA or to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.10 Consolidated Financial Statements: In accordance with AS 21 and AS 27 issued by the Institute of Chartered Accountants of India, separate consolidated financial statements of the Company and its Subsidiaries have been prepared by combining on a line-to-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after fully eliminating intra-group balances, intra-group transactions and unrealised profits and losses.

2.11 Earnings Per Share: In accordance with Accounting Standard 20, issued by the Institute of Chartered Accountants of India.

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

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

- i) A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.
- ii) **Warranty provisions:** Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.

2.13 Contingent Liabilities and Contingent Assets: In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India,

- i) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.
- ii) Contingent assets are not recognized.

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

- i) **Construction Contracts:** AS 7 is not applicable since the Company is not engaged in execution of construction contracts.
- ii) **Accounting for Government Grants:** AS 12 is not applicable since the Company has not received any Government Grants.
- iii) **Accounting for Amalgamations:** AS 14 is not applicable since the Company has not so far entered into any amalgamation.
- iv) **Segment Reporting:** AS 17 is not applicable since the Company operates only in one segment, i.e. real estate development.
- v) **Accounting for Investments in Associates in Consolidated Financial Statements:** AS 23 is not applicable since the Company is not required to consolidate its financial statements.
- vi) **Discontinuing Operations:** AS 24 is not applicable since the Company has not so far discontinued operations.
- vii) **Interim Financial Reporting:** AS 25 is not applicable to the financial statements under review.
- viii) **Financial Reporting of Interests in Joint Ventures:** AS 27 is not applicable since the Company has no joint ventures.

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
3. Equity Share Capital				
a) Number of shares authorized		50,000,000		50,000,000
b) Amount of shares authorized		5,000.00		5,000.00
c) Number of shares issued, subscribed and fully paid		25,801,008		25,801,008
d) Number of shares issued and subscribed but not fully paid		—		—
e) Par value per share		10		10
f) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
i. Shares outstanding at the beginning of the reporting period		25,801,008		25,801,008
ii. Shares allotted during the reporting period		—		—
iii. Shares forfeited during the reporting period		—		—
iv. Shares bought back during the reporting period		—		—
v. Shares outstanding at the end of the reporting period		25,801,008		25,801,008
g) Shares in the company held by each shareholder holding more than 5 per cent shares specifying the number of shares held				
1. H D Kulkarni	4,897,308		4,897,308	
2. D S Kulkarni	5,408,269		4,510,951	
3. S D Kulkarni	1,520,000		1,520,000	
4. Ashok Parmar	3,243,108		3,116,630	
5. Chander Bhatia	2,000,000		2,000,000	
6. Asha Bhatia	1,950,000	19,018,685	1,950,000	17,994,889
Total at the end of the reporting period		2,580.10		2,580.10
4. Reserves and Surplus				
a) Securities Premium Reserve				
i. Balance at the beginning of the reporting period	30,822.71		30,822.71	
ii. Additions during the reporting period	—		—	
iii. Deduction during the reporting period	—		—	
iv. Balance at the end of the reporting period		30,822.71		30,822.71

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
b) General Reserve				
i. Balance at the beginning of the reporting period	953.70		953.70	
ii. Additions during the reporting period	—		—	
iii. Deduction during the reporting period	—		—	
iv. Balance at the end of the reporting period		953.70		953.70
c) Surplus i.e. balance in Statement of Profit and Loss disclosing allocations and appropriations such as dividend, bonus shares and transfer to/from reserves etc.				
i. Balance at the beginning of the reporting period	14,743.95		13,221.40	
ii. Additions during the reporting period	1,304.58		1,842.85	
iii. Transfer from Investment allowance reserve				
iv. Deduction during the reporting period				
Prior year adjustments	32.04		(18.44)	
Proposed equity dividend	(258.01)		(258.01)	
Tax on equity dividend	(43.85)		(43.85)	
v. Balance at the end of the reporting period		15,778.70		14,743.95
Total at the end of the reporting period		47,555.12		46,520.36
5. Long-term Borrowings				
i) Long-term borrowings secured				
a) Term loans				
i. Project term loan	10,398.91		7,756.90	
ii. Equipment term loans	1,937.12		3,573.05	
iii. Corporate term loans	3,704.02		393.16	
iv. Vehicle Term Loan	18.70	16,058.75	7.85	11,730.96
ii) Long-term borrowings unsecured				
i Deposits from public		8,805.82		10,797.76
Total at the end of the reporting period		24,864.57		22,528.72
6. Deferred Tax Liability:				
The deferred tax liability comprises the effect of the following:				
DTL resulting from timing difference between book depreciation and tax depreciation		113.85		106.63
Total at the end of the reporting period		113.85		106.63

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
7. Other long-term liabilities				
a) Deposits		25.60		25.60
Total at the end of the reporting period		25.60		25.60
8. Short-term borrowings				
a) Short-term borrowings secured				
a) Loans repayable on demand				
i. Working capital limits		2,264.12		2,680.88
Total at the end of the reporting period		2,264.12		2,680.88
9. Other current liabilities				
a) Advance against Tenements/Plots		37,327.78		25,937.12
b) Current maturities of long-term debt				
i. Secured	10,913.46		7,823.03	
ii. Unsecured inter-corporate debts	2,186.98		2,789.20	
iii. Public deposits	8,338.67	21,439.11	4,764.06	15,376.29
c) Interest accrued but not due on borrowings				
i. Secured	195.17		133.50	
ii. Unsecured inter - Corporate debts	108.99		—	
iii. Public deposits	1,123.93	1,428.09	402.32	535.82
d) Unclaimed dividends		17.79		18.95
e) Statutory liabilities		612.23		648.99
f) Provision for expenses		11,156.11		10,554.50
g) Unclaimed public deposits		155.97		440.91
Total at the end of the reporting period		72,137.08		53,512.59
10. Short-term provisions				
a) Provision for Income Tax		6,582.83		5,531.86
b) Proposed Dividend		258.01		258.01
c) Tax on Dividend		43.85		43.85
Total at the end of the reporting period		6,884.69		5,833.72

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at 31-Mar-14

11. Tangible Fixed Assets									
	Gross carrying amount at beginning of reporting period	Additions during reporting period	Disposals during reporting period	Gross carrying amount at end of reporting period	Accumulated depreciation at beginning of reporting period	Depreciation for reporting period	Depreciation on disposals during reporting period	Accumulated depreciation at end of reporting period	Net carrying amount at beginning of reporting period
	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)
Land									
Current Year	2,724.91	-	-	2,724.91	-	-	-	-	2,724.91
Previous Year	2,724.91	-	-	2,724.91	-	-	-	-	2,724.91
Plant and Machinery									
Current Year	1,106.67	0.57	-	1,107.24	188.44	52.57	-	241.01	866.23
Previous Year	1,102.22	4.45	-	1,106.67	135.95	52.49	-	188.44	918.23
Office Machinery									
Current Year	404.84	73.96	(2.16)	476.65	319.53	33.78	(2.16)	351.16	125.49
Previous Year	382.41	22.44	-	404.84	287.52	32.01	-	319.53	85.31
Furniture and Fixtures									
Current Year	55.63	16.86	-	72.49	19.54	3.98	-	23.51	48.97
Previous Year	53.35	2.28	-	55.63	16.35	3.19	-	19.54	36.09
Vehicles									
Current Year	517.90	56.52	(52.34)	522.07	255.39	45.15	(31.78)	268.75	253.32
Previous Year	517.90	-	-	517.90	207.93	47.47	-	255.39	262.50
Total									
Current Year	4,809.95	147.91	(54.50)	4,903.36	782.90	135.48	(33.94)	884.44	4,018.92
Previous Year	4,780.78	29.17	-	4,809.95	647.75	135.15	-	782.90	4,027.05

12. Intangible Fixed Assets									
	Gross carrying amount at beginning of reporting period	Additions during reporting period	Disposals during reporting period	Gross carrying amount at end of reporting period	Accumulated depreciation at beginning of reporting period	Depreciation for reporting period	Depreciation on disposals during reporting period	Accumulated depreciation at end of reporting period	Net carrying amount at beginning of reporting period
	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)	₹(Lacs)
Computer software									
Current Year	87.24	20.23	-	107.47	69.44	9.92	-	79.36	28.11
Previous Year	85.99	1.25	-	87.24	61.59	7.85	-	69.44	17.80
Total									
Current Year	87.24	20.23	-	107.47	69.44	9.92	-	79.36	28.11
Previous Year	85.99	1.25	-	87.24	61.59	7.85	-	69.44	17.80

Previous Year's figures are stated in Italics.

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
13. Non-current investments				
a) Investments in Equity Instruments				
i. Subsidiaries	2,109.73		2,109.73	
ii. Associates	82.92		95.00	
iii. Cooperative banks	11.64	2,204.29	11.64	2,216.37
b) Investments in debentures or bonds				
i. Subsidiaries		—		2,696.50
Total at the end of the reporting period		2,204.29		4,912.87
Additional Disclosures				
a) Investments carried at other than at cost and the basis for valuation thereof		Nil		Nil
b) Aggregate amount of quoted investments		—		—
c) Market value of quoted investments		NA		NA
d) Aggregate amount of unquoted investments		2,204.29		4,912.87
e) Aggregate provision for diminution in value of investments		Nil		Nil
14. Other non-current assets				
a) Deposits		131.98		137.80
Total at the end of the reporting period		131.98		137.80
15. Inventories				
a) Construction materials		485.33		109.48
b) Work-in-progress		128,713.18		108,724.56
c) Finished tenements		2,135.41		2,113.30
Total at the end of the reporting period		131,333.92		110,947.34
Mode of valuation: See Note 2.4				
16. Trade Receivables				
a) Receivables outstanding for less than six months				
i. Unsecured considered good		33.53		76.06
b) Receivables outstanding for a period exceeding six months				
i. Unsecured considered good		297.30		276.50
c) Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member		Nil		Nil
Total at the end of the reporting period		330.83		352.56

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
17. Cash and cash equivalents				
a) Balances with banks				
i. Earmarked balances with banks	765.69		1,214.66	
ii. Current a/c balances with bank	2,339.35		934.46	
iii. Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	732.56		82.00	
iv. Bank deposits with less than 12 months maturity	94.71		55.20	
v. Interest accrued on FD	89.12		124.79	
vi. Bank deposits with more than 12 months maturity	—	4,021.44	206.90	2,618.01
b) Cash on hand		6.70		484.94
Total at the end of the reporting period		4,028.14		3,102.95
18. Short-term loans, advances and deposits				
a) Advances to related parties				
i. Unsecured, considered good		4,648.61		5,611.95
ii. Doubtful	3,459.17			—
iii. Allowance for bad and doubtful loans and advances	(859.17)	2,600.00		—
b) Others				
i. Unsecured, considered good		2,338.47		1,024.06
Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member	7,248.61		5,611.95	
Total at the end of the reporting period		9,587.09		6,636.01
19. Other current assets				
a) Advance Tax and TDS		6,220.97		5,187.26
b) Cenvat Credit		65.74		25.94
Total at the end of the reporting period		6,286.71		5,213.20

D. S. Kulkarni Developers Ltd.

Notes to the Balance Sheet as at	31-Mar-14	31-Mar-14	31-Mar-13	31-Mar-13
	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)
20. Contingent Liabilities not provided for:				
Claims against the Company not acknowledged as debts				
1. Guarantee in respect of secured loans obtained by subsidiary		10,000.00		10,000.00
Balance of secured loans as at end of year		9,374.78		9,930.71
2. Guarantee to Government Authorities		689.64		600.00
3. Tax Matters under appeal**		1,357.87		1,121.70
4. Cases filed against the Company		600.60		638.34
Total at the end of the reporting period		12,022.88		12,290.75

** Income tax demands comprise demand from the Indian tax authorities for payment of additional tax upon completion of their tax review for the Assessment years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12. The tax demands are mainly on account of disallowance of a portion of the tax holiday claimed by the Company under the Income tax Act. The matter is pending before the Commissioner of Income tax (Appeals)/Income Tax Appellate Tribunal/High Court of Judicature at Mumbai. The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations. The Company has however deposited ₹ 903.53 lacs against these disputed tax demands.

In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

D. S. Kulkarni Developers Ltd.

Notes to the Profit and Loss Statement for the year ended	31-Mar-14 ₹(Lacs)	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)	31-Mar-13 ₹(Lacs)
21. Revenue from Operations				
Revenue from				
i. Sale of products				
Sales of Tenements	2,031.13		3,516.69	
Sale of Land & Development Rights	41.08	2,072.20	473.96	3,990.65
ii. Sale of services				
Rent		156.77		150.12
iii. Other operating revenues				
Income from subsidiaries	833.15		1,113.18	
Sale of RMC	—		154.63	
Misc Receipts (Flatholders)	3.10		—	
Other-sales	26.27	862.52	1.87	1,269.67
Total at the end of the reporting period		3,091.49		5,410.44
22. Increase/(Decrease) in inventories of finished tenements and work-in-progress				
a) Finished tenements				
Closing	2,135.41		2,113.30	
Less: Opening	(2,113.30)	22.11	(5,559.64)	(3,446.34)
b) Work-in-Progress				
Closing	128,713.18		108,724.56	
Less: Opening	(108,724.56)	19,988.61	(87,541.03)	21,183.53
Total at the end of the reporting period		20,010.72		17,737.19
23. Other income				
a) Interest on fixed deposits with banks		118.73		139.34
b) Interest on IT Refund		10.89		34.41
c) Other Interest		13.69		64.47
d) Book Profit on Sale of Mutual Fund Units		—		1.22
e) Sundry creditors A/c written back		—		21.17
f) Other Receipts		9.54		25.09
Total at the end of the reporting period		152.86		285.70
24. Land and / or Development expenses				
a) Land and Development Rights		1,384.34		4,499.55
b) Sub-Contractors' Charges (Including Material)		4,279.68		4,640.58
c) Other Development Expenses		10,322.54		8,099.24
Total at the end of the reporting period		15,986.56		17,239.37

D. S. Kulkarni Developers Ltd.

Notes to the Profit and Loss Statement for the year ended	31-Mar-14 ₹(Lacs)	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)	31-Mar-13 ₹(Lacs)
25. Office and administration expenses				
a) Professional Fees		160.58		122.38
b) Postage, Telephone and Telegram		56.09		44.62
c) Rent		184.41		166.26
d) Rates and Taxes		0.57		32.98
e) Repairs and Maintenance		62.96		58.33
f) Printing and Stationery		34.76		27.26
g) Legal Charges		10.48		9.44
h) Conveyance and foreign travel		98.09		92.55
i) Electricity Charges		38.38		47.79
j) Office Expenses		27.17		19.17
k) Subscription		4.35		5.72
l) Insurance		3.45		5.03
m) Audit Fees				
Internal Audit Fees	1.23		0.51	
Company Audit Fees	6.35		5.50	
Tax Audit Fees	1.00	8.58	1.00	7.01
n) Security Charges		0.59		-
o) Other administrative expenses		49.12		26.03
Total at the end of the reporting period		739.58		664.56
26. Employee Benefits Expense				
a) Salaries, Wages, Bonus etc.	757.20		661.23	
b) Contribution to Provident and Other Funds	46.60	803.79	46.18	707.41
c) Directors' Remuneration		302.88		269.03
d) Staff Welfare		87.21		53.96
e) Directors' Sitting Fees		3.55		2.75
f) Recruitment Charges		0.43		0.64
Total at the end of the reporting period		1,197.87		1,033.80
27. Selling expenses				
a) Advertisement		407.96		431.24
b) Sales Promotion		70.57		125.04
c) Domestic Travel Expenses		68.15		51.40
d) Foreign Travel Expenses		76.26		38.64
e) Domestic Exhibition Expenses	88.96		71.77	
f) Foreign Exhibition Expenses	5.06	94.02	3.00	74.77
g) Donations		60.01		2.51
h) Corporate Social Responsibility		0.70		-
i) Other Selling Expenses		20.90		18.07
Total at the end of the reporting period		798.57		741.67

