



STRESS ASSET INVESTMENT OPPORTUNITY

D S Kulkarni Developers Limited (DSKDL)

Under Corporate Insolvency Resolution Process (CIRP)

March 2021

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COMPANY SNAPSHOT

- Erstwhile Listed on the BSE/NSE, DSKDL has been a dominant Market player in the Pune's Real Estate sector for the last 3 decades. (Presently suspended)
- Completed over 50 projects in major cities like Pune, Mumbai and Bangalore over last 3 decades.
- Constructed over 33,000 houses under the brand name "DSK".
- Established overseas Presence by completing residential projects in the United States of America.
- Achieved turnover of over Rs. 115 Crores for the year ended 31st March 2017 and Inventories worth Rs 1636 Crores as on 31st March 2017 and Employed more than 450 people as per its published annual report.





REASONS FOR DOWNTURN



- The company entered into a joint venture with GTC Cyprus, a Kardan Group Company as a co-developer for the development of a Special Economic Zone at Fursungi, Pune.
- The company received final approval from the Special Economic Zones Board of Approvals (SEZ BOA) to develop the SEZ of approx 250 acres in the year.
- The said agreement was annulled and terminated in 2009
- The huge land for SEZ was later to be developed as ‘Dream city’, an ultra-luxurious township on the outskirts of Pune with approx. 12000 units.
- For the development of the project , the company had collected funds in the form of Deposits , Secured debentures and ICDs from over a 1000 investors and Loans from Bank of more than Rs 1500 crores .
- The first phase of the project was to be handed over to buyers in December 2017



REASONS FOR DOWNTURN



- The project could not be completed due to the project delays, slowdown in the real estate sector; the group started defaulting on interest payments to the investors' of FDs and interest on loans and faced liquidity issues.
- Further, additional debt in form of inter corporate deposits and long term debentures were taken at higher interest rates considering revenues & cash flows from its dream city project would service the said company debts in guise of deposit schemes even though none of the 8 Group companies /firms had a profit generating business.
- This money was then utilized to purchase additional land for development purposes, operative expenses, repaying bank loans.
- The said dream city was then stalled including two residential projects i.e. 1)Waterfall Residency & 2) Bliss that were started within the premises.

DETAILS OF CLAIMS RECEIVED

Sr. No.	Category of Creditors	Amount (Rs. in Crores)	
1	<u>Financial Creditors</u>		
	Class of Creditors - Home Buyers	257.69	1,554.28
	Class of Creditors - Fixed Deposit Holders	4.68	
	Debenture Holders	156.75	
	Unsecured Financial Creditors	25.30	
	Banks & Financial Institutions	1,109.86	
2	Operational Creditors Other than Workmen & Employees		206.94
3	Operational Creditors - Workmen & Employees		10.40
4	Other Creditors		5.68
	TOTAL		1,777.30

Claims admitted till 10th February, 2021



**FEW PRIME LAND PARCELS OWNED BY
D. S. KULKARNI DEVELOPERS LIMITED.**

❖ FURSUNGI, PUNE

Owner: D S Kulkarni Developers Limited

Location: Pune- Solapur Highway Road, Next to Manjari Grape Farm - Tarvach Village, Kadamwakwasti, Fursungi, Pune

Area: 236 Acres approx.

FSI: Permissible and has development potential

Salient Features:

- Existing Pune Lahegoa Airport - 20 min. drive in peak hours.
- New Proposed airport - 10min drive with proposed Ring Road by drive
- Mumbai - at present 3 hour drive but when ring road comes it shall be 2 hour drive
- Education for next generation: DSKDL has a tie up with world class educational institutions eg. B.J. Medical, Dasteer, Indian Business School, Powar Public School, etc. (All within 5 – 10 min. drive)
- Health care: Includes Nobel Hospital, Sahyadri hospital, Military hospital, Ruby hospital, etc.
- Wide career opportunities: SP Infosystem , Serum Institute , EOM Kharadi World Trade Centre ,
- Social pleasures: everything is within 10-15 mins drive from the location i.e. Amonara Mall, Phoenix Market City, Turf Club, Residential Club, renowned 5star hotels, etc.
- Neighboring developers: Shapoorji Pallonji ,Godrej, Magarpatta, Amonara, etc
- Excellent neighbor hood all within 10-15 mins drive.
- Holistic infrastructure: i) Two access (Roadways) ii) water ways - 34 existing wells and satellite survey shows huge underground water reserves.
- The Waterfall Residency Project has been developed in the area of Fursungi, Pune.



✦ BALEWADI, PUNE

Owner: D S Kulkarni Developers Limited.

Location: S No.44 Hissa No. 1A, 3B , 10B , 4 and 11 Balewadi , Taluka Haveli district Pune

Area: 41,786 sq. meter. approx.

