ashiana™
you are in safe hands

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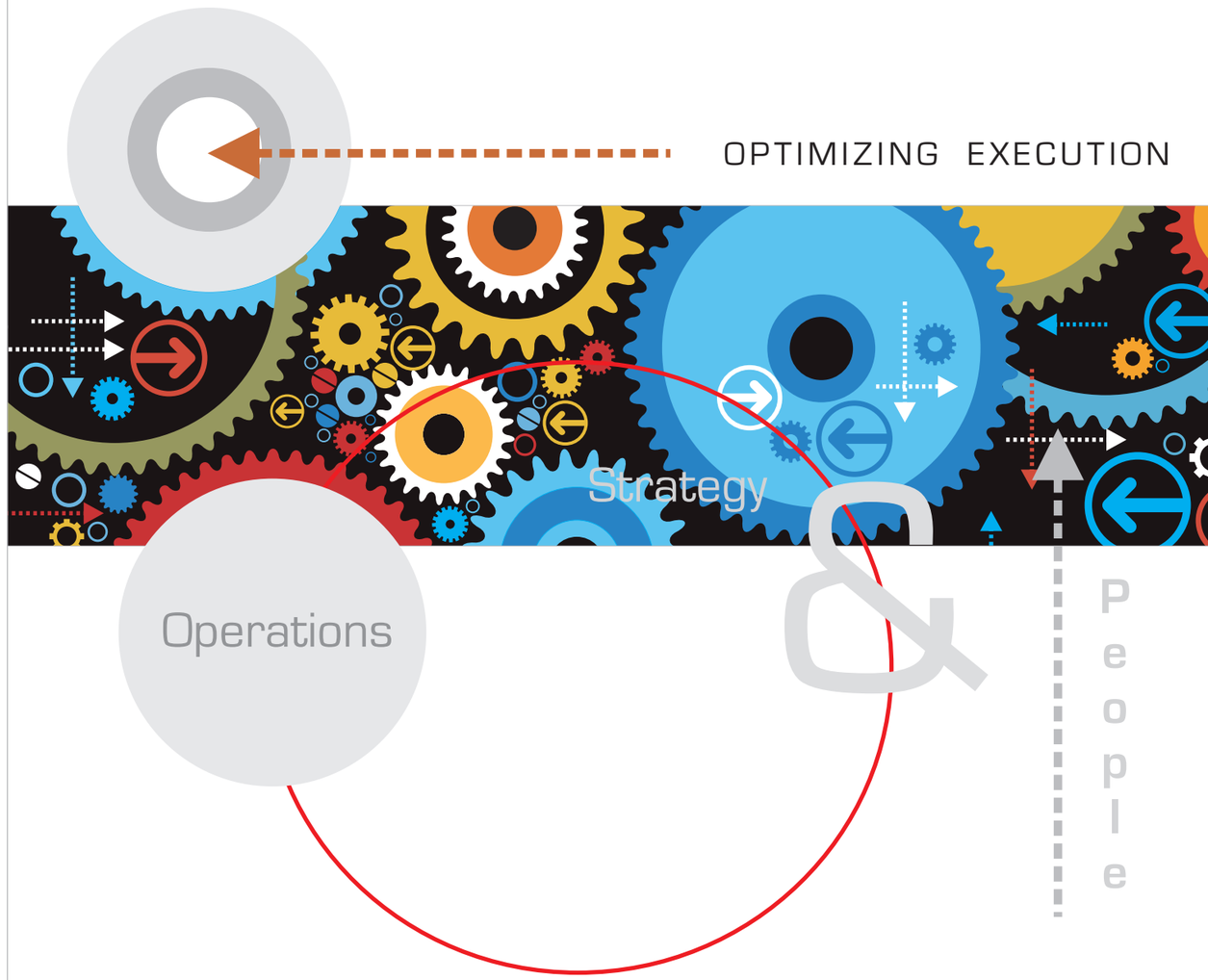
Ashiana Housing Limited

Annual Report 2013-14



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Annual Report 2013-14

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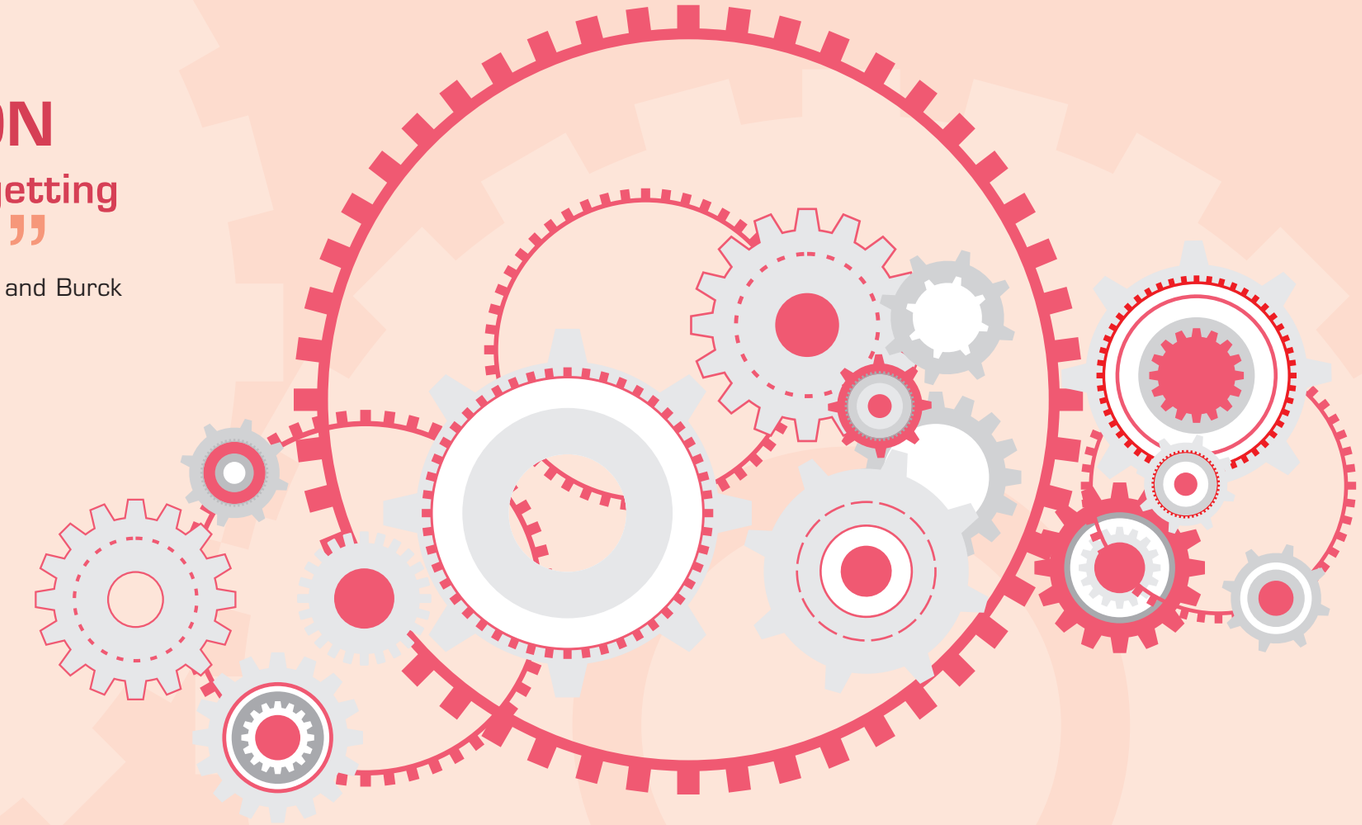
Optimizing EXECUTION

"EXECUTION

The discipline of getting things done"

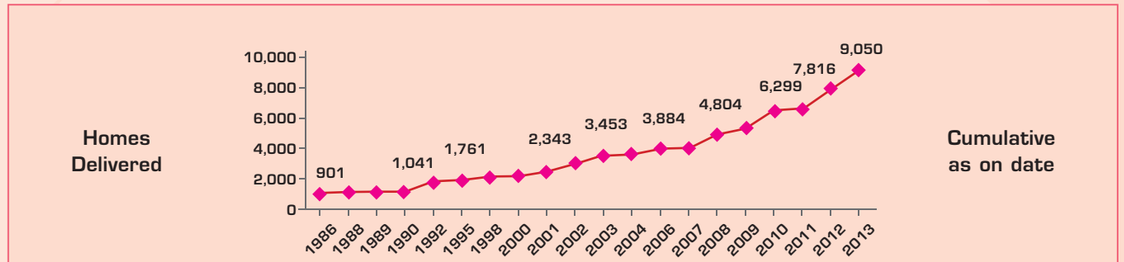
- Bossidy Charan and Burck



Optimizing Execution

Execution - as some may say, is the art of doing things. The focus this year for Ashiana is to optimize the art of doing things. This focus is required as we are now moving from a small scale to a mid scale zone.