D. S. Kulkarni Developers Ltd.

Notes to the Profit and Loss Statement for the year ended	31-Mar-14 ₹(Lacs)	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)	31-Mar-13 ₹(Lacs)
28. Finance Costs				
a) Interest on Deposits and Loans		520.80		453.64
b) Interest to Financial Institutions		155.35		249.93
c) Interest to Banks		70.21		132.11
d) Other Financial Expenses		190.38		111.61
Total at the end of the reporting period		936.74		947.30
29. Depreciation and amortization expense				
a) Depreciation expense	135.48		135.15	
b) Amortization expense	9.92	145.40	7.85	143.00
Total at the end of the reporting period		145.40		143.00
30. Other expenses				
a) (Profit)/Loss on Sale of Assets		9.80		—
Total at the end of the reporting period		9.80		—
31. Items of exceptional nature				
Foreign Exchange Difference		(15.99)		179.18
Total at the end of the reporting period		(15.99)		179.18
32. Items of extraordinary nature				
Provision for Doubtful advances-DSKDC		859.17		
Total at the end of the reporting period		859.17		
33. Earnings Per Share (EPS):				
Earnings per share is calculated in accordance with the AS 20				
Particulars				
Profit after tax (₹ lacs)		1,305		1,843
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 (₹)		5.06		7.14
34. Prior period items				
Short Provision for taxation		—		18.44
Excess provision for taxation		32.04		—
35. Related party disclosures				
A. Names of related parties and related party relationship				
1. Related parties where control exists				
Subsidiaries				
	1.	DSK Developers Corporation		
	2.	DSK Township Projects Private Ltd. (Formerly known as DSK SEZ Projects (Pune) Private Ltd.)		
	3.	DSK Southern Projects Pvt. Ltd.		

D. S. Kulkarni Developers Ltd.

2. Related party transactions	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
BALANCE SHEET ITEMS:		
1. Equity Contribution		
H D Kulkarni	489.73	489.73
D S kulkarni	540.83	451.10
S D Kulkarni	152.00	152.00
Sub-total	1,182.56	1,092.83
2. Advance /Deposits payable		
Ambiance Ventures Estates & Developments Pvt. Ltd.	658.99	605.74
D S Kulkarni & Associates	11,100.00	13,020.65
D S Kulkarni & Company	5,637.77	1,882.80
D.S. Kulkarni Constructions Pvt. Ltd.	14.43	14.43
DSK Global Education and Research Ltd.	—	6.10
DSK Township Projects Private Ltd.	145.24	145.24
Sub-total	17,556.42	15,674.95
3. Deposits payable		
D S Kulkarni & Associates	0.50	0.50
DSK Global Education and Research Ltd.	25.00	25.00
Sub-total	25.50	25.50
4. Trade payable		
DSK Motors Ltd.	16.82	9.68
DSK Motowheels Private Limited	—	20.23
Tricone Infracon Ltd.	80.20	80.20
Growrich Agroforestry Private Limited	17.31	—
Mr Shirish D. Kulkarni	7.42	—
Mrs. H. D. Kulkarni	0.64	—
Telesmell	0.08	—
Sub-total	122.48	110.11
5. Investments at the year end		
DSK Developers Corporation	509.50	509.50
DSK Global Education & Research Ltd.	82.92	95.00
DSK Southern Projects Pvt. Ltd.	1,400.23	4,096.73
DSK Township Projects Pvt. Ltd.	200.00	200.00
Sub-total	2,192.65	4,901.23
6. Advances receivable		
D S Kulkarni & Associates	90.88	—
DSK Motors Ltd.	19.78	62.69
Tricone Infracon Ltd.	469.20	466.56
DSK Worldman Projects Ltd.	28.83	12.18
Sub-total	608.69	541.43

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
7. Loans receivable		
DSK Developers Corporation	3,459.17	3,580.88
DSK Southern Projects Pvt. Ltd.	4,525.84	2,031.07
Sub-total	7,985.01	5,611.95
8. Deposits receivable		
D S Kulkarni & Company	25.00	25.00
Mr Shirish D Kulkarni	14.00	14.00
Mrs. H D Kulkarni	1.50	1.50
D S Kulkarni & Associates	25.00	25.00
Sub-total	65.50	65.50
9. Trade receivable		
DSK Global Education & Research Ltd.	157.31	34.53
DSK Motors Ltd.	3.32	3.32
D S Kulkarni & Associates	1.87	0.09
DSK Sales & Services	1.81	-
Shri Saptashrungi Oil Mills Pvt. Ltd.	-	1.09
Sub-total	164.31	39.03
10. Purchase of fixed assets		
DSK Motors Ltd.	56.52	-
Sub-total	56.52	-
11. Redemption/Sale of investments		
Mrs Hemanti D. Kulkarni	12.08	160.00
DSK Southern Projects Pvt. Ltd.	2,696.50	-
Sub-total	2,708.58	160.00
12. Guarantees given		
DSK Global Education & Research Ltd.	10,000.00	10,000.00
Sub-total	10,000.00	10,000.00
TOTAL OF BALANCE SHEET ITEMS	42,668.22	38,222.53
PROFIT/LOSS ITEMS		
1. Sale of land		
D S Kulkarni & Company	-	233.60
DSK Worldman Projects Ltd.	-	240.37
Sub-total	-	473.96
2. Sale of RMC		
DSK Global Education & Research Ltd.	-	19.13
DSK Motors Ltd.	-	0.12
Shri Saptashrungi Oil Mills Pvt. Ltd.	-	1.09
Sub-total	-	20.34

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
3. Sale Of Material		
D S Kulkarni & Associates	1.78	
Sub-total	1.78	
4. Services rendered		
DSK Sales & Services	1.85	–
Sub-total	1.85	–
5. Interest Income		
DSK Developers Corporation	230.85	191.83
DSK Southern Projects Pvt. Ltd.	602.30	921.35
Sub-total	833.15	1,113.18
6. Rent Income		
DSK Global Education & Research Ltd.	100.00	100.00
D S Kulkarni & Associates	1.35	1.35
Sub-total	101.35	101.35
7. Services availed		
D S Kulkarni & Company	–	44.13
DSK Digital Technologies Pvt. Ltd.	–	0.02
DSK Global Education & Research Ltd.	2.27	–
DSK Motors Ltd	10.02	17.18
DSK Motowheels Private Limited	–	20.64
DSK Shivajians Football Club Pvt. Ltd.	40.82	–
Telesmell	0.21	0.17
Sub-total	53.32	82.14
8. Remuneration		
Mr. Deepak S. Kulkarni	277.23	245.54
Mr. Shirish D. Kulkarni	26.44	24.59
Sub-total	303.67	270.13
9. Sitting fees		
Mr. K. K. Taparia	0.80	0.50
Mr. Kharosekar R. D.	0.45	0.25
Mr. MKP Shetty	1.05	0.95
Mr. V. C. Joshi	1.25	1.05
Sub-total	3.55	2.75

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
10. Interest expense		
Ambiance Ventures Estates & Developments Pvt. Ltd.	82.50	82.50
D S Kulkarni & Associates	1,343.88	1,356.19
D S Kulkarni & Company	504.88	171.56
DSK Motowheels Pvt. Ltd.	—	23.91
Sub-total	1,931.26	1,634.16
11. Rent expense		
D S Kulkarni & Associates	40.45	40.45
D S Kulkarni & Company	40.45	40.45
Growrich Agroforestry Private Limited	19.11	—
Mr Shirish D Kulkarni	97.75	97.75
Mrs. H. D. Kulkarni	8.33	7.61
Sub-total	206.09	186.27
TOTAL OF PROFIT/LOSS ITEMS	3,436.01	3,884.27
CASH FLOW ITEMS		
1. Advances received/recovered		
D S Kulkarni & Associates	919.86	460.97
D S Kulkarni & Company	15,842.87	14,007.77
DSK Global Education and Research Ltd.	0.18	—
DSK Developers Corporation	8.04	—
DSK Motors Ltd.	50.00	—
DSK Sales & Services	—	0.53
DSK Southern Projects Pvt. Ltd.	—	1,518.27
Tricone Infracon Ltd.	—	59.32
DSK Worldman Projects Ltd.	—	—
Growrich Agroforestry Private Limited	0.69	416.08
Shri Saptashrungi Oil Mills Pvt. Ltd.	1.09	—
Sub-total	16,822.74	16,462.94
2. Advances given/repaid		
D S Kulkarni & Associates	1,329.08	111.44
D S Kulkarni & Company	12,596.41	12,218.04
DSK Developers Corporation	132.20	466.56
DSK Global Education and Research Ltd.	38.16	71.62
DSK Motors Ltd.	27.86	25.28
DSK Motowheels Pvt. Ltd.	20.23	1,108.61
DSK Southern Projects Pvt. Ltd.	2,858.83	91.13
Tricone Infracon Ltd.	—	16.22
DSK Worldman Projects Ltd.	2.64	12.00
Growrich Agroforestry Private Limited	17.34	0.92
Sub-total	17,022.74	14,121.82
TOTAL OF CASH FLOW ITEMS	33,845.48	30,584.76
Grand Total	79,949.72	72,691.56

D. S. Kulkarni Developers Ltd.

36. Disclosure required by Clause 32 of the Listing Agreement

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

Particulars	Outstanding as at		Maximum amount outstanding during the year	
	31-Mar-14	31-Mar-13	2013-14	2012-13
	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)
A. Subsidiaries				
1. DSK Developers Corporation	3,459.17	3,580.88	3,823.84	3,580.88
2. DSK Southern Projects Pvt. Ltd.	4,525.84	2,031.06	4,647.21	2,879.22
Total	7,985.01	5,611.94	8,471.05	6,460.10

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

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

Sr.	Landlord	Premises	From	To	Rent p.a ₹ (Lacs)
1.	D S Kulkarni & Associates	Pune J M Rd. Office	1-Apr-11	31-Mar-14	36.00
2.	D S Kulkarni & Company	Pune J M Rd. Office	1-Apr-11	31-Mar-14	36.00
3.	Mrs. H. D. Kulkarni	Pune J M Rd. Office	31-Aug-12	1-Sep-15	7.41
4.	Shirish D. Kulkarni	Mumbai Office	1-Apr-11	31-Mar-14	87.00
5.	Growrich Agroforestry Private Limited	Gandharva Heights	1-Apr-13	31-Mar-15	18.00
Total					184.41

38. Disclosure for assets given on lease as per AS 19:

- i. The Company has given its land on operating lease to its erstwhile subsidiary, DSK Global Education & Research Pvt. Ltd. for a period of 99 years w.e.f 1st July, 2008

Particulars of asset	Gross Block as at 31-03-2014	Net block as at 31-03-2014	Gross Block as at 31-03-2013	Net block as at 31-3-2013
Land (₹ Lacs)	2,592.03	2,592	2,592.03	2,592.03

Future minimum lease payments receivable in respect of non-cancellable leases	2013-14 ₹ Lacs	2012-13 ₹ Lacs
Due within one year from the Balance Sheet date	89.00	89.00
Due in the period between one year and five years	356.00	356.00
Due after five years	8,388.25	8,544.00
Total	8,833.25	8,989.00

- ii. The Company has given its land (Bavdhan) on operating lease to Nikhil Kulkarni and Company for a period of 02 years w.e.f 1st October, 2012

Particulars of asset	Gross Block as at 31-03-2014	Net block as at 31-3-2014	Gross Block as at 31-03-2013	Net block as at 31-3-2013
Land (₹ Lacs)	2.88	2.88	2.88	2.88

D. S. Kulkarni Developers Ltd.

Future minimum lease payments receivable in respect of non-cancellable leases	2013-14 ₹ Lacs	2012-13 ₹ Lacs
Due within one year from the Balance Sheet date	3.00	6.00
Due in the period between one year and five years	—	3.00
Due after five years	—	—
Total	3.00	9.00

- iii. The Company has given its land & Plant Machinery on operating lease to Mr. Nikhil Kulkarni for a period of 02 years w.e.f. 1st October, 2012

Particulars of asset	Gross Block as at 31-03-2014 ₹ Lacs	Net block as at 31-03-2014 ₹ Lacs	Gross Block as at 31-03-2013 ₹ Lacs	Net block as at 31-3-2013 ₹ Lacs
i. Plant and Machinery	392.20	322.88	392.20	343.15

Future minimum lease payments receivable in respect of cancellable leases	2013-14 ₹ Lacs	2012-13 ₹ Lacs
Due within one year from the Balance Sheet date	27.00	54.00
Due in the period between one year and five years	—	—
Due after five years	—	27.00
Total	27.00	81.00

- iv. The Company has sub-leased part of its leased Mumbai Office as follows:

Sr.	Sub-lessee	Premises	From	To	Rent p.a. ₹ (Lacs)
1.	D S Kulkarni & Associates	Mumbai Office (Part)	1-Apr-13	31-Mar-14	1.20

- v. The Company has given its land (Fursungi) on operating lease to Nikhil Kulkarni and Company for a period of 1 year w.e.f. 1st April, 2013

Sr.	Lessee	Premises	From	To	Rent p.a. ₹ (Lacs)
1.	Nikhil Kulkarni & Company	Fursungi	1-Apr-13	31-Mar-14	6.00

Particulars of asset	Gross Block as at 31-03-2014	Net block as at 31-3-2014	Gross Block as at 31-03-2013	Net block as at 31-3-2013
Land (₹ Lacs)	130.00	130.00	—	—

- vi. The Company has leased its Vehicle (MH 12 FU 1047) as follows:

Sr.	Lessee	Vehicle No	Rent p.a. ₹ (Lacs)
1.	Alex Madinier	MF 12 FU 1047	0.57

The Company has not so far entered into any financial lease.