FSI: Permissible and has development potential.

Salient Features:

- Within Pune Municipality Corporation limits
- Fully developed Area and forms part of Smart City Project
- Easy and convenient access to Mumbai Bangalore Highway (NH-4)
- Strategically located in central district. Close proximity to
- Pune Metro – The network of Pune –Metro beginning at Balewadi
- Connectivity to Mumbai – 1.5 hours from the International Airport
- India's Largest IT park – Hinjewadi is in the neighborhood of Balewadi
- Wide career opportunities: MNCs like Mercedes Benz , Bajaj Auto , Infosys , Wipro , TCS is very well connected
- One of the biggest sports complex of India is at walking distance from this location
- Proposed Hyperloop Project connecting Balewadi to Mumbai in less than 30 minutes
- Connected with Fully developed wide roads
- New hotspot is Balewadi high-street which is walking distance from balewadi
- 30 mins from Pune International Airport.



ONGOING PROJECTS OF D S KULKARNI DEVELOPERS LIMITED.

□ DSK DREAMCITY – WATERFALL RESIDENCY

Location: - Fursungi, Pune

No of Buildings: 8 , A to H

Total Flats: 1044

Flats Sold: 84 (*as per Rera*)

Balance Flats: 960

% Completion: 10%

Key Features of DSK Dreamcity Project:

- State of Art facilities like 4.5 km. long man made river, Boat facilities to transport from one building to another.
- 36 sports facilities out of them 22 made as per Olympic standards
- 14 types of different educational tie ups with French Chamber of Commerce & have won 250 awards
- 16 lush green gardens
- International football academy along with 2 football turfs. In tie with champion football club- Liverpool Football Club and have also started LIFA – DSK football Academy.
- Thus this site is most suitable for High Income Group. Look at this proposal as once in a lifetime DREAM project /opportunity



❑ DSK VISHWA PHASE VI ANANDGHAN

Location : Dhayari, Pune

No. of Buildings : 11, A to K

Total Flats : 930

Flats sold : 460 *

Balance Flats : 470

% Completion : 50%



❑ DSK MADHUKOSH

Location: Andheri, Mumbai

No. of Buildings: 3 , A to C
(Building No. A and B have been occupied by the Tenants)

Total Flats: 175

Flats sold: 127 *

Balance Flats: 48

% Completion: 72



** The units sold are as per Rera.*

❑ DSK MAYURBAN

Location: Pirangut, Pune

No. of Buildings: 03, A to C

Total Flats: 306

Flats sold: 126 *

Balance Flats: 180

% Completion: 50%

❑ DSK NANDANVAN

Location: Pirangut, Pune

No of Buildings : 2 , A & B

Total Flats: 209

Flats Sold: 149 *

Balance Flats: 60

% Completion: 40%

** The units sold are as per Rera.*



□ DSK GOLD LEAF

Location: Baner, Pune

No of Buildings: 1

Total Flats: 14

Flats Sold: 8 (*as per Rera*)

Balance Flats: 6

% Completion: 40%



INDUSTRY OVERVIEW

- Infrastructure plays a huge role in propelling other industries and India's overall development. The government, therefore, focuses on the development of infrastructure and construction services through focused policies such as open FDI norms, large budget allocation to the infrastructure sector, smart cities mission, etc.
- Investment of about INR 2 lakh crore has been proposed by 99 cities under the Smart City initiative.
- The government's flagship mission Pradhan Mantri Awas Yojana (Urban) – PMAY (U) launched in June 2015 aims to provide housing for all in urban areas by the year 2022.
- Construction of 56,368 houses have been approved under PMAY-U at 53rd Central Sanctioning and Monitoring Committee Meeting.
- Department for Promotion of Industry and Internal Trade, Cement production increased by 2.8 per cent in October 2020 over October 2019.
- The overall investment in Urban transformation is up by 627% during the last 6 years of 2014-2021 as compared to the period between 2004-2014.
- Indian Real Estate sector expected to reach a market size of USD 1 Trillion by 2030. It's contribution to the country's GDP is expected to be approximately 13% by 2025.



FDI POLICY.

➤ 100% FDI through the automatic route is permitted in the following construction (development) projects:

- Development of townships
- Construction of residential/commercial premises
- Construction of roads or bridges
- Construction of hotels, resorts
- Construction of hospitals, educational institutions
- Construction of recreational facilities
- Construction of city and regional level infrastructure



➤ FDI Limit for real estate projects within Special Economic Zones (SEZs) raised to 100%.

➤ FDI limit for industrial parks under the automatic entry route is 100%.

➤ The cumulative FDI equity inflow in the Construction industry is USD 17.223 millions during the period April 2000 to September 2020. This constitutes 3.44% of the total FDI inflow received across sectors

THANK YOU

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