The economies are changing and so are the managerial dynamics. Starting from 24 units way back in 1979, this year we crossed the mark of delivering 9050 happy homes till date. The project sizes have changed from 200-300 homes per project to 1000-1500 homes per project. 1673 homes got booked this year as compared to 515 homes four years back. Construction scale has also almost doubled in the last three years. This rapid growth has been unprecedented in our history and has stretched our execution capability. All this suggests putting in place a system to measure and monitor the progress that can greatly enhance the impact of the planning process for all of the sub divisions.



Execution is "the missing link between aspirations and results," and as such, making it happen is the business leader's most important job. It is not merely managing the tactical side of business but developing a discipline to learn. We feel, to manage the core business processes of strategy, people and operations, the following building blocks need to be in place: leaders with the right behavior; a culture that rewards execution; and a reliable system for having the right people in the right jobs.

"I don't think it matters what the idea is, almost. You need great execution."

- Felix Dennis

Strategy: Talking about the strategy first, we formulated our strategic plan three years back and now it is reviewed every year. The plan delves into the vision, mission, target segment of the Company and the ten year action plans. It then lists the focus areas for next three years further breaking it down to yearly goals and quarterly tasks. Every year the review starts with the management team anticipating the big challenges and spotting important trends in the industry. Performance of year gone by is then discussed, along with the big achievements and also the bottlenecks.

These goals are then summarized in form of corporate targets, and shared with the organization, which serves as the basis for more detailed strategic planning at the division and business-unit levels. Key focus areas are identified every year and specific individuals are made owners to execute them with the help of sub-teams. One top priority area is outlined and all others are aligned to that thought.

People: In the first quarter of FY 2013-14, Ashiana launched a Leadership Development Programme (LDP) for its employees. We designed a three step process for implementing LDP:

a) Development of skills and competencies to do the present job, efficiently.

b) Development of skills and competencies required to undertake greater responsibilities.

c) Providing employees the opportunity to take on greater responsibility.

Other initiatives included

- Employee motivation through presentations and communication boards
- Structured quarterly conversations between a manager and his subordinate along with individual development plans for them
- Book reading through clubs, monthly reviews etc.
- Fast track growth of engineers through a formal program
- Skill training program for unskilled manpower
- Structured training in 3 steps spread over 5-7 years, to enable supervisors to independently take on Site Engineer's role & responsibilities
- Improved hiring process

We are confident that these initiatives of Ashiana will not only provide professional development opportunities to employees but shall also fuel the growth of Ashiana through home grown managers at all levels.

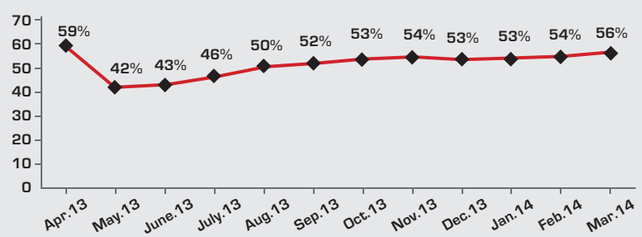
Optimizing EXECUTION

"Execution is everything"
- Jeff Bridges

Operations: We have, in earlier editions, talked about our business model and the way it helps us in scaling and sustaining the growth. We will now discuss how the different divisions of Company drive this model. Sales have had the record performance year - 1673 homes translating to 22.17 lakhs sq. ft. of saleable area. To maintain this growth momentum and not get lost, we have identified key parameters which affect our sales. Referral sales being 56% of our sales is the biggest contributor to our performance. Referral sales tell us the amount of customer satisfaction and trust which gets built over the years. The numbers show that our customers who had a buying experience with us are satisfied and encourage others to do the same. For us it is critical to ask questions like - Do we take care of our existing customers? How do we make sure they keep repeating the same behavior? We believe that success in this endeavor - is driven by understanding what they like and why. To ensure this, we have a regular customer feedback system. We take customer feedback at three levels - while booking by Sales Executives, at the time of possession by Customer Relationship Engineers and after possession by Top Level Management

Another question that arises is, that do our customers have information to make referral sale recommendations. We are putting in systems to ensure regular information to our existing customers about upcoming projects.

Cumulative Referral Sales - 2013-14 (As a % of total bookings)



Also, another important factor which helps getting sales is the conversion ratio. Conversion ratio is the ratio of site visits to bookings. Improving that ratio means getting more bookings with same number of visits. We ensure that by proper data segregation, we target the right audience at the first place, understand their requirements and then provide them the options that best fit their aspirations. Enquiries and site visits are important numbers for us to track and improvise on a continuous basis.

> "In the military, as in any organization, giving the order might be the easiest part. Execution is the real game."
>
> - Russel Honore

To execute this growing level of sales, we also need enough inventories to sell. All approvals need to be received on time to launch new projects. One key area, therefore, this year will be to prioritize and optimize the system in place to apply for approvals adequately, to get all drawings for sanctions well prepared to avoid any delays and hence fuel the growth.

Also, the inventories will get exhausted at a faster pace now, so we have to look for new projects both in existing and new locations. Last year we developed a structure around land acquisition team which will now execute strategies for locating new cities and projects which fit well in our target segment. We aim to identify a new city every year for launching new projects. This will also counter the risks involved related to the regulatory framework and other market risks which prevent growth certain times for individual projects and cities. To track and measure the same, we have interim milestones like number of potential cities to research and the land offers made in these cities. These are also tracked on monthly basis.

Getting the land, applying for approvals and selling it is just half the job. The other critical half is to deliver the quality as promised and that too on time. There is a lot which goes in, right from Design to Architectural Layouts to Landscaping to Construction and finally the Maintenance.

Starting from architecture, our team is involved right from the day a new project is identified to design and structure the homes as per the requirements of the end user. Surveys to understand the target customers, feedback from existing customers, new technologies available in the market etc. - all these are considered while designing every new project. Co-ordination between architecture and marketing teams with the aim to communicate the right product as planned and between architecture & engineering to deliver as communicated are very important processes.

When the designs have been finalized, it is the constant endeavor of our engineering team to execute them on ground and to get the best available products in the market in that price bracket. We have almost doubled our construction capability in last three years to 17.87 lakhs sq. ft. this year. The plan for next year is to further get this upto 22 lakhs so that it catches up with the figure of homes booked. One of the things which the entire construction industry is facing quite a bit is the increasing construction cost and labor shortage. The operating plan will strictly be a number exercise if we don't pay attention to productivity or quality. To cater to the labor shortage, we have been training our labor to do skilled jobs. The skill training, the supervisors' training and all mentioned above helps us in getting in-house skilled labor and at the same time helping them grow in their individual careers.

Optimizing EXECUTION

"Vision without execution is a daydream."