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹(Lacs)	31-Mar-13 ₹(Lacs)
39. Additional Information				
A. Value of imports calculated on C.I.F basis by the company during the financial year in respect of –				
a) Construction materials		20.93		–
B. Expenditure in foreign currency during the financial year on account of				
a) Foreign Travel	17.20		5.73	
b) Exhibitions	2.25		–	
c) Professional and consultation fees	689.75	709.20	77.10	82.83
C. Earnings in foreign exchange				
a) Interest from subsidiary	230.85	230.85	191.83	191.83

40. Disclosures of LIC Group Gratuity Scheme under AS 15:

	2013-14	2012-13
A. Policy No.	709000831	634720
B. Membership Data		
a) Number of members	376	363
b) Average age	35.16	34.27
c) Average monthly salary	0.26	0.23
d) Average past service	4.33	3.99
C. Valuation method	Projected unit credit method	Projected unit credit method
D. Actuarial assumptions		
a) Mortality rate	LIC (1994-96) ultimate	LIC (1994-96) ultimate
b) Withdrawal rate	1% to 3% depending on age	1% to 3% depending on age
c) Discount rate	8% p.a.	8% p.a.
d) Salary escalation	4%	5%
E. Results of valuation		
a) PV of past service benefit	122.38	109.31
b) Current service cost	20.37	20.10
c) Total service gratuity	1,045.57	878.70
d) Accrued gratuity	204.77	161.89
e) LCSA	840.80	716.82
f) LC premium	1.72	1.93
g) Service tax	0.21	0.24
F. Recommended contribution rate		
a) Full value as on renewal date	47.41	49.65
b) Additional contribution for existing fund	74.97	59.66
c) Current service cost	20.37	20.10
G. Total amount payable	97.28	81.96
H. Details of fund balance		
a) Opening balance	49.65	60.48
b) Amount credited towards fund	0.80	1.13
c) Amount paid as claims from fund	(7.05)	(16.33)
d) Interest credited for the year	3.95	4.37
e) Closing balance	47.35	49.65

D. S. Kulkarni Developers Ltd.

41. 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. No	Particulars	2013-14 ₹ Lacs	2012-13 ₹ Lacs
(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	Nil	Nil
(ii)	The interest due on the principal amount remaining unpaid to any such supplier as at the end of the accounting year	Nil	Nil
(iii)	The amounts of payments made to such supplier beyond the appointed day during the accounting year	Nil	Nil
(iv)	The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, during the accounting year	Nil	Nil
(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	Nil	Nil
(vi)	The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(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	Nil	Nil

42. Investments in subsidiaries: In the opinion of the management, no loss is expected to arise in respect of investments in subsidiaries for which an additional provision is required.

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

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande,

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.
Balance Sheet as at 31st March, 2014
Statement of Borrowings

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ Lacs	Current maturity of the debts ₹ Lacs	Interest accrued but not due on borrowings ₹ Lacs	Total Amount ₹ Lacs	Ref
1. Long-term borrowings					
a) Secured					
Term loans					
1) From banks					
i. Project term loans					
1. ICICI Bank Ltd	633.12	3,335.00	34.63	4,002.76	1
<i>FY 2012-13</i>	<i>3,943.90</i>	<i>831.00</i>	<i>49.92</i>	<i>4,824.82</i>	
2. Bank Of Maharashtra	3,765.79	4,875.00	109.97	8,750.76	2
<i>FY 2012-13</i>	<i>3,813.00</i>	<i>3,300.00</i>	<i>78.04</i>	<i>7,191.04</i>	
3. ICICI HFC LOAN	6,000.00	—	45.68	6,045.68	3
<i>FY 2012-13</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	
Total Project Term Loans	10,398.91	8,210.00	190.28	18,799.19	
<i>Total FY 2012-13</i>	<i>7,756.90</i>	<i>4,131.00</i>	<i>127.96</i>	<i>12,015.86</i>	
2) From Financial Institutions					
ii. Equipment Term Loans					
1. Srei Equipment Finance Pvt. Ltd.	1,887.88	1,636.81	—	3,524.69	4
<i>FY 2012-13</i>	<i>3,513.58</i>	<i>2,258.23</i>	<i>—</i>	<i>5,771.81</i>	
2. Reliance Capital Ltd.	49.24	270.04	—	319.28	5
<i>FY 2012-13</i>	<i>59.48</i>	<i>199.10</i>	<i>—</i>	<i>258.57</i>	
Total Equipment Term Loans	1,937.12	1,906.86	—	3,843.97	
<i>FY 2012-13</i>	<i>3,573.05</i>	<i>2,457.33</i>	<i>—</i>	<i>6,030.38</i>	
iii. Corporate Term Loans					
1. Sangli Urban Cooperative Bank Ltd.	332.11	61.83	4.90	398.84	6
<i>FY 2012-13</i>	<i>393.16</i>	<i>52.77</i>	<i>5.54</i>	<i>451.47</i>	
2. Kotak Mahindra Bank Ltd. Loan	1,926.95	410.05	(0.01)	2,336.99	7
<i>FY 2012-13</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	
3. Tata Capital Hsg. Fin. Ltd.	1,444.97	55.03	—	1,500.00	8
<i>FY 2012-13</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	
Total Corporate Term Loans	3,704.02	526.92	4.89	4,235.83	
<i>FY 2012-13</i>	<i>393.16</i>	<i>52.77</i>	<i>5.54</i>	<i>451.47</i>	

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ Lacs	Current maturity of the debts ₹ Lacs	Interest accrued but not due on borrowings ₹ Lacs	Total Amount ₹ Lacs	Ref
iv. Vehicle Term Loans					
1. Kotak Mahindra Prime. Ltd. <i>FY 2012-13</i>	— —	— 1.83	— —	— 1.83	9
2. Tata Capital Ltd. <i>FY 2012-13</i>	— 7.85	7.85 26.00	— —	7.85 33.85	10
3. Toyota Financial Services <i>FY 2012-13</i>	18.70 —	11.84 —	— —	30.54 —	11
Total Vehicle Term Loans	18.70	19.68	—	38.39	
<i>FY 2012-13</i>	<i>7.85</i>	<i>27.83</i>	<i>—</i>	<i>35.68</i>	
v. Term Loans secured by pledge of promoters' shares					
1. SKS Fincap Pvt. Ltd. <i>FY 2012-13</i>	— —	200.00 200.00	— —	200.00 200.00	12
2. Napean Finvest Pvt. Ltd. <i>FY 2012-13</i>	— —	— 500.00	— —	— 500.00	13
3. Streamline Shipping Co. Pvt. Ltd. <i>FY 2012-13</i>	— —	50.00 50.00	— —	50.00 50.00	14
4. Hemlines Textiles Exports Pvt. Ltd. <i>FY 2012-13</i>	— —	— 100.00	— —	— 100.00	15
5. Gateway Leasing Pvt. Ltd. <i>FY 2012-13</i>	— —	— 104.11	— —	— 104.11	16
6. Wazir Financial Services Pvt. Ltd. <i>FY 2012-13</i>	— —	— 100.00	— —	— 100.00	17
7. Almighty Trade & Investment Pvt. Ltd. <i>FY 2012-13</i>	— —	— 50.00	— —	— 50.00	18
8. Dhruv Financial Services Pvt. Ltd. <i>FY 2012-13</i>	— —	— 25.00	— —	— 25.00	19
9. Sethi Developers Ltd. <i>FY 2012-13</i>	— —	— 25.00	— —	— 25.00	20
Total Term Loans secured by pledge of promoters' shares	—	250.00	—	250.00	
<i>Total FY 2012-13</i>	<i>—</i>	<i>1,154.11</i>	<i>—</i>	<i>1,154.11</i>	
Total Long-term Secured Loans	16,058.75	10,913.46	195.17	27,167.38	
<i>Total FY 2012-13</i>	<i>11,730.96</i>	<i>7,823.03</i>	<i>133.50</i>	<i>19,687.49</i>	

References:

1. The primary security for ICICI Bank project loan is registered mortgage of specified present and future immovable properties. The collateral security is registered mortgage of specified present immovable properties and a charge on the receivables of specified projects. In addition, the project loan is secured by the personal guarantee of Mr. D.S. Kulkarni & Mr. Shirish D. Kulkarni.
2. The primary security for the Bank of Maharashtra project loan is equitable mortgage of specified present and future immovable properties and hypothecation of project receivables. In addition, the project loan is secured by the personal guarantee of Mr. D.S. Kulkarni & Mrs. H.D. Kulkarni
3. The primary security for the ICICI HFC Ltd. project loan is registered mortgage of specified present and future immovable properties and hypothecation of project receivables. In addition, the project loan is secured by the personal guarantee of Mr. D.S. Kulkarni, Mr. S.D. Kulkarni & Mrs. H.D. Kulkarni
4. The primary security for the several equipment term loans from Srei Equipment Finance Pvt. Ltd. is hypothecation of various construction equipments. The collateral security is registered mortgage of various immovable properties. In addition, these loans are secured by the personal guarantee of Mr. D.S. Kulkarni & Mr. S. D. Kulkarni.
5. The primary security for the several equipment term loans from Reliance Capital Ltd. is hypothecation of various construction equipments. In addition, these loans are secured by the personal guarantee of Mr. D.S. Kulkarni.
6. There is no primary security for the corporate loan from Sangli Urban Cooperative Bank Ltd. The collateral security is registered mortgage of specified present immovable properties. In addition, this loan is secured by the corporate guarantee of Growrich Agro Forestry Pvt. Ltd. & Chandradeep Promoters & Developers Pvt. Ltd.
7. The primary security for the corporate loan from Kotak Mahindra Bank Ltd. is a charge on receivables of specified projects. The collateral security is registered mortgage of specified present immovable properties. In addition, this loan is secured by the personal guarantee of Mr. D.S. Kulkarni, Mr. S. D. Kulkarni and Mrs. H.D. Kulkarni
8. The primary security for the corporate loan from Tata Capital Housing Finance Ltd. is registered mortgage of specified immovable assets and a charge on receivables of specified projects. In addition, the co-applicants for this loan are M/s. D S Kulkarni & Co., DSK Worldman Projects Ltd., Mr. D.S. Kulkarni, Mrs. V. J. Mudgal and Mrs. H.D. Kulkarni
9. The vehicle term loan from Kotak Mahindra Prime Ltd. is secured by hypothecation of specific vehicles.
10. The vehicle term loan from Tata Capital Ltd. is secured by hypothecation of specific vehicles.
11. The vehicle term loan from Toyota Financial Service is secured by hypothecation of specific vehicles.
12. The loan from SKS Fincap Pvt. Ltd. is secured by pledge of 10,00,000 (P. Y. 6,20,000) Equity shares of the Company held by the Company's promoters.
13. The loan from Napean Finvest Pvt. Ltd. is secured by pledge of Nil (P. Y. 17,75,000) Equity shares of the Company held by the Company's promoters.
14. The loan from Streamline Shipping Co. Pvt. Ltd. is secured by pledge of 2,20,000 (P. Y. 2,00,000) Equity shares of the Company held by the Company's promoters.
15. The loan from Hemlines Textiles Exports Pvt. Ltd. is secured by pledge of Nil (P. Y. 3,10,000) Equity shares of the Company held by the Company's promoters.
16. The loan from Gateway Leasing Pvt. Ltd. is secured by pledge of Nil (P. Y.4,00,000) Equity shares of the Company held by the Company's promoters.
17. The loan from Wazir Fianancial Services Pvt. Ltd. is secured by pledge of Nil (P. Y.3,57,200) Equity shares of the Company held by the Company's promoters.
18. The loan from Almighty Trade & Investment Pvt. Ltd. is secured by pledge of Nil (P. Y.1,52,000) Equity shares of the Company held by the Company's promoters.
19. The loan from Dhruv Financial Services Pvt. Ltd. is secured by pledge of Nil (P. Y.80,000) Equity shares of the Company held by the Company's promoters.
20. The loan from Sethi Developers Ltd. is secured by pledge of Nil (P. Y. 80,000) Equity shares of the Company held by the Company's promoters.

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt	Current maturity of the debts	Interest accrued but not due on borrowings	Total Amount	Ref
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	
b) Unsecured					
i. Deposits					
Public	8,805.82	8,338.67	1,123.93	18,268.42	
<i>FY 2012-13</i>	<i>10,797.76</i>	<i>4,764.06</i>	<i>309.96</i>	<i>15,871.78</i>	
ii. Inter corporate deposits					
1. Ambiance Ventures Estate & Dev Pvt. Ltd.	—	550.00	108.99	658.99	
FY 2012-13	—	550.00	55.74	605.74	
2. Chemo Pharma Laboratories Ltd.	—	—	—	—	
<i>FY 2012-13</i>	—	<i>35.00</i>	—	<i>35.00</i>	
3. Kaveri Impex Pvt. Ltd.	—	100.00	—	100.00	
<i>FY 2012-13</i>	—	<i>75.00</i>	—	<i>75.00</i>	
4. Seksaria Industries Pvt. Ltd.	—	279.00	—	279.00	
<i>FY 2012-13</i>	—	<i>278.40</i>	—	<i>278.40</i>	
5. Seksaria Trading Co. Pvt. Ltd.	—	8.00	—	8.00	
<i>FY 2012-13</i>	—	<i>5.00</i>	—	<i>5.00</i>	
6. Shri Krishna Rice & Oil Mills Pvt. Ltd.	—	14.00	—	14.00	
<i>FY 2012-13</i>	—	<i>12.00</i>	—	<i>12.00</i>	
7. Vastushilp Promoters & Developers Pvt. Ltd.	—	—	—	—	
<i>FY 2012-13</i>	—	<i>1,000.00</i>	<i>36.62</i>	<i>1,036.62</i>	
8. Sundesha Properties Pvt. Ltd.	—	6.00	—	6.00	
<i>FY 2012-13</i>	—	<i>168.25</i>	—	<i>168.25</i>	
9. Sita Enterprises Ltd.	—	2.00	—	2.00	
<i>FY 2012-13</i>	—	<i>24.00</i>	—	<i>24.00</i>	
10. Rajgarhia Leasing & Financial Services Pvt. Ltd.	—	—	—	—	
<i>FY 2012-13</i>	—	<i>168.00</i>	—	<i>168.00</i>	
11. Pallav Marketing Pvt. Ltd.	—	—	—	—	
<i>FY 2012-13</i>	—	<i>1.00</i>	—	<i>1.00</i>	
12. N. Vensimal Securites Ltd.	—	7.50	—	7.50	
<i>FY 2012-13</i>	—	<i>12.00</i>	—	<i>12.00</i>	
13. N. Vensimal Finlease Pvt. Ltd.	—	4.50	—	4.50	
<i>FY 2012-13</i>	—	<i>4.50</i>	—	<i>4.50</i>	
14. Iresco Electricals Pvt. Ltd.	—	81.40	—	81.40	
<i>FY 2012-13</i>	—	<i>64.50</i>	—	<i>64.50</i>	
15. Goyal Housing & Finance Ltd.	—	23.70	—	23.70	
<i>FY 2012-13</i>	—	<i>5.00</i>	—	<i>5.00</i>	
16. Gini Tex Pvt. Ltd.	—	79.00	—	79.00	
<i>FY 2012-13</i>	—	<i>70.00</i>	—	<i>70.00</i>	
17. Gini Silk Milks Ltd.	—	129.00	—	129.00	
<i>FY 2012-13</i>	—	<i>43.00</i>	—	<i>43.00</i>	
18. Coatings & Coatings Pvt. Ltd.	—	33.60	—	33.60	
<i>FY 2012-13</i>	—	<i>112.50</i>	—	<i>112.50</i>	