- Thomas Jefferson

We have also been focusing on optimizing the labor productivity. Our labor efficiencies have increased by more than 50% in the last three years, which is a huge achievement. We want to improve this figure consistently and we keep tracking the same.

In-house construction helps us do things more effectively where we can improvise on the construction techniques, put in check systems to ensure quality and save on margins at the same time. As a Company, we all get a lot of pleasure from constantly learning new things. Last year, we adopted a new form of construction using pre-fab structures called Aluminum Formwork System. Aluminum Formwork panels can be designed for any condition/component of the building. This system is unique as all the components in a building, including slabs, floors, walls, columns, beams, staircases, balconies and window hoods are made of concrete and there is no need for block works or brick works. We will be using this technology in our new project Ashiana Surbhi at Bhiwadi.

When homes are built and delivered to customers, customer feedback is obtained at that time to ensure that homes are delivered as promised. There is also a handing-over process which is regularly monitored when the responsibility passes from construction to maintenance department.

Ashiana Maintenance Services does the facility management for all projects, which is internally treated as more of a department than a subsidiary. They have their tracking numbers to measure customer satisfaction, cost controls and the property services. Effective monitoring systems like MIS and follow-up reports ensure timely, economical and efficient maintenance. On-site and off-site training further ensures a pool of skilled manpower that is sensitive to the needs of the residents.

Maintenance also provides resale and rental services to facilitate easy exits for customers. Over time, all of this also creates brand loyalty which helps us in selling subsequent projects to referrals from the current inhabitants of the projects.

"Success doesn't necessarily come from breakthrough innovation but from flawless execution."

- Navin Jain (Founder - World Innovation)

To bind all these processes are the support operations like Accounts, Customer Service, Human Resources and Information Technology. Accounts as a process, helps maintaining the financial discipline within the organization. Be it payments to vendors or labor contractors right on time, or the salaries of employees. These might seem insignificant processes but go a long way in building reputation of the Company and helps getting the right people at right time, to execute the planned strategies. Another example can be of the Customer Service Department assisting customers post sales in managing their installments well in time to avoid interest charges or other grievance handling procedures. For most of the people buying homes, it is one of the largest investments of their portfolio and proper information on time eases their decision making at subsequent levels.

To summarize, by this theme of execution, we are checking that all the strategies and plans are made and implemented keeping reality in mind. To achieve these goals we have the right set of people as and when required and all the systems and procedures are in place. **For execution is not complete, unless the other three pillars are well in place – people, strategy and operations.**

10 Years at a Glance

₹ in Lakhs

	S No.	Particulars	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Balance Sheet	1	Share Capital	535	517	517	1,808	1,808	1,808	1,861	1,861	1,861	**1,861**
	2	Net Worth	1,938	2,443	3,234	6,777	9,628	12,979	17,495	23,964	26,807	**28,446**
	3	Long Term Debts	137	132	316	256	111	784	29	1,055	1,105	**913**
	4	Gross Fixed Assets	431	596	1,397	2,805	3,212	3,434	4,809	5,294	5,741	**7,094**
	5	Capital Work in Progress	21	218	622	255	519	1,305	47	-	13	**128**
	6	Investments	1,885	2,322	2,695	4,572	4,068	4,985	7,482	9,116	5,468	**3,317**
Income Statement	7	Sales & Other Income	1,457	3,921	5,569	13,345	10,401	12,103	15,429	24,898	16,142	**12,280**
	8	Operating Expenditure	1,438	3,295	4,447	8,861	7,027	7,411	9,578	15,930	11,375	**9,091**
	9	EBITDA (Operating Profit)	19	627	1,122	4,484	3,374	4,692	5,850	8,967	4,767	**3,188**
	10	Profit after tax	(13)	553	945	3,865	2,840	3,677	4,386	6,955	3,315	**2,186**
	11	EPS (₹ per share)	(0.01)	0.61	1.04	4.27	3.14	4.07	4.71	7.47	3.56	**2.35**
	12	Dividend (₹ per share)	0.06	0.11	0.14	0.30	-	0.30	0.35	0.45	0.45	**0.50**
	13	Return on avg. net worth (%)	(0.64%)	25.25%	33.28%	77.22%	34.62%	32.53%	28.78%	33.55%	13.06%	**7.91%**
Cash Flows	14	Gross Advances from customers	4,687	6,917	8,895	7,600	13,671	11,681	12,046	24,433	9,022	**26,693**
	15	Pre-tax Operating Cashflows							5,345	10,967	8,381	**12,590**
Operations	16	Area Constructed (lakhs sq. ft.)	2.57	4.41	5.48	7.20	9.40	10.22	10.74	14.62	12.27	**17.87**
	17	Area Booked (lakhs sq. ft.)	5.22	8.16	4.23	6.53	5.26	7.07	13.50	17.83	18.65	**22.13**
	18	Average Realization (₹ per sq. ft.)					1,906	2,070	2,055	2,190	2,699	**2,926**
	19	Value of Area Booked					10,023	14,633	27,736	39,038	50,335	**64,756**
	20	No. of Units Booked						518	1,015	1,298	1,346	**1,673**

Our Purpose

To bring a smile of satisfaction on people's faces.

Vision:

- To nurture an environment which brings a smile of satisfaction to people who meet us, who live in homes built by us, work with us, supply to us and invest in us.

Mission:

- To develop & maintain homes which are functional, aesthetically pleasing and environment friendly for the middle income group.
- To create retirement communities where senior citizens can lead active, fun filled and a secured life with dignity.

What core values mean to us:

- **Happiness All Around :** importance to all; freedom to work & speak; being able to make a mistake; family-like environment and good interpersonal relationships.
- **Transparency :** honesty; sharing information regularly; self-belief and delivery on time.
- **Going the Extra Mile :** passion for everything we do; continuous improvement and adaptability to change.
- **Never Give Up :** fulfilling commitment.

Happiness All Around

Shamsher, Site Accountant at Marine Plaza, noticed a worker regularly reporting late for work. He accosted the worker who told him that he walked from home, (6 km everyday) to reach the site. This led him to reach late and at the same time he could also not work late in the evening.

Shamsher realized the helplessness of the individual and decided to help him in whatever manner he could.

Accordingly when Shamsher received his next salary he bought a second hand bicycle for this worker. The latter was overjoyed and extremely grateful for this kind gesture from Shamsher.

Mr. Shamsher Singh, Site Accountant
Ashiana Marine Plaza, Jamshedpur

Going The Extra Mile

On 16 Dec 2013 at 1830 hrs Mrs. Partibha Singla, resident of Utsav Bhiwadi, called the Help desk, that there is an emergency in their flat. Immediately, Mr. Rajesh (Plumber) rushed to the flat & noticed that hot water pipe of geyser was burst and water was coming out near the switch board. Rajesh shown his presence of mind and switched off the main power supply and cut off the water supply. Mrs. Singla was very scared of the incident and was unable to move from her bed. Water was splashed all over in the flat. Meanwhile he console Mrs. Singla not to worry about the incident, he did not wait for any one and moved all the stuff from the floor. After that he took a wiper and wiped the entire floor without any assistance. Mrs. Singla was very happy and thanked Rajesh for this great job.

Mr. Rajesh, Plumber
Ashiana Utsav, Bhiwadi

Transparency

Kamlesh is a Supervisor at Rangoli Gardens. A true Ashianaite, Kamlesh embodies the Ashiana Core Values in body & spirit.

A while back, Kamlesh attempted to withdraw ₹ 600/- from the ATM. By mistake the ATM dished out ₹ 16,000/-

He was pleasantly surprised at receiving the additional amount. The SMS he received from the bank also debited only ₹ 600/- to his account.

Even though he was happy at this bounty, Kamlesh's conscience was restless. So, he visited the bank, informed the manager about the mistake made by the ATM and returned the excess amount.