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt	Current maturity of the debts	Interest accrued but not due on borrowings	Total Amount	Ref
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	
19. Bazari Exim Pvt. Ltd.	—	7.00	—	7.00	
<i>FY 2012-13</i>	—	<i>33.00</i>	—	<i>33.00</i>	
20. Asiatic Gases Limited	—	148.12	—	148.12	
<i>FY 2012-13</i>	—	<i>128.05</i>	—	<i>128.05</i>	
21. Bombay Mercantile & Leasing Co. Ltd.	—	75.50	—	75.50	
<i>FY 2012-13</i>	—	—	—	—	
24. Basant Stocktrade Pvt. Ltd.	—	2.00	—	2.00	
<i>FY 2012-13</i>	—	—	—	—	
26. Networth Portfolio and Finance Pvt. Ltd.	—	16.00	—	16.00	
<i>FY 2012-13</i>	—	—	—	—	
27. T. M. Printers Pvt. Ltd.	—	7.00	—	7.00	
<i>FY 2012-13</i>	—	—	—	—	
28. Yashika Holdings Pvt. Ltd.	—	6.00	—	6.00	
<i>FY 2012-13</i>	—	—	—	—	
29. N.K. Investment Pvt. Ltd.	—	48.96	—	48.96	
<i>FY 2012-13</i>	—	—	—	—	
30. Sita Equity Pvt. Ltd.	—	12.20	—	12.20	
<i>FY 2012-13</i>	—	—	—	—	
31. Sita Offers & Bourse Expertise Ltd.	—	49.50	—	49.50	
<i>FY 2012-13</i>	—	—	—	—	
32. Sunako Chemo Ind. Pvt. Ltd.	—	60.00	—	60.00	
<i>FY 2012-13</i>	—	—	—	—	
33. Sunako Trading & Investments Pvt. Ltd.	—	50.00	—	50.00	
<i>FY 2012-13</i>	—	—	—	—	
34. Filmcity Finance Pvt. Ltd.	—	40.00	—	40.00	
<i>FY 2012-13</i>	—	—	—	—	
35. Sunshield Finvest Pvt. Ltd.	—	6.00	—	6.00	
<i>FY 2012-13</i>	—	—	—	—	
36. Showman Pvt. Ltd.	—	6.00	—	6.00	
<i>FY 2012-13</i>	—	—	—	—	
37. Tecil Chemicals and Hydro Power Ltd.	—	119.00	—	119.00	
<i>FY 2012-13</i>	—	—	—	—	
38. Vibrant Global Capital Ltd.	—	125.00	—	125.00	
<i>FY 2012-13</i>	—	—	—	—	
39. Vibrant Global Trading Pvt. Ltd.	—	91.00	—	91.00	
<i>FY 2012-13</i>	—	—	—	—	
Total	—	2,186.98	108.99	2,295.97	
<i>Total</i>	—	<i>2,789.20</i>	<i>92.35</i>	<i>2,881.55</i>	
Total Long-term Unsecured Liabilities	8,805.82	10,525.65	1,232.92	20,564.39	
<i>Total FY 2012-13</i>	<i>10,797.76</i>	<i>7,553.26</i>	<i>402.32</i>	<i>18,753.34</i>	

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ Lacs	Current maturity of the debts ₹ Lacs	Interest accrued but not due on borrowings ₹ Lacs	Total Amount ₹ Lacs	Ref
2. Short term borrowings					
a) Secured					
1. Loans repayable on demand					
i. From banks					
1. Bank of Maharashtra Cash Credit <i>FY 2012-13</i>	—	1,245.75 <i>1,124.21</i>	26.89 <i>19.86</i>	1,272.64 <i>1,144.07</i>	21
2. The Kalyan Janata Sahakari Bank Ltd. <i>FY 2012-13</i>	—	358.05 <i>459.21</i>	4.77 <i>5.78</i>	362.82 <i>464.99</i>	22
3. Central Bank of India Demand Loan <i>FY 2012-13</i>	—	— <i>425.00</i>	— <i>3.62</i>	— <i>428.62</i>	23
4. Bank of Maharashtra - FDOD <i>FY 2012-13</i>	—	275.00 <i>271.80</i>	2.29 <i>2.43</i>	277.29 <i>274.23</i>	24
5. Central Bank of India FDOD <i>FY 2012-13</i>	—	—	—	—	25
6. Syndicate Bank <i>FY 2012-13</i>	—	342.00 <i>360.00</i>	9.37 <i>8.96</i>	351.37 <i>368.96</i>	26
Total Short-term Secured Loans	—	2,220.80	43.32	2,264.12	
<i>Total FY 2012-13</i>	—	<i>2,640.22</i>	<i>40.66</i>	<i>2,680.88</i>	

21. The primary security for the Bank of Maharashtra cash credit limit is hypothecation of stock and debtors of encumbrance free projects. The collateral security is by way of equitable mortgage of specified present immovable properties. In addition, this cash credit limit is secured by the personal guarantee of Mr. D.S. Kulkarni & Mrs. H. D. Kulkarni.
22. There is no primary security for the cash credit limit from Kalyan Janata Sahakari Bank Ltd. The collateral security is registered mortgage of certain immovable properties. In addition, this cash credit limit is secured by the personal guarantee of 1) Mr. D.S. Kulkarni & 2) Mrs. H.D. Kulkarni & Corporate Guarantee of M/s. Shri Saptashrungi Oil Mills Pvt. Ltd.
23. The demand loan from Central Bank of India is secured by pledge of term deposit receipts.
24. The overdraft from Bank of Maharashtra is secured by pledge of term deposit receipts.
25. The overdraft from Central Bank of India is secured by pledge of term deposit receipts.
26. The overdraft from Syndicate Bank is secured by pledge of term deposit receipts.

Balance Sheet

Statement of Investments as at			Balance Sheet			31-Mar-13		31-Mar-13	
Sr. Body corporate			Face Value per share ₹ (Lacs)	No of Shares ₹ (Lacs)	Carrying Value ₹ (Lacs)	Face Value per share ₹ (Lacs)	No of Shares ₹ (Lacs)	Carrying Value ₹ (Lacs)	
Non-current investments									
Unquoted									
1. Investments in Equity Instruments									
i. Subsidiaries									
a) DSK Developers Corporation USA			NA	1,000,000	509.50	NA	1,000,000	509.50	
b) DSK Township Projects Private Ltd (Formerly known as DSK SEZ Projects (Pune) Private Ltd.)			10	2,000,000	200.00	10	2,000,000	200.00	
c) DSK Southern Projects Pvt. Ltd.			10	50,000	1,000.17	10	50,000	1,000.17	
1A Investments in Class A Equity Instruments				-			-		
DSK Southern Projects Pvt. Ltd.			10	10,000	399.07	10	10,000	399.07	
1B Investments in Class B Equity Instruments				-			-		
i. Subsidiaries				-			-		
DSK Southern Projects Pvt. Ltd.			10	10,000	1.00	10	10,000	1.00	
Total					2,109.73			2,109.73	
2. Investments in debentures or bonds									
i. Subsidiaries									
DSK Southern Projects Pvt. Ltd.				-	-	100	2,696,500	2,696.50	
Total					-			2,696.50	
3. Other non-current investments:									
Shares in Cooperative banks									
i. Shree Sadguru Jangli Maharaj Sahakari Bank Ltd.			50	1,000	0.50	50	1,000	0.50	
ii. Janata Sahakari Bank Ltd.			100	10	0.01	100	10	0.01	
iii. Mahalaxmi Co-op. Bank Ltd.			50	10	0.01	50	10	0.01	
iv. Greater Bombay Co-op. Bank Ltd.			25	4,080	1.02	25	4,080	1.02	
v. Kalyan Janata Sahakari Bank Ltd.			25	20,000	5.00	25	20,000	5.00	
vi. Pune Sahakari Bank Ltd.			100	100	0.10	100	100	0.10	
vii. Sangli Urban Co-Op. Bank Ltd.			10	50,000	5.00	10	50,000	5.00	
Total					11.64			11.64	
4. Equity Investments in Other Companies									
i. DSK Global Education and Research Ltd.			10	829,205	82.92	10	950,000	95.00	
Total					82.92			95.00	

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, 2014 is disclosed as below:

1	Name of the Subsidiary	DSK Developers Corporation	DSK Woods LLC	DSK Township Projects Pvt. Ltd.	DSK Southern Projects P. Ltd.
2	Financial year of the subsidiary ended on	31st March, 2014	31st March, 2014	31st March, 2014	31st March, 2014
3	Date from which it became subsidiary	16-May-06	3-Jan-07	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	20,00,000	70,000
4	Extent of Holding	100%	100%	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 (₹ Lacs)				
	i) For the financial year of the subsidiary	(231.26)	(1.36)	(0.30)	(358.39)
	ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary	(745.54)	(1,505.82)	(29.17)	(864.15)
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
	ii) For the previous financial years of the subsidiary since it became the Holding Company's subsidiary	Nil	Nil	Nil	Nil
7	Disclosure of information specified in condition (iv) of the aforesaid notification:				
	i) Paid-up capital	403.68	1,974.45	200.00	7.00
	ii) Reserves (Loss)	(976.80)	(1,507.18)	(29.47)	(1,222.54)
	iii) Total Assets	3,476.50	2,579.06	170.70	3,841.13
	iv) Total Liabilities	4,049.62	2,111.79	0.17	5,056.66
	v) Investments	1,974.45	-	-	-
	vi) Turnover	-	-	-	605.09
	vii) Profit/(Loss) before taxation	(231.26)	(1.36)	(0.43)	(358.39)
	viii) Provision for taxation	-	-	0.13	-
	ix) Profit after Tax	(231.26)	(1.36)	(0.30)	(358.39)
	x) Proposed Dividend	-	-	-	-

Independent Auditors' Report to the Board of Directors on the Consolidated Financial Statements of D.S. Kulkarni Developers Limited

Report on the Financial Statements

We have audited the attached consolidated financial statements of D.S. Kulkarni Developers Limited ("the Company") and its three (P.Y. three) Subsidiaries and one (P.Y. one) step-down Subsidiary. The Company and its Subsidiaries constitute "the Group" which comprises the

- a) Consolidated Balance Sheet as at the 31st March, 2014.
- b) Consolidated Statement of Profit and Loss for the year ended on that date.
- c) Consolidated Cash Flow Statement for the year ended on that date.

Management Responsibility for the financial statements

The Management of the Group is responsible for -

- a) the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Group in accordance with the accounting principles generally accepted in India, including accounting standards referred to in Section 211(3C) of the Companies Act, 1956. (the "Act") and are free from material misstatement, whether due to fraud or error.
- b) the design, maintenance of the internal control relevant to the preparation and presentation of these financial statements.

Auditors' Responsibility

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Auditing & Assurance Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes

- a) performing procedures and examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.
- b) evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

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

Subject to our remarks in above:

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

Opinion

In our opinion, to the best of our information, 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, the Consolidated Financial Statements, read with the notes thereon, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at the **31st March, 2014**.
- b) In the case of the Consolidated Statement of Profit and Loss, of the **profit** of the Group for the year ended on that date.
- 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

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet as at	Note No.	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds					
a) Share capital	3	2,580.10		2,580.10	
b) Reserves and surplus	4	43,179.26	45,759.36	41,950.00	44,530.10
2. Non-current liabilities					
a) Long-term borrowings	5	25,898.16		22,930.02	
b) Deferred tax liabilities (Net)	6	112.52		105.43	
c) Other long-term liabilities	7	25.60	26,036.28	25.60	2,3061.04
3. Current liabilities					
a) Short-term borrowings	8	2,264.12		2,680.88	
b) Trade payables		1,556.78		1,617.87	
c) Other current liabilities	9	73,302.91		54,063.68	
d) Short-term provisions	10	6,928.78	84,052.59	5,878.91	64,241.32
TOTAL			155,848.23		131,832.47
II. ASSETS					
1. Non-current assets					
a) Fixed Assets		—		—	
i. Tangible assets	11	4,018.99		4,027.17	
ii. Intangible assets	12	28.11		17.80	
iii. Intangible assets under development		29.94	4,077.04	29.94	4,074.91
b) Non-current investments	13		94.56		106.64
c) Other non-current assets	14		131.98		197.78
2. Current assets					
a) Inventories	15	137,318.26		116,505.09	
b) Trade receivables	16	1,072.84		1,289.19	
c) Cash and cash equivalents	17	4,035.35		3,130.44	
d) Short-term loans and advances	18	2,789.21		1,272.95	
e) Other current assets	19	6,328.98	151,544.64	5,255.47	127,453.14
TOTAL			155,848.23		131,832.47
Contingent liabilities and commitments (to the extent not provided for)	20		12,022.88		12,290.75
Corporate Information & Statement of Accounting Policies	1-2				

The accompanying notes are an integral part of these financial statements.

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

CONSOLIDATED PROFIT AND LOSS STATEMENT

Consolidated Profit & Loss Statement for the year ended		Note No.	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
I.	Revenue from operations	21		2,901.68		7,498.70
II.	Increase/(Decrease) in inventories of Finished Tenements and Work-in-Progress	22		20,437.32		16,387.97
III.	Other income	23		153.01		338.33
	Total			23,492.01		24,224.99
IV.	Expenses:					
	Land and / or Development expenses	24		16,723.45		18,232.40
	Office and administration expenses	25		761.23		698.06
	Employee benefits expense	26		1,197.87		1,033.80
	Selling expenses	27		798.57		939.81
	Finance expenses	28		1,006.53		952.45
	Depreciation and amortization expense	29		145.46		143.06
	Other Expenses	30		9.80		—
	Total			20,642.90		21,999.58
V.	Profit before exceptional and extraordinary items and tax			2,849.12		2,225.41
VI.	Exceptional Items	31		(15.99)		179.18
VII.	Profit before extraordinary items and tax			2,833.13		2,404.60
VIII.	Extraordinary items			—		—
IX.	Profit before tax			2,833.13		2,404.60
X.	Tax expense					
	1. Current tax		(1,253.60)		(977.70)	
	2. Deferred tax		(7.09)	(1,260.69)	(23.10)	(1,000.80)
XI.	Profit/(Loss) for the period from continuing operations			1,572.44		1403.79
XII.	Add: Minority share of loss					
XIII.	Profit after minority interest			1,572.44		1,403.79
XIV.	Profit/(Loss) from discontinuing operations (after tax)			—		
XV.	Profit/(Loss) for the period			1,572.44		1,403.79
XVI.	Earnings per equity share	32		6.09		5.44
	Corporate Information & Statement of Accounting Policies	1-2				

The accompanying notes are an integral part of these financial statements.