Mr. Kamlesh Kumar, Supervisor
Rangoli Gardens, Jaipur

Never Give up

About a fortnight back, a customer visited the site sales office along with his family. Due to this, the office floor got dirtied. Once the customer left, the office needed to be swept and mopped again; but the house-keeping staff had already left for lunch.

As another customer was shortly scheduled to visit the office and an unkempt office would give a poor impression, Uday immediately picked up a broom and swept & mopped the office floor and tidied it up for the customer's visit.

Mr. Uday Pratap Singh, Executive (Sales)
Ashiana Utsav, Lavasa

Optimizing EXECUTION

Company Snapshot

147.79
lakhs sq. ft.
Delivered

8368 Families
part of Comfort homes

Housing for the middle income group in upcoming industrial areas and towns with population of more than ten lakhs in India

6524 units
Under maintenance

682 Seniors residing
in Senior Living

Active Senior Living for people over 55 in the middle income group in cities having population of more than 25 lakhs or in magnets/satellites of metros

Assisted Living for people in advanced age who require assistance in performing their daily living routine chores by the name 'Care Homes' in senior living complexes

7 Locations
Pan India Operations

Bhiwadi (NCR)
Neemrana
Jaipur
Jodhpur
Lavasa
Jamshedpur
Halol

Listing

Shares Listed at
BSE (Stock code - 523716) and
NSE (Stock code - ASHIANA).
Listed in BSE Small Cap Index.

Awards & Recognitions

Best Affordable Housing (INDIA & as well as NCR)
ASHIANA AANGAN by
CNBC AWAAZ REAL ESTATE AWARDS 2012

India's Best Theme Based Township
UTSAV - BHIWADI by CREDAI REAL ESTATE AWARDS 2012 (Non-metro Category)

Rated by FORBES' among Asia's 200 Best Under a Billion Dollar Companies (2010 & 2011)

India's Best Residential Project
NORTH - ASHIANA AANGAN &
EAST - ASHIANA WOODLANDS
by ZEE - BUSINESS RICS AWARDS 2011

Received BMA - Siegwerk Award for Corporate Social Responsibility 2010 & 2012

Received Bhamashah Award for Contribution made in the field of Education by Govt. of Rajasthan 2013

Think Media Award for outstanding Corporate Social Responsibility work in Real Estate Sector 2013

Honored by Bharat Vikas Parishad Rajasthan for Corporate Social Responsibility Activities 2013

Vrinda Gardens, Jaipur (Rajasthan): Launched comfort homes in Mar 2014 comprising 2-3 BHK flats with total saleable area of approximately 14.82 lakhs sq. ft.

Ashiana Town, Bhiwadi (Rajasthan): Launched comfort homes in July 2013 comprising 2-3 BHK flats with total saleable area of approximately 39 lakhs sq. ft.

Rangoli Gardens, Jaipur (Rajasthan): Launched commercial block in Phase –VII. This commercial block has total saleable area of approximately 70,420 sq. ft.

Ashiana Dwarka, Jodhpur (Rajasthan): Launched comfort homes in Dec 2013 comprising 2-3 BHK flats with total saleable area of approximately 5.27 lakhs sq. ft.

Gulmohar Gardens, Jaipur (Rajasthan): Launched comfort homes in May 2013 comprising 2-3 BHK flats and villas with total saleable area of approximately 10.94 lakhs sq. ft.

Ashiana Navrang, Halol (Gujarat): Launched comfort homes in Jan 2014 comprising 2-3 BHK flats with total saleable area of approximately 6.71 lakhs sq. ft.

Artistic View of Vrinda Gardens, Jaipur

Operational Highlights 2013-14 ⓓ Approvals

Ashiana Surbhi, Bhiwadi (Rajasthan): This project received conversion approval from agricultural to non agricultural under section 90A of the Rajasthan Land Revenue Act and lease deed was issued from Urban Improvement Trust (Bhiwadi) in favor of the Company. This project has comfort homes with total saleable area of approximately 4.91 lakhs sq. ft.

Ashiana Aangan, Neemrana (Rajasthan): Phase –II of this project received conversion approval from agricultural to non agricultural under section 90A of the Rajasthan Land Revenue Act. This project has comfort homes with total saleable area of approximately 4 lakhs sq. ft.

Artistic view of Ashiana Town, Bhiwadi

Operational Highlights 2013-14 ⊕ Acquisitions

Ashiana Umang, Jaipur (Rajasthan):
Acquired 12.65 acres of residential land near Mahindra World City in Sanganer, Jaipur. This land has saleable area of approximately 12 lakhs sq. ft.

Sohna Land, Sohna Road, (near Gurgaon)
Entered into agreement for development rights of 13.34 acres of land on Sohna Road, Sohna (near Gurgaon).

Artistic View of Ashiana Navrang, Halol

Awarded by Think Media Inc. for Outstanding Corporate Social Responsibility work in the Real Estate sector

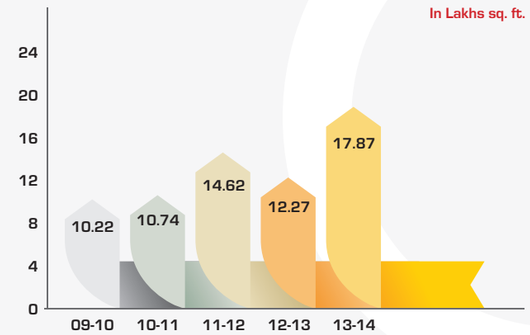
Honoured by Bharat Vikas Parishad, Rajasthan for Corporate Social Responsibility initiatives by the Company

Received Bhamashah Award by the Government of Rajasthan for contribution made in the field of education.