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flow Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
A) Cash Flow from Operating Activities				
Net Profit before Tax & Extraordinary Items		2,833.13		2,404.60
Adjustments for				
Depreciation	145.46		143.06	
Loss/(Profit) on Sale of Assets	9.80			
Prior Years' Adjustments	28.69		(19.04)	
Interest Expenditure	1,006.53		952.45	
Interest and Dividend Received	(132.42)	1,058.05	(239.85)	836.61
Operating Profit before Working Capital Changes		3,891.17		3,241.21
Adjustments for				
(Increase)/Decrease in Inventories	(20,813.17)		(16,410.30)	
Increase/(Decrease) in Short-term Borrowings	(416.76)		(8,787.65)	
Increase/(Decrease) in Other Current Liabilities	19,239.23		13,665.12	
Increase/(Decrease) in short-term provisions	(203.72)		-	
Increase/(Decrease) in Trade Payables	(61.09)		(823.64)	
(Increase)/Decrease in Receivables	216.35		498.28	
(Increase)/Decrease in Other Current assets	(39.80)		(25.94)	
(Increase)/Decrease in short-term Loans and Advances	(1,516.26)	(3,595.21)	1,253.82	(10,630.31)
Cash generated from Operations		295.96		(7,389.10)
Income Tax Paid		(1,033.71)		(737.51)
Net Cash from Operating Activities (A)		(737.75)		(8,126.61)
B) Cash Flow from Investing Activities				
Purchase of Fixed Assets	(168.14)		(52.33)	
Disposal of Fixed Assets	10.76		20,296.61	
Interest and Dividend Received	132.42		239.85	
Decrease/(Increase) in Investments	12.08		(95.00)	
Net Cash used in Investing Activities (B)		(12.88)		20,389.14

CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flow Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
C) Cash Flow from Financing Activities				
Decrease/(Increase) in long term loans and advances	–		39.49	
Decrease/(Increase) in Other Non-Current Asset	65.80		(24.27)	
Foreign currency translation reserve	(70.02)		(260.89)	
Share in DSKGER loss	–		3,046.24	
Minority interest	–		2,681.78	
Interest Paid	(1,006.53)		(952.45)	
Dividend Paid	(258.01)		(258.01)	
Dividend Tax Paid	(43.85)		(41.85)	
Increase/(Decrease) in Secured Loans	2,968.15		(15,057.46)	
Increase/(Decrease) in Other Long-term Liabilities	–		25.00	
Increase/(Decrease) in Unsecured Loans				
Net Cash used in Financing Activities (C)		1,655.54		(10,802.42)
Net increase/decrease in cash and cash equivalents (A + B + C)		904.92		1,460.10
Cash and Cash Equivalent as at beginning of the year		3,130.46		1,670.35
Cash and Cash Equivalent as at end of the year		4,035.37		3,130.46

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

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.

Notes to Consolidated Financial Statements for the year ended 31-Mar-14

1. Corporate Information:

These Consolidated Financial Statements relate to D.S. Kulkarni Developers Limited, a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 ("the Company") and its Subsidiaries. The Company and its Subsidiaries constitute "the Group". The subsidiary's name, country of incorporation, activity and degree of holding company's control are as follows:

Name of Subsidiary	Country of Incorporation	Activity	Holding %
Direct Subsidiaries			
(i) DSK Developers Corporation	USA	Real estate development	100%
(ii) DSK Township Projects (Pune) Private Ltd.	India	Real estate development	100%
(iii) DSK Southern Projects Pvt. Ltd.	India	Real estate development	100%
Step down subsidiaries			
(i) DSK Woods LLC	USA	Real estate development	100%

2. Basis of Consolidation:

a) The Consolidated Financial Statements have been prepared on the following basis:

- (i) The financial statements of the Company and its Subsidiaries have been combined on a line-by-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" issued by the Institute of Chartered Accountants of India. (ICAI)
- (ii) The operations of all the foreign subsidiaries are not considered as an integral part of the operations of the parent. Hence in the case of foreign subsidiaries, revenue items are consolidated at the average exchange rate prevailing during the year and all assets and liabilities have been converted at the rates prevailing at the end of the year. Any exchange difference is recognized in the Foreign Currency Translation Reserve.
- (iii) The financial statements of the Subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March 2014.
- (iv) The goodwill on consolidation included as a debit balance in Note 4 to the Consolidated Balance Sheet represents the excess of the cost to the Company of its investment in Subsidiaries over the Company's portion of equity in the said Subsidiaries. There is no capital reserve on consolidation representing the excess of the Company's portion of equity in the Subsidiaries over the cost to the Company of its investment in the said Subsidiaries.

b) 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:

D. S. Kulkarni Developers Ltd.

- i) **Segment reporting:** In accordance with Accounting Standard 17 issued by the Institute of Chartered Accountants of India,
 - a) **Identification of segments:** The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate. The Group has identified two (Previous Year: three) primary reporting segments on the basis of business activity and two secondary reporting segments on geographical basis. The particulars pursuant to AS 17 are stated in the Notes to the Consolidated Financial Statements.
 - b) **Inter-segment transfers:** The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.
 - c) **Allocation of common costs:** Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.
 - d) **Unallocated items:** Unallocated items include general corporate income and expense items which are not allocated to any business segment.
 - e) **Segment accounting policies:** The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.
- ii) **Related Party Transactions:** The particulars pursuant to AS 18 are stated in the Notes to the Consolidated Financial Statements.

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
3. Equity Share Capital				
a) Number of shares authorized		50,000,000		50,000,000
b) Amount of shares authorized		5,000.00		5,000.00
c) Number of shares issued, subscribed and fully paid		25,801,008		25,801,008
d) Number of shares issued and subscribed but not fully paid		—		—
e) Par value per share		10.00		10.00
f) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
i. Shares outstanding at the beginning of the reporting period		25,801,008		25,801,008
ii. Shares allotted during the reporting period		—		—
iii. Shares forfeited during the reporting period		—		—
iv. Shares bought back during the reporting period		—		—
v. Shares outstanding at the end of the reporting period		25,801,008		25,801,008
Total at the end of the reporting period		2,580.10		2,580.10
4. Reserves and Surplus				
a) Securities Premium Reserve				
i. Balance at the beginning of the reporting period	30,822.71		30,822.71	
ii. Additions during the reporting period	—		—	
iii. Deduction during the reporting period	—		—	
iv. Balance at the end of the reporting period		30,822.71		30,822.71
b) General Reserve				
i. Balance at the beginning of the reporting period	953.70		953.70	
ii. Additions during the reporting period	—		—	
iii. Deduction during the reporting period	—		—	
iv. Balance at the end of the reporting period		953.70		953.70
c) Foreign Currency Translation Reserve				
i. Balance at the beginning of the reporting period	(630.62)		(369.72)	
ii. Additions during the reporting period	(70.02)		(260.90)	
iii. Deduction during the reporting period	—		—	
iv. Balance at the end of the reporting period	—	(700.64)	—	(630.62)

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
d) Goodwill on consolidation				
i. Balance at the beginning of the reporting period	(1,499.05)		(1,499.06)	
ii. Additions during the reporting period	—		—	
iii. Deduction during the reporting period	—		—	
iv. Balance at the end of the reporting period	—	(1,499.05)	—	(1,499.06)
e) Surplus i.e. balance in Statement of Profit and Loss disclosing allocations and appropriations such as dividend, bonus shares and transfer to/ from reserves etc.				
i. Balance at the beginning of the reporting period	12303.27		8,174.14	
ii. Additions during the reporting period	1,572.44		1,403.79	
iii. Transfer from Investment allowance reserve	—		—	
iv. Deduction during the reporting period	—		—	
Prior year adjustments	28.69		(19.04)	
Share in DSKGER loss			3,046.24	
Proposed equity dividend	(258.01)		(258.01)	
Tax on equity dividend	(43.85)		(43.85)	
v. Balance at the end of the reporting period	—	13,602.53	—	12,303.27
Total at the end of the reporting period		43,179.26		41,950.00
5. Long-term Borrowings				
i. Long-term borrowings secured				
a) Term loans				
i. Project term loan	10,398.91		7,756.90	
ii. Equipment term loans	1,937.12		3,573.05	
iii. Corporate term loans	3,704.02		393.16	
iv. Vehicle Term Loan	18.70	16,058.75	7.85	11,730.96
ii. Long-term borrowings unsecured				
a) Deposits from public		8,820.84		10,811.36
b) Advances from related parties		1,018.57		387.70
Total at the end of the reporting period		25,898.16		22,930.02
6. Deferred Tax Liability:				
The deferred tax liability comprises the effect of the following:				
DTL resulting from timing difference between book depreciation and tax depreciation		112.52		105.43
Total at the end of the reporting period		112.52		105.43

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
7. Other long-term liabilities				
a) Deposits		25.60		25.60
Total at the end of the reporting period		25.60		25.60
8. Short-term borrowings				
i. Short-term borrowings secured				
a) Working capital limits		2,264.12		2,680.88
Total at the end of the reporting period		2,264.12		2,680.88
9. Other current liabilities				
a) Advance against Tenements/Plots		37,182.54		2,5791.89
b) Current maturities of long-term debt				
Secured	12,166.11		8,467.16	
Unsecured inter-corporate debts	2,203.31		2,789.20	
Public deposits	8,338.67	22,708.09	4,764.06	16,020.42
c) Interest accrued but not due on borrowings				
Secured	213.06		137.94	
Unsecured inter-corporate debts	108.98			
Public deposits	1,123.93	1,445.98	402.73	540.67
d) Unclaimed dividends		17.79		18.95
e) Statutory liabilities		635.80		693.63
f) Provision for expenses		11,156.74		10,554.62
g) Unclaimed public deposits		155.97		443.50
Total at the end of the reporting period		73,302.91		54,063.68
10. Short-term provisions				
a) Provision for Income Tax		6,626.92		5,577.05
b) Proposed Dividend		258.01		258.01
c) Tax on Dividend		43.85		43.85
Total at the end of the reporting period		6,928.78		5,878.91

D. S. Kulkarni Developers Ltd.
Notes to the Consolidated Balance Sheet as at 31-Mar-14

11. Tangible Fixed Assets

	Gross carrying amount at beginning of reporting period	Additions during reporting period	Disposals during reporting period	Gross carrying amount at end of reporting period	Accumulated depreciation at beginning of reporting period	Depreciation for reporting period	Depreciation on disposals during reporting period	Accumulated depreciation at end of reporting period	Net carrying amount at beginning of reporting period	Net carrying amount at end of reporting period
	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)
Land										
Current Year	2,724.91	-	-	2,724.91	-	-	-	-	2,724.91	2,724.91
Previous Year	2,744.59	-	(19.69)	2,724.91	-	-	-	-	2,744.59	2,724.91
Plant and Machinery										
Current Year	1,106.67	0.57	-	1,107.24	188.44	52.57	-	241.01	918.23	886.23
Previous Year	1,102.22	4.45	-	1,106.67	135.95	52.49	-	188.44	966.27	918.23
Office Machinery										
Current Year	405.24	73.96	(216)	477.04	319.79	33.78	(2.16)	351.42	85.44	125.62
Previous Year	1,440.61	22.44	(1,057.82)	405.24	569.25	32.07	(301.53)	319.79	851.36	85.44
Furniture and Fixtures										
Current Year	55.63	16.86	-	72.49	19.54	3.98	-	23.51	36.09	48.97
Previous Year	333.31	2.28	(279.96)	55.63	16.35	3.19	-	19.54	316.96	36.09
Vehicles										
Current Year	517.90	56.52	(52.34)	522.07	255.39	45.15	(31.78)	268.75	262.50	253.32
Previous Year	576.68	-	(58.78)	517.90	215.39	47.47	(7.46)	255.39	361.29	282.50
Total										
Current Year	4,810.34	147.91	(54.50)	4,903.75	783.17	135.48	(33.94)	884.71	4,027.17	4,019.04
Previous Year	18,051.41	29.17	(13,270.24)	4,810.34	1,246.35	135.21	(598.39)	783.17	16,805.06	4,027.17

Previous Year's figures are stated in *italics*.

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at 31-Mar-14

12. Intangible Fixed Assets

	Gross carrying amount at beginning of reporting period	Additions during reporting period	Disposals during reporting period	Gross carrying amount at end of reporting period	Accumulated amortisation at beginning of reporting period	Amortisation for reporting period	Amortisation on disposals during reporting period	Accumulated amortisation at end of reporting period	Net carrying amount at beginning of reporting period	Net carrying amount at end of reporting period
	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)
Computer software										
Current Year	87.24	20.23	-	107.47	69.44	9.92	-	79.36	17.80	28.11
<i>Previous Year</i>	322.31	1.25	(236.32)	87.24	151.96	7.85	(90.37)	69.44	170.35	17.80
Total										
Current Year	87.24	20.23	-	107.47	69.44	9.92	-	79.36	17.80	28.11
<i>Previous Year</i>	322.31	1.25	(236.32)	87.24	151.96	7.85	(90.37)	69.44	170.35	17.80

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
13. Non-current investments				
a) Investments in Equity Instruments				
i. Associates		82.92		95.00
ii. Cooperative banks		11.64		11.64
Total at the end of the reporting period		94.56		106.64
Additional Disclosures				
a) Investments carried at other than at cost and the basis for valuation thereof.		Nil		Nil
b) Aggregate amount of quoted investments		Nil		Nil
c) Market value of quoted investments		Nil		Nil
d) Aggregate amount of unquoted investments;		94.56		106.64
e) Aggregate provision for diminution in value of investments		Nil		Nil
14. Other non-current assets				
a) Deposits		131.98		197.78
Total at the end of the reporting period		131.98		197.78
15. Inventories				
a) Construction materials		485.33		109.48
b) Work-in-progress		134,697.52		114,282.31
c) Finished tenements		2,135.41		2,113.30
Total at the end of the reporting period		137,318.26		116,505.09
Mode of valuation: See Note 2.4				
16. Trade Receivables				
a) Receivables outstanding for less than six months				
i. Secured, considered good		—		—
ii. Unsecured considered good		775.54		1,012.69
iii. Doubtful		—		—
iv. Allowance for bad and doubtful debts		—		—
b) Receivables outstanding for a period exceeding six months		—		—
i. Secured, considered good		—		—
ii. Unsecured considered good		297.30		276.50
iii. Doubtful		—		—
iv. Allowance for bad and doubtful debts		—		—
Debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member		Nil		Nil
Total at the end of the reporting period		1,072.84		1,289.19

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
17. Cash and cash equivalents				
a) Balances with banks				
i. Earmarked balances with banks	768.83		1,214.66	
ii. Current a/c balances with bank	2,342.80		960.32	
iii. Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	732.56		82.00	
iv. Bank deposits with less than 12 months maturity	94.71		55.20	
v. Interest accrued on FD	89.12		124.79	
vi. Bank deposits with more than 12 months maturity	—	4,028.02	206.90	2,643.87
Cash on hand		7.34		486.57
Total at the end of the reporting period		4,035.35		3,130.44
18. Short-term loans, advances and deposits				
a) Advances to related parties				
i. Unsecured, considered good		122.78		-
b) Others				-
i. Unsecured, considered good		2,666.43		1,272.95
Loans and advances due by directors or other officers of the Company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member		122.78		-
Total at the end of the reporting period	—	2,789.21	—	1,272.95
19. Other current assets				
Advance Tax and TDS		6,263.24		5,229.53
Cenvat Credit		65.74		25.94
Total at the end of the reporting period		6,328.98		5,255.47

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Balance Sheet as at	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
20. Contingent Liabilities not provided for:				
1. Guarantee in respect of secured loans obtained by subsidiary		10,000.00		10,000.00
Balance of secured loans as at end of year		9,374.78		9,930.71
2. Guarantee to Government Authorities		689.64		600.00
3. Tax Matters under appeal**		1,357.87		1,121.70
4. Cases filed against the Company		600.60		638.34
Total at the end of the reporting period		12,022.88		12,290.75

** Income tax demands comprise demand from the Indian tax authorities for payment of additional tax upon completion of their tax review for the Assessment years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12. The tax demands are mainly on account of disallowance of a portion of the tax holiday claimed by the Company under the Income tax Act. The matter is pending before the Commissioner of Income tax (Appeals)/Income Tax Appellate Tribunal/High Court of Judicature at Mumbai. The company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations. The Company has however deposited ₹ 903.53 lacs against these disputed tax demands.

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Profit and Loss Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
21. Revenue from Operations				
Revenue from				
a) Company other than a finance company				
A. Sale of products				
i. Sales of Tenements	2,636.21		6,688.99	
ii. Sale of Land & Development Rights	41.08	2,677.29	473.96	7,162.95
B. Sale of services				
i. Rent		156.77		150.12
C. Other operating revenues				
i. Sale of RMC	—		154.63	
ii. Miscellaneous Receipts (Flatholders)	3.10		—	
iii. Other-sales	64.52	67.62	31.00	185.63
Total at the end of the reporting period		2,901.68		7,498.70
22 Increase/(Decrease) in inventories of finished tenements and work-in-progress				
a) Finished tenements				
Closing	2,135.41		2,113.30	
Less: Opening	(2,113.30)	22.11	(5,559.64)	(3,446.34)
b) Work-in-Progress				
Closing	134,673.88		114,258.67	
Less: Opening	(114,258.67)	20,415.21	(94,424.36)	19,834.31
Total at the end of the reporting period		20,437.32		16,387.97
23. Other income				
a) Interest on fixed deposits with banks		118.73		140.97
b) Interest on IT Refund		10.89		34.41
c) Other Interest		13.69		64.47
d) Book Profit on Sale of Mutual Fund Units		—		1.22
e) Sundry creditors A/c written back		—		27.90
f) Other Receipts		9.70		69.35
Total at the end of the reporting period		153.01		338.33
24. Land and/or Development expenses				
a) Land and Development Rights		1,384.34		5,492.58
b) Sub-Contractors' Charges (Including Material)		4,279.68		4,640.58
c) Other Development Expenses		11,059.44		8,099.24
Total at the end of the reporting period		16,723.45		18,232.40

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Profit and Loss Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
25. Office and administration expenses				
a) Professional Fees		164.01		125.62
b) Postage, Telephone and Telegram		56.42		44.89
c) Rent		196.70		166.26
d) Rates and Taxes		0.59		39.76
e) Repairs and Maintenance		62.96		58.33
f) Printing and Stationery		34.77		27.26
g) Legal Charges		10.48		31.43
h) Conveyance and foreign travel		98.09		92.55
i) Electricity Charges		38.38		47.79
j) Office Expenses		27.17		19.17
k) Subscription		4.35		5.72
l) Insurance		3.45		5.03
m) Audit Fees				
Internal Audit Fees	1.23		0.51	
Company Audit Fees	6.79		5.95	
Tax Audit Fees	1.22	9.24	1.22	7.69
n) Security Charges		0.59		—
o) Other administrative expenses		50.53		26.57
p) Inspection Charges		0.24		—
q) Land scaping charges		3.24		—
Total at the end of the reporting period		761.23		698.06
26. Employee Benefits Expense				
a) Salaries, Wages, Bonus etc.		757.20		661.23
b) Contribution to Provident and Other Funds		46.60		46.18
c) Directors' Remuneration		302.88		269.03
d) Staff Welfare		87.21		53.96
e) Directors' Sitting Fees		3.55		2.75
f) Recruitment Charges		0.43		0.64
Total at the end of the reporting period		1,197.87		1,033.80
27. Selling expenses				
a) Advertisement		407.96		431.24
b) Sales Promotion		70.57		125.04
c) Domestic Travel Expenses		68.15		51.40
d) Foreign Travel Expenses		76.26		38.64
e) Domestic Exhibition Expenses		—		71.77
f) Foreign Exhibition Expenses		94.02		3.00
g) Brokerage		—		198.14
h) Donations		60.01		2.51
i) Corporate Social Responsibility		0.70		—
j) Other Selling Expenses		20.90		18.07
Total at the end of the reporting period		798.57		939.81

D. S. Kulkarni Developers Ltd.

Notes to the Consolidated Profit and Loss Statement for the year ended	31-Mar-14 ₹ (Lacs)	31-Mar-14 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)	31-Mar-13 ₹ (Lacs)
28. Finance Costs				
a) Interest on Deposits and Loans		586.01		453.64
b) Interest to Financial Institutions		155.35		249.93
c) Interest to Banks		70.79		132.94
d) Other Financial Expenses		194.38		115.93
Total at the end of the reporting period		1,006.53		952.45
29. Depreciation and amortization expense				
a) Depreciation expense		135.54		135.21
b) Amortization expense		9.92		7.85
Total at the end of the reporting period		145.46		143.06
30. Other expenses				
a) (Profit)/Loss on Sale of Assets		9.80		—
Total at the end of the reporting period		9.80		—
31. Items of exceptional nature				
Foreign Exchange Difference		(15.99)		179.18
Total at the end of the reporting period		(15.99)		179.18
32. Earnings Per Share (EPS):				
Earnings per share is calculated in accordance with the AS 20				
Profit after tax (₹ lacs)		1,572.44		1,403.79
Weighted Average Number of Equity shares		25,801,008		25,801,008
Nominal Value of Equity Share (₹)		10.00		10.00
Basic and Diluted Earnings Per Share (₹)		6.09		5.44
33. Prior period items				
Short Provision for taxation		—		18.44
Excess provision for taxation		32.04		—
		32.04		18.44

D. S. Kulkarni Developers Ltd.

34. Related party disclosures

A. Names of related parties and related party relationship

1. Related parties where control exists

Key management personnel	Mr. D. S. Kulkarni Mr. S. D. Kulkarni Mrs. Hemanti D. Kulkarni Mrs. Tanvi S Kulkarni
Relatives of key management personnel	
Enterprises owned or significantly influenced by key management personnel or their relatives	<ol style="list-style-type: none"> 1. Ambiance Ventures Estates & Developments Pvt. Ltd. 2. Amit & Company 3. Ascent Promoters & Developers Private Limited 4. Crystal Promoters & Developers Private Limited 5. Chandradeep Promoters & Developers Private Limited 6. D. S. Kulkarni & Associates 7. D. S. Kulkarni & Company 8. D. S. Kulkarni & Brothers 9. D. S. Kulkarni and Sons 10. D. S. Kulkarni Constructions Pvt. Ltd. 11. DSK Digital Technologies Private Limited 12. DSK Entertainment LLC 13. DSK Global Education and Research Ltd. 14. DSK Infotech Private Limited 15. DSK Milkotronics Private Limited 16. DSK Motors Limited 17. DSK Mototrucks Private Limited 18. DSK Motowheels Private Limited 19. DSK Prabhu Granite LLP 20. DSK Sales & Services 21. DSK Shivajians Football Club Pvt. Ltd. 22. Tricone Infracon Ltd. 23. DSK Worldman Projects Ltd. 24. DSK & Co. 25. DSK & Sons 26. Fairyland Promoters & Developers Private Limited 27. Forever Solar Power Project Pvt. Ltd. 28. Gharkul 29. Greengold Farms & Forests Pvt. Ltd. 30. Growrich Agroforestry Private Limited 31. Hexagon Capital Services Private Limited 32. Holyland Agroforestry Private Limited 33. Sapphire Promoters & Developers Private Limited 34. Shri Saptashrungi Oil Mills Pvt. Ltd. 35. Telesmell 36. Talisman Hospitality Services Pvt. Ltd.

D. S. Kulkarni Developers Ltd.

2. Related party transactions	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
BALANCE SHEET ITEMS:		
1. Equity Contribution		
H D Kulkarni	489.73	489.73
D S Kulkarni	540.83	451.10
S D Kulkarni	152.00	152.00
Sub-total	1,182.56	1,092.83
2. Advances/Deposits payable		
Ambiance Ventures Estates & Developments Pvt. Ltd.	658.99	605.74
D S Kulkarni & Associates	11,100.00	13,020.65
D S Kulkarni & Company	5,637.77	1,882.80
D S Kulkarni Constructions Pvt. Ltd.	14.43	14.43
DSK Global Education and Research Ltd.	–	6.10
DSK Entertainment, LLC	571.80	–
Mrs. Hemanti Deepak Kulkarni	462.65	387.70
Sub-total	18,445.63	15,917.42
3. Deposits payable		
D S Kulkarni & Associates	0.50	0.50
DSK Global Education and Research Ltd.	25.00	25.00
Sub-total	25.50	25.50
4. Trade payable		
DSK Motors Ltd.	16.82	9.68
DSK Motowheels Private Limited	–	20.23
Tricone Infracon Ltd.	80.20	80.20
Growrich Agroforestry Private Limited	17.31	–
Mr. Shirish D. Kulkarni	7.42	–
Mrs. H. D. Kulkarni	0.64	–
Telesmell	0.08	–
Sub-total	122.48	110.11
5. Investments at the year end		
DSK Global Education & Research Ltd.	82.92	95.00
Sub-total	82.92	95.00
6. Advances receivable		
D S Kulkarni & Associates	90.88	–
DSK Motors Ltd.	19.78	62.69
Tricone Infracon Ltd.	469.20	466.56
DSK Worldman Projects Ltd.	28.83	12.18
Sub-total	608.69	541.43

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
7. Deposits receivable		
D S Kulkarni & Company	25.00	25.00
Mr. Shirish D. Kulkarni	14.00	14.00
Mrs. H. D. Kulkarni	1.50	1.50
D S Kulkarni & Associates	25.00	25.00
Sub-total	65.50	65.50
8. Trade receivable		
DSK Global Education & Research Ltd.	157.31	34.53
DSK Motors Ltd.	3.32	3.32
D S Kulkarni & Associates	1.87	0.09
DSK Sales & Services	1.81	-
Shri Saptashrungi Oil Mills Pvt. Ltd.	-	1.09
Sub-total	164.31	39.03
9. Purchase of fixed assets		
DSK Motors Ltd.	56.52	-
Sub total	56.52	-
10. Redemption/Sale of investments		
Mrs. Hemanti D. Kulkarni	12.08	160.00
Sub-total	12.08	160.00
11. Guarantees given		
DSK Global Education & Research Ltd.	10,000.00	10,000.00
Sub-total	10,000.00	10,000.00
TOTAL OF BALANCE SHEET ITEMS	30,766.19	28,046.81
PROFIT/LOSS ITEMS		
1. Sale of land		
D S Kulkarni & Company	-	233.60
DSK Worldman Projects Ltd.	-	240.37
Sub-total	-	473.96
2. Sale of RMC		
DSK Global Education & Research Ltd.	-	19.13
DSK Motors Ltd.	-	0.12
Shri Saptashrungi Oil Mills Pvt. Ltd.	-	1.09
Sub-total	-	20.34
3. Sale Of Material		
D S Kulkarni & Associates	1.78	-
Sub-total	1.78	-

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
4. Services rendered		
DSK Sales & Services	1.85	–
Sub-total	1.85	–
5. Rent Income		
DSK Global Education & Research Ltd.	100.00	100.00
D S Kulkarni & Associates	1.35	1.35
Sub-total	101.35	101.35
7. Services availed		
D S Kulkarni & Company	–	44.13
DSK Digital Technologies Pvt. Ltd.	–	0.02
DSK Global Education & Research Ltd.	2.27	–
DSK Motors Ltd.	10.02	17.18
DSK Motowheels Private Limited	–	20.64
DSK Shivajians Football Club Pvt. Ltd.	40.82	–
Telesmell	0.21	0.17
Sub-total	53.32	82.14
8. Remuneration		
Mr. Deepak S. Kulkarni	277.23	245.54
Mr. Shirish D. Kulkarni	26.44	24.59
Sub-total	303.67	270.13
9. Sitting fees		
Mr. K. K. Taparia	0.80	0.50
Mr. Kharosekar R. D.	0.45	0.25
Mr. MKP Shetty	1.05	0.95
Mr. V. C. Joshi	1.25	1.05
Sub-total	3.55	2.75
10. Interest expense		
Ambiance Ventures Estates & Development Pvt. Ltd.	82.50	82.50
D S Kulkarni & Associates	1,343.88	1,356.19
D S Kulkarni & Company	504.88	171.56
DSK Motowheels Pvt. Ltd.	–	23.91
DSK Entertainment, LLC	18.40	–
Mrs. H. D. Kulkarni	46.81	–
Sub-total	1,996.47	1,634.16

D. S. Kulkarni Developers Ltd.

	31-Mar-14 ₹(Lacs)	31-Mar-13 ₹(Lacs)
11. Rent expense		
D S Kulkarni & Associates	40.45	40.45
D S Kulkarni & Company	40.45	40.45
Growrich Agroforestry Private Limited	19.11	-
Mr. Shirish D. Kulkarni	97.75	97.75
Mrs. H. D. Kulkarni	8.33	7.61
Sub-total	206.09	186.27
TOTAL OF PROFIT/LOSS ITEMS	2,668.07	2,771.09
CASH FLOW ITEMS		
1. Advances received/recovered		
D S Kulkarni & Associates	919.86	460.97
D S Kulkarni & Company	15,842.87	14,007.77
DSK Global Education and Research Ltd.	0.18	-
DSK Motors Ltd.	50.00	-
DSK Sales & Services	-	0.53
DSK Southern Projects Pvt. Ltd.	-	1,518.27
Tricone Infracon Ltd.	-	59.32
DSK Worldman Projects Ltd.	0.69	-
Growrich Agroforestry Private Limited	-	416.08
Shri Saptashrungi Oil Mills Pvt. Ltd.	1.09	-
Mrs. H. D. Kulkarni	28.60	-
DSK Entertainment, LLC	559.59	-
Sub-total	17,402.89	16,462.94
2. Advances given/repaid		
D S Kulkarni & Associates	1,329.08	111.44
D S Kulkarni & Company	12,596.41	12,235.91
DSK Global Education and Research Ltd.	38.16	71.62
DSK Motors Ltd.	27.86	25.28
DSK Motowheels Pvt. Ltd.	20.23	1,108.61
Tricone Infracon Ltd.	-	16.22
DSK Worldman Projects Ltd.	2.64	12.00
Growrich Agroforestry Private Limited	17.34	0.92
Sub-total	14,031.72	13,582.00
TOTAL OF CASH FLOW ITEMS	31,434.60	30,044.94
Grand Total	64,868.86	60,862.85

D. S. Kulkarni Developers Ltd.

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

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

Sr.	Landlord	Premises	From	To	Rent p.a ₹ (Lacs)
1.	D S Kulkarni & Associates	Pune J M Rd. Office	1-Apr-11	31-Mar-14	36.00
2.	D S Kulkarni & Company	Pune J M Rd. Office	1-Apr-11	31-Mar-14	36.00
3.	Mrs. H. D. Kulkarni	Pune J M Rd. Office	31-Aug-12	1-Sep-15	7.41
4.	Mr. Shirish D. Kulkarni	Mumbai Office	1-Apr-11	31-Mar-14	87.00
5.	Growrich Agroforestry Private Limited	Gandharva Heights	1-Apr-13	31-Mar-15	18.00
Total					184.41

36. Disclosure for assets given on lease as per AS 19:

- i. The company has given its land on operating lease to its erstwhile subsidiary, DSK Global Education & Research Pvt. Ltd. for a period of 99 years w.e.f 1st July, 2008