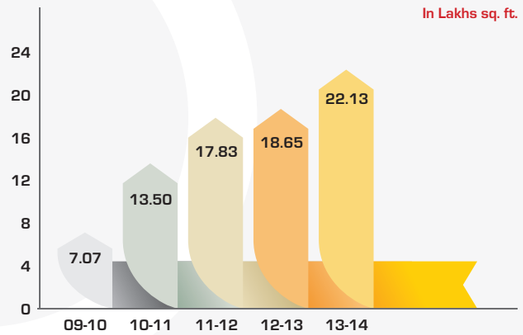
Night View of Ashiana Aangan, Bhiwadi

Optimizing EXECUTION

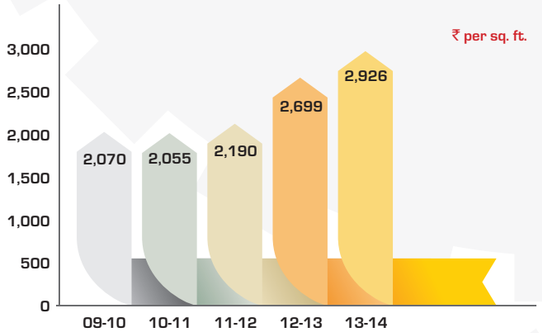
Operational Highlights 2013-14



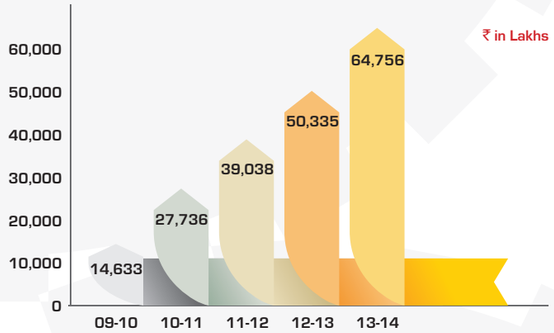
Equivalent Area Constructed



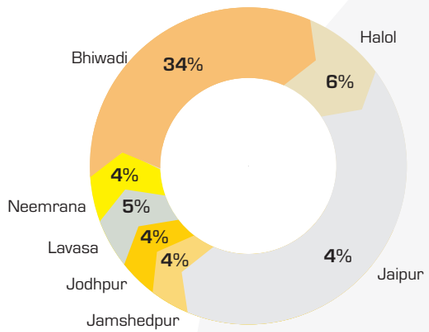
Area Booked



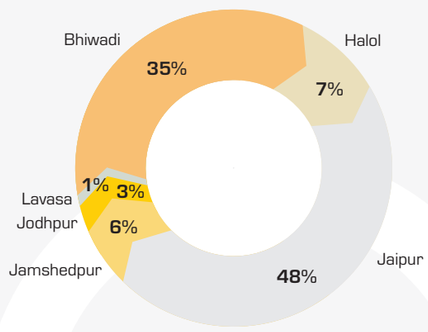
Average Realization



Value of Area Booked

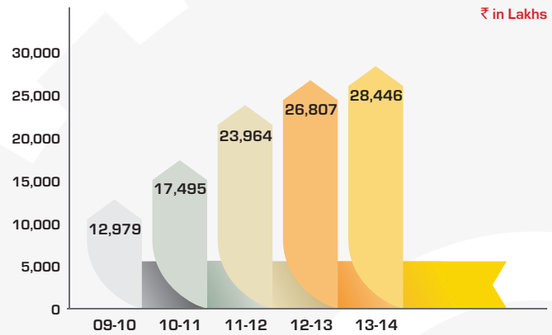


Saleable Area by Location

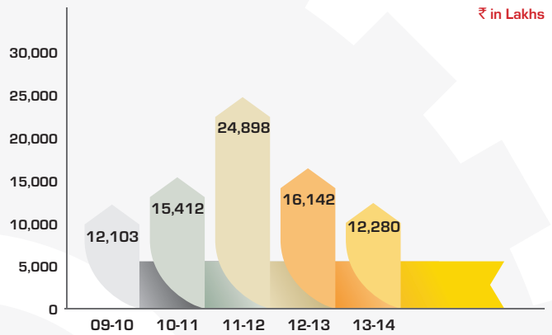


Area Booked by Location

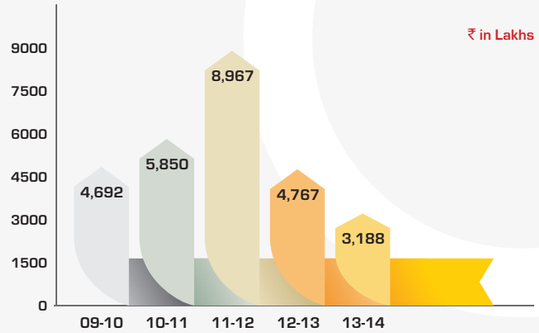
Financial Highlights 2013-14



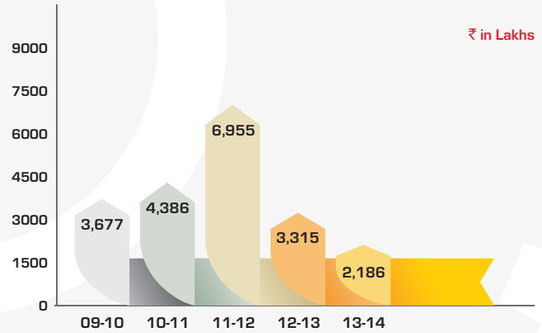
Consolidated Net Worth



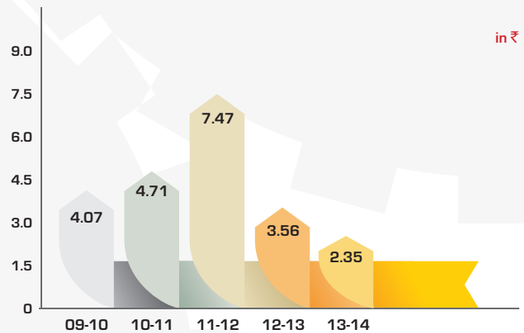
Consolidated Total Income



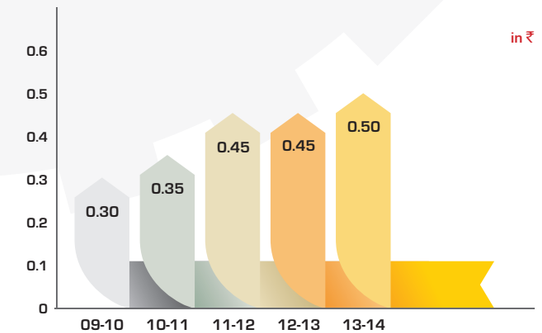
Consolidated EBITDA



Consolidated Net Profit



Consolidated Earning Per Share (EPS)



Consolidated Dividend Per Share (DPS)

Letter from Managing Director

Dear Shareholders,

This year has been a great year marking a specific turn in the business. From launching a project or two in a year, we launched five new projects this year and also added a new location to our portfolio. Though the external environment looked challenging and financial markets were volatile, we have had by far the best year with bookings of 22.17 lakhs sq. ft. and a record construction of 17.87 lakhs sq. ft. We are now much more confident about our project execution skills and have started constructing a lot more. Our labor efficiencies have increased and we have been able to shrink delivery timelines by 2-3 months. The maintenance services along with property services division also had a splendid year.

Fiscal year 2013-14 started with the launch of our mega project Ashiana Town in Bhiwadi, where we reaped the results of the diligent preparations done during the intervening period between Ashiana Aangan and Ashiana Town. Whatever pent-up demand generated in the mean while, helped us do record bookings in the month of July. We were able to smoothly mobilize the manpower requirements of Ashiana Town as a result of the preparation and hard work put in last year. In all, we saved four crucial months due to good planning.

In the second quarter, we launched Gulmohar Gardens in Jaipur and the commercial segment in Rangoli Gardens, Jaipur. Ashiana Dwarka in Jodhpur, Ashiana Navrang in Halol and Vrinda Gardens in Jaipur were launched subsequently during the year. Launching and executing new projects and at the same time, maintaining rhythm in existing ones required us to deliver what we have never done before. I believe the whole idea of experimenting and learning has been very important. Our confidence to take on more in the future has been bolstered.

Having created homes with care and attention to detail, it is very important to maintain these properties. Proper maintenance increases the life of homes and enhances their capital values; besides providing comfortable living and peace of mind to current inhabitants. Constantly growing sales and maintenance numbers show that our customers who have had a buying experience with us are satisfied and encourage others to do the same. To make sure they keep repeating the same behavior, we have a regular customer feedback system. It helps us in continuously understanding our customer's expectations and improving our products accordingly. No wonder, this year more than 55% of our buyers are from references.

This year, we also relooked at our system of training and development. We are of the firm opinion that sustainable growth is possible only by the contribution of a happy and capable team. New initiatives like management conversations, engineer fast tracking, supervisor training, leadership development program and book reading culture have been initiated.

In this excitement of growth, one thing that has become stronger is our core values. Numerous core value stories run around in daily/weekly/monthly huddles which happen at different levels and departments. Employees narrate stories of their co-workers demonstrating the following core values – 'Never Give Up', 'Going Extra Mile', 'Happiness All Around' and 'Transparency'.

I would like to thank the entire Ashiana family who have worked day and night to deliver quality products, improved services and overcame difficult challenges. Along with tough targets to achieve, our teams have been involved in various Corporate Social Responsibility activities which have got us the Think Media Award for outstanding Corporate Social Responsibility work in the Real Estate Sector. We value this honor and will continue to work in this direction.

The year 2014-15 is a challenging year for the entire economy. We, at Ashiana, have taken this as a year of consolidation and wish to put our energies into increasing both sales and execution capabilities. This, along with our strong balance sheet, healthy project pipeline, diverse geographical presence, a clearly defined strategy and a committed team of young Ashianites will make us better positioned for future growth.

I feel good about what we've done, and even more excited about what we want to do.

2013-14 was indeed an incredible year. I am grateful to our customers for their business and trust, to each other for our hard work and to our shareholders for their support and encouragement.