Particulars of asset	Gross Block as at 31-03-2014	Net block as at 31-03-2014	Gross Block as at 31-03-2013	Net block as at 31-03-2013
Land (₹ Lacs)	2,592.03	2,592.03	2,592.03	2,592.03

Future minimum lease payments receivable in respect of non-cancellable leases	2013-14 ₹ (Lacs)	2012-13 ₹ (Lacs)
Due within one year from the Balance Sheet date	89.00	89.00
Due in the period between one year and five years	356.00	356.00
Due after five years	8,388.25	8,544.00
Total	8,833.25	8,989.00

- ii. The Company has given its land (Bavdhan) on operating lease to Nikhil Kulkarni and Company for a period of 02 years w.e.f. 1st October, 2012

Particulars of asset	Gross Block as at 31-03-2014	Net block as at 31-03-2014	Gross Block as at 31-03-2013	Net block as at 31-03-2013
Land (₹ Lacs)	2.88	2.88	2.88	2.88

Future minimum lease payments receivable in respect of non-cancellable leases	2013-14 ₹ (Lacs)	2012-13 ₹ (Lacs)
Due within one year from the Balance Sheet date	3.00	6.00
Due in the period between one year and five years	—	3.00
Due after five years	—	—
Total	3.00	9.00

D. S. Kulkarni Developers Ltd.

- iii. The Company has given its land & Plant Machinery on operating lease to Mr. Nikhil Kulkarni for a period of 2 years w.e.f. 1st October, 2012

Particulars of asset	Gross Block as at 31-03-2014 ₹ (Lacs)	Net block as at 31-03-2014 ₹ (Lacs)	Gross Block as at 31-03-2013 ₹ (Lacs)	Net block as at 31-03-2013 ₹ (Lacs)
Plant and Machinery	392.20	322.88	392.20	343.15

Future minimum lease payments receivable in respect of cancellable leases	2013-14 ₹ (Lacs)	2012-13 ₹ (Lacs)
Due within one year from the Balance Sheet date	27.00	54.00
Due in the period between one year and five years	—	—
Due after five years	—	27.00
Total	27.00	81.00

- iv. The Company has sub-leased part of its leased Mumbai Office as follows:

Sr.	Sub-lessee	Premises	From	To	Rent p.a. ₹ (Lacs)
1.	D S Kulkarni & Associates	Mumbai Office (Part)	1-Apr-13	31-Mar-14	1.20

- v. The Company has given its land (Fursungi) on operating lease to Nikhil Kulkarni and Company for a period of 1 year w.e.f. 1st April, 2013

Sr.	Lessee	Premises	From	To	Rent p.a. ₹ (Lacs)
1.	Nikhil Kulkarni & Company	Fursungi	1-Apr-13	31-Mar-14	6.00

Particulars of asset	Gross Block as at 31-03-2014 ₹ (Lacs)	Net block as at 31-03-2014 ₹ (Lacs)	Gross Block as at 31-03-2013 ₹ (Lacs)	Net block as at 31-03-2013 ₹ (Lacs)
Land (₹ Lacs)	130.00	130.00	—	—

- vi. The Company has leased its Vehicle (MH 12 FU 1047) as follows:

Sr.	Lessee	Vehicle No.	Rent p.a. ₹ (Lacs)
1.	Alex Madinier	MF 12 FU 1047	0.57

The Company has not so far entered into any financial lease.

As per our audit report of even date.

For Gokhale, Tanksale & Ghatpande

Firm Registration No. 103277W

Chartered Accountants

S. M. Ghatpande

Partner

Membership No. 30462

Place: Pune

Date: 29th May, 2014

For and on behalf of the Board of Directors

D. S. Kulkarni

Chairman & Managing Director

V. C. Joshi

Director

N. V. Deshpande

Chief Financial Officer

Place: Pune

Date: 29th May, 2014

Amol Purandare

Company Secretary

D. S. Kulkarni Developers Ltd.
Notes to the Consolidated Balance Sheet as at 31-Mar-14
Statement of Borrowings

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ (Lacs)	Current maturity of the debts ₹ (Lacs)	Interest accrued but not due on borrowings ₹ (Lacs)	Total Amount ₹ (Lacs)	Ref
1. Long-term borrowings					
a) Secured					
1) Term loans					
From banks					
i. Project term loans					
1. ICICI Bank Ltd. <i>FY 2012-13</i>	633.12 <i>3,943.90</i>	3,335.00 <i>831.00</i>	34.63 <i>49.92</i>	4,002.76 <i>4,824.82</i>	1
2. Bank of Maharashtra <i>FY 2012-13</i>	3,765.79 <i>3,813.00</i>	4,875.00 <i>3,300.00</i>	109.97 <i>78.04</i>	8,750.76 <i>7,191.04</i>	2
3. ICICI HFC LOAN <i>FY 2012-13</i>	6,000.00 <i>—</i>	— <i>—</i>	45.68 <i>—</i>	6,045.68 <i>—</i>	3
4. Ist Constitution Bank <i>FY 2012-13</i>	— <i>—</i>	1,252.65 <i>—</i>	17.89 <i>—</i>	1,270.54 <i>—</i>	4
Total Project Term Loans	10,398.91	9,462.65	208.17	20,069.73	
<i>Total FY 2012-13</i>	<i>7,756.90</i>	<i>4,131.00</i>	<i>127.96</i>	<i>12,015.86</i>	
Financial Institutions					
ii. Equipment Term Loans					
1. Srei Equipment Finance Pvt. Ltd. <i>FY 2012-13</i>	1,887.88 <i>3,513.58</i>	1,636.81 <i>2,258.23</i>	— <i>—</i>	3,524.69 <i>5,771.81</i>	5
2. Reliance Capital Ltd. <i>FY 2012-13</i>	49.24 <i>59.48</i>	270.04 <i>199.10</i>	— <i>—</i>	319.28 <i>258.57</i>	6
Total Equipment Term Loans	1,937.12	1,906.86	—	3,843.97	
<i>Total FY 2012-13</i>	<i>3,573.05</i>	<i>2,457.33</i>	<i>—</i>	<i>6,030.38</i>	
iii. Corporate Term Loans					
1. Sangli Urban Cooperative Bank Ltd. <i>FY 2012-13</i>	332.11 <i>393.16</i>	61.83 <i>52.77</i>	4.90 <i>5.54</i>	398.84 <i>451.47</i>	7
2. Kotak Mahindra Bank Ltd. Loan <i>FY 2012-13</i>	1,926.95 <i>—</i>	410.05 <i>—</i>	(0.01) <i>—</i>	2,336.99 <i>—</i>	8
3. Tata Capital Hsg. Fin. Ltd. <i>FY 2012-13</i>	1,444.97 <i>—</i>	55.03 <i>—</i>	— <i>—</i>	1,500.00 <i>—</i>	9
Total Corporate Term Loans	3,704.02	526.92	4.89	4,235.83	
<i>Total FY 2012-13</i>	<i>393.16</i>	<i>52.77</i>	<i>5.54</i>	<i>451.47</i>	

D. S. Kulkarni Developers Ltd.

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ (Lacs)	Current maturity of the debts ₹ (Lacs)	Interest accrued but not due on borrowings ₹ (Lacs)	Total Amount ₹ (Lacs)	Ref
iv. Vehicle Term Loans					
1. Kotak Mahindra Prime Ltd.	—	—	—	—	10
<i>FY 2012-13</i>	—	1.83	—	1.83	
2. Tata Capital Ltd.	—	7.85	—	7.85	11
<i>FY 2012-13</i>	7.85	26.00	—	33.85	
3. Toyota Financial Services	18.70	11.84	—	30.54	12
<i>FY 2012-13</i>	—	—	—	—	
Total Vehicle Term Loans	18.70	19.68	—	38.39	
<i>Total FY 2012-13</i>	<i>7.85</i>	<i>27.83</i>	<i>—</i>	<i>35.68</i>	
v. Term Loans secured by pledge of promoters' shares					
1. SKS Fincap Pvt. Ltd.	—	200.00	—	200.00	13
<i>FY 2012-13</i>	—	200.00	—	200.00	
2. Napean Finvest Pvt. Ltd.	—	—	—	—	14
<i>FY 2012-13</i>	—	500.00	—	500.00	
3. Streamline Shipping Co. Pvt. Ltd.	—	50.00	—	50.00	15
<i>FY 2012-13</i>	—	50.00	—	50.00	
4. Hemlines Textiles Exports Pvt. Ltd.	—	—	—	—	16
<i>FY 2012-13</i>	—	100.00	—	100.00	
5. Gateway Leasing Pvt. Ltd.	—	—	—	—	17
<i>FY 2012-13</i>	—	104.11	—	104.11	
6. Wazir Financial Services Pvt. Ltd.	—	—	—	—	18
<i>FY 2012-13</i>	—	100.00	—	100.00	
7. Almighty Trade & Investment Pvt. Ltd.	—	—	—	—	19
<i>FY 2012-13</i>	—	50.00	—	50.00	
8. Dhruv Financial Services Pvt. Ltd.	—	—	—	—	20
<i>FY 2012-13</i>	—	25.00	—	25.00	
9. Sethi Developers Ltd.	—	—	—	—	21
<i>FY 2012-13</i>	—	25.00	—	25.00	
Total Term Loans secured by pledge of promoters' shares	—	250.00	—	250.00	
<i>Total FY 2012-13</i>	<i>—</i>	<i>1,154.11</i>	<i>—</i>	<i>1,154.11</i>	
Total Long-term Secured Loans	16,058.75	12,166.11	213.06	28,437.92	
<i>Total FY 2012-13</i>	<i>11,730.96</i>	<i>7,823.03</i>	<i>133.50</i>	<i>19,687.49</i>	

D. S. Kulkarni Developers Ltd.

References:

1. The primary security for ICICI Bank project loan is registered mortgage of specified present and future immovable properties. The collateral security is registered mortgage of specified present immovable properties and a charge on the receivables of specified projects. In addition, the project loan is secured by the personal guarantee of Mr. D. S. Kulkarni and Mr. Shirish D. Kulkarni.
2. The primary security for the Bank of Maharashtra project loan is equitable mortgage of specified present and future immovable properties and hypothecation of project receivables. In addition, the project loan is secured by the personal guarantee of Mr. D.S.Kulkarni & Mrs. H. D. Kulkarni
3. The primary security for the ICICI HFC Ltd. project loan is registered mortgage of specified present and future immovable properties and hypothecation of project receivables. In addition, the project loan is secured by the personal guarantee of Mr. D.S.Kulkarni, Mr. S. D. Kulkarni and Mrs. H. D. Kulkarni
4. The loan from 1st Constitution Bank New Jersey Branch is secured by a first mortgage lien on property known as Block 5.03 Lots 16 & 61, Schalks Crossing Road, Plainsboro Township, Middlesex County, New Jersey. Additional security provided by the Company includes fixtures, equipment, inventory, account, receivable and general intangibles; assignments of contracts, leases and rents. Mrs. H. D. Kulkarni and Mr. D. S. Kulkarni are the joint and severally liable guarantors for the repayment and performance of the terms and conditions of the said construction loan agreement.
5. The primary security for the several equipment term loans from Srei Equipment Finance Pvt. Ltd. is hypothecation of various construction equipments. The collateral security is registered mortgage of various immovable properties. In addition, these loans are secured by the personal guarantee of Mr. D. S. Kulkarni and Mr. S. D. Kulkarni.
6. The primary security for the several equipment term loans from Reliance Capital Ltd. is hypothecation of various construction equipments. In addition, these loans are secured by the personal guarantee of Mr. D. S.Kulkarni
7. There is no primary security for the corporate loan from Sangli Urban Cooperative Bank Ltd. The collateral security is registered mortgage of specified present immovable properties. In addition, this loan is secured by the corporate guarantee of Growrich Agro Forestry Pvt. Ltd. & Chandradeep Promoters & Developers Pvt. Ltd.
8. The primary security for the corporate loan from Kotak Mahindra Bank Ltd. is a charge on receivables of specified projects. The collateral security is registered mortgage of specified present immovable properties. In addition, this loan is secured by the personal guarantee of Mr. D. S. Kulkarni, Mr. S. D. Kulkarni and Mrs. H.D.Kulkarni
9. The primary security for the corporate loan from Tata Capital Housing Finance Ltd. is registered mortgage of specified immovable assets and a charge on receivables of specified projects. In addition, the co-applicants for this loan are M/s D S Kulkarni & Co., DSK Worldman Projects Ltd., Mr. D. S. Kulkarni, Mrs. V. J. Mudgal and Mrs. H. D. Kulkarni
10. The vehicle term loan from Kotak Mahindra Prime Ltd. is secured by hypothecation of specific vehicles.
11. The vehicle term loan from Tata Capital Ltd. is secured by hypothecation of specific vehicles.
12. The vehicle term loan from Toyota Financial Service is secured by hypothecation of specific vehicles.
13. The loan from SKS Fincap Pvt. Ltd. is secured by pledge of 10,00,000 (P.Y. 6,20,000) Equity shares of the Company held by the Company's promoters.
14. The loan from Napean Finvest Pvt. Ltd. is secured by pledge of Nil (P.Y. 17,75,000) Equity shares of the Company held by the Company's promoters.
15. The loan from Streamline Shipping Co. Pvt. Ltd. is secured by pledge of 2,20,000 (P.Y. 2,00,000) Equity shares of the Company held by the Company's promoters.
16. The loan from Hemlines Textiles Exports Pvt. Ltd. is secured by pledge of NIL (P.Y. 3,10,000) Equity shares of the Company held by the Company's promoters.

D. S. Kulkarni Developers Ltd.

17. The loan from Gateway Leasing Pvt. Ltd. is secured by pledge of NIL (P. Y. 4,00,000) Equity shares of the Company held by the Company's promoters.
18. The loan from Wazir Financial Services Pvt. Ltd. is secured by pledge of NIL (P. Y. 3,57,200) Equity shares of the Company held by the Company's promoters.
19. The loan from Almighty Trade & Investment Pvt. Ltd. is secured by pledge of NIL (P. Y. 1,52,000) Equity shares of the Company held by the Company's promoters.
20. The loan from Dhruv Financial Services Pvt. Ltd. is secured by pledge of NIL (P.Y. 80,000) Equity shares of the Company held by the Company's promoters.
21. The loan from Sethi Developers Ltd. is secured by pledge of NIL (P.Y. 80,000) Equity shares of the Company held by the Company's promoters.

Previous Year's figures are stated in italics.