With best wishes,

Vishal Gupta
Managing Director

Organizational Structure

Vishal Gupta (Managing Director)

- **Shantanu Haldule** (Jamshedpur)
- **Ashok Gongopadhyay** (Corporate Social Responsibility)
- **Shyamal Kumar Palit** (Operations)
- **Atul Kumar** (Architecture & Design)
- **Kuldeep Gahlaut** (Human Resource)
- **Promod Kumar Jaiswal** (Bhiwadi & Neemrana)

Ankur Gupta (Joint Managing Director)

- **Anupama Gulati** (Sales & Customer Service)
- **Vijay Mohan** (Marketing)
- **Manoj Tyagi** (Pune)
- **Atma Sharan** (Facility Management)
- **T K Shaju** (Information Technology)

Varun Gupta (Whole Time Director)

- **Manojit Sengupta** (Finance & Accounts)
- **Dinesh Chandra Singh** (Halol)
- **Bhagwan Kumar** (Land, Legal & Company Secretary)
- **Sanjeev Rawat** (Jaipur & Jodhpur)

Clock wise: Varun Gupta, Ankur Gupta and Vishal Gupta.

Key Management Team

VISHAL GUPTA - Managing Director

Roles : He is acknowledged for his in depth understanding of the real estate business, customer psychology and market behavior. He has a great eye for detail and takes a keen interest in the conceptualization and planning of new housing projects for the Company. He is actively involved in finance, marketing, project execution and general administration. He has been instrumental in the present growth of the Company.

Age : 40 years

Education : A graduate from Sydenham College (Mumbai) and an MBA from FORE School of Management (Delhi)

Experience : 19 Years

ANKUR GUPTA - Joint Managing Director

Roles : He leads sales & marketing and Information Technology departments of the Company. He also leads all the residential projects for senior citizens as well as facility management segments.

Age : 36 years

Education : Bachelor in Business Administration from Fairleigh Dickinson University (USA) and an MS in Real Estate from New York University (USA).

Experience : 14 Years

VARUN GUPTA - Whole Time Director

Roles : He is leading functions of land, legal, corporate affairs, finance, strategy & investor relations.

Age : 30 years

Education : Bachelor in Science from Stern School of Business, New York University (USA). He is majored in Finance and Management and graduated with the high academic distinction, 'Magna Cum Laude'.

Experience : 9 Years

Vishal Gupta, Ankur Gupta and Varun Gupta are brothers in relation.

Pramod Kumar Jaiswal
Vice President

Roles : Implementation and execution of projects in **Bhiwadi & Neemrana.**

Age : 54 years

Education : Bachelor in Civil Engineering

Total Exp. : 30 years

In Ashiana : 25 years

Sanjeev Rawat
Vice President

Roles : Implementation and execution of projects in **Jaipur & Jodhpur**

Age : 53 years

Education : Master of Science in Defence & strategic studies

Total Exp. : 33 years

In Ashiana : 6 years

Shantanu Haldule
Vice President

Roles : Implementation and execution of projects in **Jamshedpur**

Age : 47 years

Education : PGD in Industrial Security & Corporate Intelligence

Total Exp. : 23 years

In Ashiana : 4 years

Manoj Tyagi
Vice President

Roles : Implementation and execution of projects in **Pune**

Age : 43 years

Education : PGD in Business Management

Total Exp. : 19 years

In Ashiana : 6 years

Shyamal Kumar Palit
Vice President

Roles : Implementation and execution of projects in **construction and planning activities**

Age : 52 years

Education : Bachelor in Civil Engineering

Total Exp. : 28 years

In Ashiana : 22 years

Atma Sharan
Vice President

Roles : Implementation and execution of projects in **facility management and senior living business.**

Age : 54 years

Education : Bachelor of Commerce

Total Exp. : 22 years

In Ashiana : 6.5 years

Key Management Consultants

Dinesh Chandra Singh
Vice President

Roles : Implementation & execution of project in **Halol**
Age : 54 years
Education : Bachelor in Civil Engineering
Total Exp. : 33 years
In Ashiana : Joined in Dec. 2013

Kuldeep Gahlaut
Vice President

Roles : **Human Resource** department of the Company
Age : 50 years
Education : PGD in Business Management
Total Exp. : 29 years
In Ashiana : 6 years

Bhagwan Kumar
General Manager

Roles : Land, Legal & Secretarial
Age : 43 years
Education : Law graduate & Company Secretary
Total Exp. : 19 years
In Ashiana : 9 years

Manojit Sengupta
General Manager

Roles : Finance & Accounts
Age : 41 years
Education : Chartered Accountant
Total Exp. : 20 years
In Ashiana : 7 years

Anupama Gulati
General Manager

Roles : Sales & Customer Service
Age : 45 years
Education : Bachelor of Engineering in Electronics and Tele - communications
Total Exp. : 21 years
In Ashiana : 5 years

Biswajit Sengupta
Architect Advisor

Roles : Senior Consultant on the panel of the Company.
Age : 66 years
Education : Bachelor degree in Architecture
Total Exp. : 43 years
In Ashiana : Since inception

Atul Kumar
Architect Advisor

Roles	:	Architect Advisor of the Company
Age	:	61 years
Education	:	Bachelor degree in Architecture
Total Exp.	:	39 years
In Ashiana	:	8 years

Ashok Gongopadhyay
Consultant

Roles	:	Corporate Social Responsibility
Age	:	68 years
Education	:	Bachelor of Commerce
Total Exp.	:	48 years
In Ashiana	:	21 years

Sushil Kumar Trishal
Technical Advisor

Roles	:	Technical Advisor
Age	:	71 years
Education	:	Bachelor in Civil Engineering
Total Exp.	:	52 years
In Ashiana	:	7 years

Actual View of Ashiana Aangan, Bhiwadi

Optimizing EXECUTION

Q&A with Joint Managing Director

In the year gone by, while your sales guidance was 23 lakhs sq. ft. you were only able to achieve 22 lakhs sq. ft. Are there any specific reasons?

At the project level, two projects Treehouse Residences in Bhiwadi and Ashiana Utsav in Lavasa did not perform as expected. In Treehouse Residences, we had difficulties in selling as the average size of the house is larger than what we normally build and the ticket size is more than one crore rupees. In this year, however, as the project nears possession, sales are expected to improve.

In Lavasa, the sales have been slow ever since we started. However, as the possession of first phase has now started and customers are coming in, we expect the sales to pick up soon. Other reasons are delay of couple of months in some of the projects due to delayed approvals.

All said and done, we have still achieved 22.13 lakhs sq. ft. and there has been decent growth over the last year.

The accounting revenues have shown a YoY degrowth. What is the reason for the same even though your sales and construction volumes show a YoY growth?

We have been consistently pointing out that since 31st March 2012 we have changed our accounting policy. Currently all of our ongoing projects follow contract based completion method of accounting. In this method, revenues are recognized when the possession is offered in any project. Earlier we used to follow a construction linked accounting method where the revenue got recognized with percentage of completion of the phase.

As the construction cycle of a typical phase is around 24-30 months from the launch date, the initial phases of ongoing projects are now nearing possession and will be recognizing revenues starting 2014-15. Our accounting profits therefore, after declining for the last two years, should start going up this year onwards.

You have gained significant sales traction in the Jaipur market besides Bhiwadi. What has worked for you in this market and can such success be replicated over time?

INSET PHOTO: Actual view of Ashiana Treehouse Residences, Bhiwadi

Customer centricity and focus on middle income housing are the two major drivers that can be counted on, for success in these markets.

Customer centricity is maintained through timely deliveries and control on quality because of in-house construction, building transparency and feedback system. In-house sales team, quality upkeep and enhanced lifestyle provided by our facility management services are other factors which enhance customer satisfaction.

The other thing is focus on middle income housing. We believe that over last three decades, we have well understood the nuances of the product that we sell and the requirements of the target segment we serve. This helps us command premium in markets like Bhiwadi and Jaipur where we have been for a while now. As a strategy, we want to leverage that expertise in different locations over time. Halol (or neighboring areas in Gujarat) is one such market where we think we will be able to generate that momentum over time.

One of the most interesting aspects of the business model is the high Return on Equity (ROE). Given that you are making significant investments in land banks at inflated prices to sustain your growth, will these ROE be maintained?

Three things that help us maintain the ROE levels are: a) At any point in time, we want to keep land inventory just enough to fuel our required growth. Land is acquired keeping in mind the burn rate (% of land consumed from the total available land inventory) which is currently maintained 15-20%.

INSET PHOTO: Actual view of Rangoli Gardens, Jaipur

b) We predominantly like to keep capital deployment low in land as compared to the total cost. Therefore, we either purchase land in locations where cost of land as a percentage to total cost is lower or we partner with land owners by way of area sharing, profit sharing or revenue sharing.

c) We constantly look out for shrinking our delivery timelines to improve cash conversion cycle. Phasing of projects also helps in faster churning of cash cycle and hence improves returns.

I would also like to highlight a couple of points that may reduce our profitability in the coming years. For the past few years, we were paying taxes under MAT due to the tax incentives on certain kinds of housing that we executed. Going forward these incentives will exhaust and we will be taxed at full rate 2015-16 onwards.

Investors find it difficult to judge the operational performance of the Company from the reported numbers, because of different accounting standards across projects and lumpiness of sales. What metrics should they track to judge the performance of the Company?

Since we have moved to a possession based accounting, our reported numbers will look very lumpy. As a Company, we really would look at our business from a long term perspective. In the short term, we are focused much more on our cash flows than our accounting top line and bottom line.

We internally track the following metrics:

- Area Booked
- Area Delivered
- Pre-tax operating cash flows
- Average Sales realizations

We have started updating our quarterly presentation with these numbers so that it gives a fair idea to investors about our progress.

ashiana
you are in safe hands

You went through a big rebranding exercise last year. How has that played out?

Our rebranding has been a huge success. The brand has created a very distinct recall value for the Company, and a logo that stands out for its clarity and symbolism. We are really happy, that we went for this exercise, and look forward to nurturing it further, over the years.

You have been able to shrink your delivery timelines. How have you been able to achieve that?

Over the time, we have built a reputation for delivering our projects on time. We have been able to reduce project timelines of launch to delivery from 30-36 months to 24-30 months. Our ability to squeeze timelines has been driven by our constant focus on process improvements. Each activity has been broken into sub-tasks and built into a process with timelines and responsibilities that are clearly delineated.

Another practice is supervisors setting their own goals. That way they feel much more accountable to meet and over-achieve these targets. The practice of making payments to our vendors and contractors on time has helped built credibility with them. This has ensured that in the regular course of business, materials & labor on our sites are available on time.

You have developed a reputation for being a customer-centric organization. What is the philosophy behind this and what have you been able to achieve?

Customer has always been the boss for us. Without his favorable attitude towards us, we would never have been able to achieve our goals. This is the ethos on which our father, Mr. O. P. Gupta, built the Company. We want to be the brand of choice to our existing and potential customers.

This thought propels us to think through the things that will make our customers happy. We have a big focus on facility management and we work hard to cut down our response time to any issue that comes up. We try to build communities in all our projects, and engage residents in regular events, festivals and other group activities to improve lifestyle in these projects.

With the rapid escalation in land prices over the last decade, you may no longer get access to incremental cheap land parcels. How will you tackle this issue and still aim to build homes that fit the budget of the middle class?

We have always believed that it is the selling price of finished homes in a particular market that will determine the land prices, which is a raw material for them. In the short term a market may get overheated with land prices shooting up, but this itself lays the seeds of reduced demand and in turn slow moving inventory and ultimately correction in land prices.

Also, over time, we have diversified into having presence in over seven cities – Bhiwadi, Jaipur, Jamshedpur, Jodhpur, Lavasa, Neemrana & Halol. In the long run, this will allow us to grow at a decent pace, without really compromising on margins.

Recent rulings by courts have raised doubts in people's minds about regulatory oversight and mismanagement in the approval process. Do you see this as a real risk? If not, then how do you provide comfort to your customers on having all regulatory approval before the units are handed over?

Clearly, there are too many regulatory laws that govern our industry. Real Estate being a state subject has a

whole plethora of central, state, district and city level guidelines that juxtapose with each other and at times seem conflicting. Lack of clean titles in many markets increases uncertainties & makes it difficult for both developers and end customers to make informed decisions.

We partner with land owners in new markets by way of area sharing, profit sharing or revenue sharing. Land owners those who have local expertise and know-how of regulatory procedures in the pre-development stages of the project. This helps us with getting the approvals quickly in new markets, reduces the amount of investment required and also limits the title and developments risks to a large extent.

For our potential customers, the best way to get comfort is to see our delivery track record and speak to our existing customers.

There is a sense of foreboding in the real estate sector with overall sales falling down. How do you plan to counter that, given your sales target for this year is 24 lakhs sq. ft.?

It is true that the overall sentiment went down last year, due to slowing growth in the economy. This has slowed sales across the industry.

For the first six months, we did not see any kind of slowdown and infact sales outpaced our expectations. Our numbers were impacted a bit in the third quarter and then picked up in last quarter of FY 2013-14.

The target will be really challenging for us in the coming year. We have a number of new projects lined up and are confident of getting a good response. We are also increasing our focus on marketing and sales and aim to reach out to more potential customers over the year.

We are very optimistic about the long term performance of our business model. The short term outlook is a bit cloudy but we are hopeful of beating last year's numbers.

Govt has made Corporate Social Responsibility spending mandatory. How does that change things for you?

At Ashiana, Corporate Social Responsibility is part of our regular activities. Key focus areas for us have been Education, Skill Training, Environment and Healthcare. It is not something that we do because we have to do, but because we want to do it.

We have adopted schools around our project sites helping improve the infrastructure in those schools. The Company till date has trained 1200 unskilled laborers to do semi skilled/ skilled jobs, planted more than 5000 trees in various locations.

This year we donated rickshaws to needy individuals funded by contributions of our employees.

We have regularly run cleaning drives in the areas surrounding our housing projects, actively encouraging our residents to participate. This helps build a sense of community and bonding among our customers and employees. We won three awards & recognitions for outstanding Corporate Social Responsibility work in the real estate sector this year.

Actual View of Rangoli Gardens, Jaipur

Management Discussion & Analysis

Management Discussion & Analysis

Economy

The economic and the fiscal conditions still leave a lot to be desired, as the recovery over the previous year was nothing but incremental. The government had initially projected the growth rate to be over 5% for the FY 2013-14 but had to revise the estimates to 4.9% after the performance of first two quarters. Expansion during the fiscal year was hurt mainly due to the contraction in the key mining and manufacturing sectors. The manufacturing sector, arguably the backbone of a sound economy, is in a precarious situation after an estimated 0.2% decline, a phenomenon observed for the first time since 1991-92. The mining sector also showed a considerable negative growth. This contraction and the sluggish growth can be attributed to factors like slowing investments, pessimism in the market, domestic structural constraints, stubbornly high inflation throughout the year and indecisiveness in decisions, approvals and clearances. Interest rates continued to be high with extremely tight liquidity conditions prevailing in the market.

The sluggish and negative growth in certain sectors coupled with stubbornly high inflation levels had a severe impact on medium and small scale enterprises. New job creation was weak. Aggregate demand in the economy fell with massive over capacity in the system right across FMCG, Commercial Vehicles and Cement. However, the core inflation presented a palatable picture during the January-February period where it remained at almost a 24 month low level. The Indian rupee, which plunged to all-time low of 68.85 in August last year, has since then recovered to trade in 60-levels against the US dollar. Going ahead, the World Bank has projected a growth rate of 5.7% for the FY 2014-15 on account of optimistic clearances of important investment projects.