Borrowings		Non-current maturity of the debt	Current maturity of the debts	Interest accrued but not due on borrowings	Total Amount	Ref
		₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	
b. Unsecured						
1. Deferred payment liabilities.						
i. Deposits						
	Public	8,805.82	8,338.67	1,123.93	18,268.42	
	<i>FY 2012-13</i>	<i>10,797.76</i>	<i>4,764.06</i>	<i>309.96</i>	<i>15,871.78</i>	
ii.	Others	15.02	—	—	15.02	
	<i>FY 2012-13</i>	<i>13.60</i>	—	<i>0.41</i>	<i>14.01</i>	
iii. Inter corporate deposits						
1.	Ambiance Ventures Estate & Dev. Pvt. Ltd.	—	550.00	108.99	658.99	
	<i>FY 2012-13</i>	—	<i>550.00</i>	<i>55.74</i>	<i>605.74</i>	
2.	Chemo Pharma Laboratories Ltd.	—	—	—	—	
	<i>FY 2012-13</i>	—	<i>35.00</i>	—	<i>35.00</i>	
3.	Kaveri Impex Pvt. Ltd.	—	100.00	—	100.00	
	<i>FY 2012-13</i>	—	<i>75.00</i>	—	<i>75.00</i>	
4.	Seksaria Industries Pvt. Ltd.	—	279.00	—	279.00	
	<i>FY 2012-13</i>	—	<i>278.40</i>	—	<i>278.40</i>	
5.	Seksaria Trading Co. Pvt. Ltd.	—	8.00	—	8.00	
	<i>FY 2012-13</i>	—	<i>5.00</i>	—	<i>5.00</i>	
6.	Shri Krishna Rice & Oil Mills Pvt. Ltd.	—	14.00	—	14.00	
	<i>FY 2012-13</i>	—	<i>12.00</i>	—	<i>12.00</i>	
7.	Vastushilp Promoters & Developers Pvt. Ltd	—	—	—	—	
	<i>FY 2012-13</i>	—	<i>1,000.00</i>	<i>36.62</i>	<i>1,036.62</i>	
8.	Sundesha Properties Pvt. Ltd.	—	6.00	—	6.00	
	<i>FY 2012-13</i>	—	<i>168.25</i>	—	<i>168.25</i>	

D. S. Kulkarni Developers Ltd.

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt	Current maturity of the debts	Interest accrued but not due on borrowings	Total Amount	Ref
	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	
9. Sita Enterprises Ltd.	—	2.00	—	2.00	
<i>FY 2012-13</i>	—	<i>24.00</i>	—	<i>24.00</i>	
10. Rajgarhia Leasing & Financial Services Pvt. Ltd.	—	—	—	—	
<i>FY 2012-13</i>	—	<i>168.00</i>	—	<i>168.00</i>	
11. Pallav Marketing Pvt. Ltd.	—	—	—	—	
<i>FY 2012-13</i>	—	<i>1.00</i>	—	<i>1.00</i>	
12. N. Vensimal Securites Ltd.	—	7.50	—	7.50	
<i>FY 2012-13</i>	—	<i>12.00</i>	—	<i>12.00</i>	
13. N. Vensimal Finlease Pvt. Ltd.	—	4.50	—	4.50	
<i>FY 2012-13</i>	—	<i>4.50</i>	—	<i>4.50</i>	
14. Iresco Electricals Pvt. Ltd.	—	81.40	—	81.40	
<i>FY 2012-13</i>	—	<i>64.50</i>	—	<i>64.50</i>	
15. Goyal Housing & Finance Ltd.	—	23.70	—	23.70	
<i>FY 2012-13</i>	—	<i>5.00</i>	—	<i>5.00</i>	
16. Gini Tex Pvt. Ltd.	—	79.00	—	79.00	
<i>FY 2012-13</i>	—	<i>70.00</i>	—	<i>70.00</i>	
17. Gini Silk Milks Ltd.	—	129.00	—	129.00	
<i>FY 2012-13</i>	—	<i>43.00</i>	—	<i>43.00</i>	
18. Coatings & Coatings Pvt. Ltd.	—	33.60	—	33.60	
<i>FY 2012-13</i>	—	<i>112.50</i>	—	<i>112.50</i>	
19. Bazari Exim Pvt. Ltd.	—	7.00	—	7.00	
<i>FY 2012-13</i>	—	<i>33.00</i>	—	<i>33.00</i>	
20. Asiatic Gases Limited	—	148.12	—	148.12	
<i>FY 2012-13</i>	—	<i>128.05</i>	—	<i>128.05</i>	
21. Bombay Mercantile & Leasing Co. Ltd.	—	75.50	—	75.50	
<i>FY 2012-13</i>	—	—	—	—	
22. Basant Stocktrade Pvt. Ltd.	—	2.00	—	2.00	
<i>FY 2012-13</i>	—	—	—	—	
23. Network Portfolio and Finance Pvt. Ltd.	—	16.00	—	16.00	
<i>FY 2012-13</i>	—	—	—	—	
24. T. M. Printers Pvt. Ltd.	—	7.00	—	7.00	
<i>FY 2012-13</i>	—	—	—	—	
25. Yashika Holdings Pvt. Ltd.	—	6.00	—	6.00	
<i>FY 2012-13</i>	—	—	—	—	
26. N.K. Investment Pvt. Ltd.	—	48.96	—	48.96	
<i>FY 2012-13</i>	—	—	—	—	
27. Sita Equity Pvt. Ltd.	—	12.20	—	12.20	
<i>FY 2012-13</i>	—	—	—	—	

D. S. Kulkarni Developers Ltd.

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ (Lacs)	Current maturity of the debts ₹ (Lacs)	Interest accrued but not due on borrowings ₹ (Lacs)	Total Amount ₹ (Lacs)	Ref
28. Sita Offers & Bourse Expertise Ltd. <i>FY 2012-13</i>	– –	49.50 –	– –	49.50 –	
29. Sunako Chemo Ind. Pvt. Ltd <i>FY 2012-13</i>	– –	60.00 –	– –	60.00 –	
30. Sunako Trading & Investments Pvt.Ltd. <i>FY 2012-13</i>	– –	50.00 –	– –	50.00 –	
31. Filmcity Finance Pvt Ltd <i>FY 2012-13</i>	– –	40.00 –	– –	40.00 –	
32. Sunshield Finvest Pvt Ltd <i>FY 2012-13</i>	– –	6.00 –	– –	6.00 –	
33. Showman Pvt Ltd <i>FY 2012-13</i>	– –	6.00 –	– –	6.00 –	
34. Tecil Chemicals and Hydro Power Ltd <i>FY 2012-13</i>	– –	119.00 –	– –	119.00 –	
35. Vibrant Global Capital Ltd <i>FY 2012-13</i>	– –	125.00 –	– –	125.00 –	
36. Vibrant Global Trading Pvt Ltd <i>FY 2012-13</i>	– –	91.00 –	– –	91.00 –	
Total	–	2,203.31	108.99	2,295.97	
<i>Total FY 2012-13</i>	–	<i>2,789.20</i>	<i>92.35</i>	<i>2,881.55</i>	

iv. Advances from Related Parties

From Related parties other than Subsidiaries

a) Mrs. H. D. Kulkarni <i>FY 2012-13</i>	462.65 387.70	– –	– –	463.00 388.00	
b) DSK Entertainment LLP <i>FY 2012-13</i>	555.92 –	16.33 –	– –	572.00 –	
Total	1,019.00	16.00	–	1,035.00	
<i>Total FY 2012-13</i>	<i>388.00</i>	<i>–</i>	<i>–</i>	<i>388.00</i>	
Total Long-term Unsecured Liabilities	9,839.41	10,558.31	1,232.92	21,614.31	
<i>Total FY 2012-13</i>	<i>11,199.06</i>	<i>7,553.26</i>	<i>402.73</i>	<i>19,155.05</i>	

D. S. Kulkarni Developers Ltd.

Previous Year's figures are stated in italics.

Borrowings	Non-current maturity of the debt ₹ (Lacs)	Current maturity of the debts ₹ (Lacs)	Interest accrued but not due on borrowings ₹ (Lacs)	Total Amount ₹ (Lacs)	Ref
2. Short-term borrowings					
a) Secured					
1) Loans repayable on demand					
i. From banks					
1. Bank of Maharashtra Cash Credit	–	1,245.75	26.89	1,272.64	1
<i>FY 2012-13</i>	–	<i>1,124.21</i>	<i>19.86</i>	<i>1,144.07</i>	
2. The Kalyan Janata Sahakari Bank Ltd.	–	358.05	4.77	362.82	2
<i>FY 2012-13</i>	–	<i>459.21</i>	<i>5.78</i>	<i>464.99</i>	
3. Central Bank of India Demand Loan	–	–	–	–	3
<i>FY 2012-13</i>	–	<i>425.00</i>	<i>3.62</i>	<i>428.62</i>	
4. Bank of Maharashtra - FDOD	–	275.00	2.29	277.29	4
<i>FY 2012-13</i>	–	<i>271.80</i>	<i>2.43</i>	<i>274.23</i>	
5. Central Bank of India FDOD	–	–	–	–	5
<i>FY 2012-13</i>	–	–	–	–	
6. Syndicate Bank	–	342.00	9.37	351.37	6
<i>FY 2012-13</i>	–	<i>360.00</i>	<i>8.96</i>	<i>368.96</i>	
Total Short-term Secured Loans	–	2,220.80	43.32	2,264.12	
<i>Total FY 2012-13</i>	–	<i>2,640.22</i>	<i>40.66</i>	<i>2,680.88</i>	

- The primary security for the Bank of Maharashtra cash credit limit is hypothecation of stock and debtors of encumbrance free projects. The collateral security is by way of equitable mortgage of specified present immovable properties. In addition, this cash credit limit is secured by the personal guarantee of Mr. D. S. Kulkarni and Mrs. H. D. Kulkarni.
- There is no primary security for the cash credit limit from Kalyan Janata Sahakari Bank Ltd. The collateral security is registered mortgage of certain immovable properties. In addition, this cash credit limit is secured by the personal guarantee of 1) Mr. D. S. Kulkarni & 2) Mrs. H. D. Kulkarni & Corporate Guarantee of M/s. Shri Saptashrungi Oil Mills Pvt. Ltd.
- The demand loan from Central Bank of India is secured by pledge of term deposit receipts.
- The overdraft from Bank of Maharashtra is secured by pledge of term deposit receipts.
- The overdraft from Central Bank of India is secured by pledge of term deposit receipts.
- The overdraft from Syndicate Bank is secured by pledge of term deposit receipts.

D. S. Kulkarni Developers Ltd.

Statement of Investments

Notes to the Consolidated Balance Sheet as at		31-Mar-14	31-Mar-14	31-Mar-13	31-Mar-13
Sr.	Body corporate	Face Value per share	No. of Shares	Carrying Value ₹(Lacs)	Carrying Value ₹(Lacs)
Non-current investments					
Unquoted					
1.	Other non-current investments: Shares in Cooperative banks				
i.	Shree Sadguru Jangli Maharaj Sahakari Bank Ltd.	50	1,000	0.50	1,000
ii.	Janata Sahakari Bank Ltd.	100	10	0.01	10
iii.	Mahalaxmi Co-op. Bank Ltd.	50	10	0.01	10
iv.	Greater Bombay Co-op. Bank Ltd.	25	4,080	1.02	4,080
v.	Kalyan Janata Sahakari Bank Ltd.	25	20,000	5.00	20,000
vi.	Pune Sahakari Bank Ltd.	100	100	0.10	100
vii.	Sangli Urban Co-op. Bank Ltd.	10	50,000	5.00	50,000
Total				11.64	11.64
4. Equity Investments in Other Companies					
i.	DSK Global Education and Research Pvt. Ltd.	10	829,205	82.92	950,000
Total				82.92	95.00



D. S. Kulkarni Developers Ltd.

Regd. Off. 1187/60, J. M. Road, Shivajinagar, Pune 411 005

Dear Shareholder,
RE: Green Initiative in Corporate Governance

Section 20 of the Companies Act, 2013 and Rule 18 of the Companies (Management and Administration) Rules, 2014 allows servicing of documents through electronic mode. Hence, companies can 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



D. S. Kulkarni Developers Ltd.

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN : L45201PN1991PLC063340
Name of Company : D. S. Kulkarni Developers Ltd.
Registered Office : 1187/60, J. M. Road, Shivajinagar, Pune 411005

Name of the Member(s)	
Registered Address	
Email Id	
No. of Shares	
Folio No. or DP ID and Client ID.	

I/We, being members of D. S. Kulkarni Developers Limited holding equity shares of Rs.10/- each hereby appoint.

1. Name: _____
Address: _____
Email ID: _____ Signature _____ Or failing him/ her
2. Name: _____
Address: _____
Email ID: _____ Signature _____ Or failing him/ her
3. Name: _____
Address: _____
Email ID: _____ Signature _____ Or failing him/ her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Tuesday, 30th September, 2014 at 9.30 a.m. at S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411 030, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Ordinary Business:

1. Adoption of Financial statements for the year ended 31st March, 2014 and Directors' and Auditors' Reports thereon
2. To declare dividend
3. Re-appointment of Mr. D. S. Kulkarni as Director, who retires by rotation
4. Appointment of M/s. Gokhale Tanksale & Ghatpande, Chartered Accountants as Auditors and fixing their remuneration.

Special business:

5. Appointment of Mr. V. C. Joshi as an Independent Director
6. Appointment of Dr. M. K. P. Setty as an Independent Director
7. Appointment of Mr. R. D. Kharosekar as an Independent Director
8. Appointment of Mr. K. K. Tarpia as an Independent Director
9. Re-appointment of Mr. Shirish Kulkarni as Executive Director
10. Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013
11. Creation of Security under Section 180(1)(a) of the Companies Act, 2013.
12. To invite, accept or renew fixed deposits from the public and members under Section 73 and 76 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014

Signed this day of, 2014

AFFIX
REVENUE
STAMP

Signature of shareholder

Signature of the proxy holder(s)

Notes: This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



घराला घरपण देणारी माणसं®



D. S. Kulkarni Developers Ltd.

ATTENDANCE SLIP

23rd Annual General Meeting – 30th September, 2014

(To be presented at the entrance)

I hereby record my presence at the 23rd Annual General Meeting of the Company on Tuesday, 30th September, 2014 at 9.30 a.m. at S. M. Joshi Socialist Foundation Auditorium, Navi Peth, Ganjave Chowk, Opp. Patrakar Bhavan, Pune 411 030, India.

Folio No. or DP ID & Client ID No.	
---	--

Full Name of the *shareholder/ proxy
(in block letters)

Signature of *shareholder/proxy

*strike out whichever is not applicable.

Note:

1. Members who have multiple folios/demat accounts with different joint-holders may use copies of this attendance slip.
2. Only Member / Proxy holder can attend the Meeting
3. Member / Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting



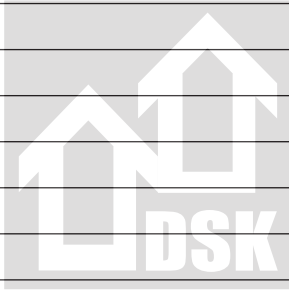
घराला घरपण देणारी माणसं®

Notes



घराला घरपण देणारी माणसं[®]

Notes



घराला घरपण देणारी माणसं®



DSK SCHOOL





www.dskdl.com

Head Office:

D. S. KULKARNI DEVELOPERS LTD.

AN ISO 9001, ISO 14001, OHSAS 18001 COMPANY

Pune Office : DSK House, J. M. Road, Shivajinagar, Pune - 411 005. **Ph.:** (020) 660 47 100

Mumbai Office : DSK House, Veer Savarkar Marg, Shivaji Park, Mumbai - 400 028. **Ph.:** (022) 244 66 446

E-mail : sales@dskdl.com

PROJECTS IN PUNE, MUMBAI, NASIK, BENGALURU, CHENNAI, COIMBATORE & USA



घराळा घरपण देणारी प्राणर्स®