Industry

The real estate sector continued to remain fragile in FY14 as the industry is facing headwinds such as slow rate of approvals, recent regulatory changes in key micro markets pertaining to development control rules, inflation impacting cost structure, declining demand due to increased prices, etc.

Industry in general is facing liquidity crunch. A new housing project is normally funded through a mix of internal accruals, customer advances and debt. Funds from internal accruals are limited due to current sluggish demand in real estate sector, impacting the cash flows from ongoing projects. Thus, debt becomes the principal source of funding for the project. The total exposure of banks calculated as percentage increase in lending towards the real estate sector has also followed a declining trend. Also, funds from NBFCs and PE investors are fading away as the returns have been on the lower side and many PE investors are struggling to exit at decent returns.

Due to all these factors coupled with slowdown in the economy, the sales have started stagnating and this in turn has impacted the marginal players with leveraged balance sheet.

Actual view of Ashiana Aangan, Bhiwadi
COMFORT HOMES

Actual view of Ashiana Utsav, Lavasa
SENIOR LIVING

This is largely because the risk perception, timeline delays and unclear exit routes have shaken consumer's confidence. Also the real estate has not been accorded the much due status of an industry losing out on timely incentives and favorable decisions.

But if we look at a long term view, construction industry in India is the second largest employment generator, after agriculture employing about 7.6 million people in 2013 and contributing to 6.3% of the GDP in the same period. According to LIC Housing Finance Ltd. estimates, 78% of the amount spent on construction of a housing unit in India gets added back directly to India's GDP.

Rapid urbanization and the trend towards nuclear families have reduced the average size of a household and dramatically increased the demand for affordable housing for the burgeoning Indian middle class. According to Cushman & Wakefield Research, demand for urban housing will scale up by nearly 12 million units by 2017 based on just the current growth of population. Around 23% of this total demand will be generated in the top eight cities of India. By 2021, the urban population is expected to increase to nearly 500 million, totaling to about 35% of the total population of India. Hence, the total housing demand in the country by 2017 could be as high as 88.78 million units.

The success of the industry players will depend on how effectively they are able to expand to tier-2 cities and deliver user accepted products at affordable prices. Needless to say that large volume of funding and infrastructure development is required to achieve both social and economic objectives.

The GDP contribution at the present level of 6.3% is measly when compared to 15.5% in the US. Therefore, if the housing shortage is met there will be an increased growth rate along with the natural increased contribution. Needless to say government policies, infrastructure development and increased funding will go a long way in realizing the potential of housing sector.

Operational Review

Ashiana continues to operate in the middle income housing segment with presence in:

Comfort Homes: Housing for the middle income group in upcoming industrial areas and in towns with population of more than 10 lakhs in India.

Senior Living:

- Active Senior Living for people over 55 years of age in the middle income group in cities having population of more than 25 Lakhs or satellites of metros.
- Assisted Living for people in advanced age who require assistance in performing their daily living routine chores by the name 'Care Homes' in senior living complexes.

Artistic view of Ashiana Dwarka, Jodhpur

At Ashiana the relationship with the customer is a lifelong one and does not end with the formal handover of the flat, which is to say that we are committed to providing quality maintenance to all the properties through **Ashiana Maintenance Services Limited;** a wholly owned subsidiary of Ashiana Housing Limited. In addition, all the customers can avail the services of resale and rental after they have bought into Ashiana.

On the operational front, the year was good one. Despite weak market conditions, we had an excellent year with bookings of 22.13 lakhs sq. ft. (1673 units), which is almost a 19% jump from the 18.65 Lakhs sq. ft. achieved in FY 2013. The average realization per sq. ft. was ₹ 2,926 making the value of area booked to ₹ 647.56 crores for the year as compared to ₹ 503.35 crores last year.

The leading indicators to sales in housing are site visits and sales enquiries. Realizing that the site visits play a very important role in the decision making process of actual users, the Company has been focusing on improving the quality of site-visits, provided training to the sales staff and customers feedback. Other factors which contributed into better bookings were timely delivery of phases in all the projects, right design and right pricing of the products keeping in mind comfort & affordability of home buyers.

The equivalent area constructed (EAC) for the period was 17.87 lakhs sq. ft., which was a humongous jump of around 46% from the previous year's level of 12.27 lakhs sq. ft.

Project Launches

This year we have launched five new projects and also added a new location to our portfolio. The year saw a slew of major launches and also the biggest and most ambitious project of Ashiana till date.

Gulmohar Gardens, Jaipur: was launched in May 2013 with a total saleable area of 10.94 lakhs sq. ft. This project is in partnership with Manglam group and situated near Chokhi Dhani in Jaipur. It comprises of 3 & 4 BHK villas with staff room and 2-BHK apartments in G+2 independent floors. The project got a nice start and 77% of the area launched in first two phases has already been booked till March 13. The third phase was also opened in Feb-13.

Ashiana Town, Bhiwadi: The biggest project of Ashiana till date was launched in July 2013, with a saleable area of 39 lakhs sq. ft. The land is situated in Village Thada, Bhiwadi, Rajasthan and will house three projects. The first one being Ashiana Town Beta with a total saleable area of 16.68 lakhs sq. ft. and comprises of 2 & 3 BHK units. Construction of Ashiana Town Beta has commenced and the entire project in general has evoked tremendous response from target customers. On the second parcel of three, we are planning to launch a senior living project.

Rangoli Plaza, Jaipur: It is a part of the 26 acres Rangoli Gardens township which is located near Vaishali Nagar. Rangoli Plaza offers the convenience of shopping to residents of Rangoli Gardens and nearby locales. situated on 80 feet wide road, it has retail space of over 70,420 sq. ft. on ground & first floor. With the 2 level parking, it will be a good destination for shopping & entertainment in Jaipur.

Ashiana Dwarka, Jodhpur: The project has a saleable area of 5.27 lakhs sq. ft. approximately. Here the initial trends in bookings were quite slow on account of delayed launch but are expected to pick up and reach the normal levels once the project starts keeping dates with the further developments.

Ashiana Navrang, Halol: This project is the first venture of Ashiana in Gujarat. The operations were started after getting the requisite permissions. Halol is home to many large companies such as Sun Pharma, HNG Float Glass, General Motors, SETCO, CEAT, Windar Renewable Energy, Siemens and so on. It is located 40 kms from Vadodra and 150 kms from Ahmedabad and well connected to key industrial centers such as Ahmedabad (via India's first Expressway), Bharuch and Surat, along NH8. The project has a saleable area of 6.71 lakhs sq. ft. The project has over 66% of bookings till date as referral sales giving us the confidence on the way we have built our brand over the past years.

Vrinda Gardens, Jaipur was launched in the last quarter at Jagatpura, Jaipur. The total salable area in project is approx 14.62 lakhs sq. ft. The structure is Stilt + 12 floors having 2 & 3 BHK apartments.

Ongoing Projects Overview

In the ongoing project's list, this year we added five new projects and removed five. Ashiana Aangan in Bhiwadi, Brahmananda in Jamshedpur and Amarbagh in Jodhpur, all got sold and handed over completely. Utsav Jaipur also has been removed from here as the project has been handed over and more than 90% of the units have been booked. Marine Plaza (the commercial and retail project) on land at Sonari, Jamshedpur has been removed from here due to sales being stopped.

Construction work in Marine Plaza was stopped by the Jamshedpur Notified Area Committee (JNAC) along with works in approx. fifty other projects in Jamshedpur. In response to Company's writ petition, the Hon'ble High Court of Jharkhand, by its interim order, has permitted the Company to carry out further construction subject to the condition that the Company shall not create any third party right in the project. A sum of ₹ 1845.57 lakhs has been incurred by the Company on this project till the close of this year. The Company, however, is not carrying out any construction in the project and the matter is subjudice.

The projects that have been added to the list are the new launches as described above. The booking details and construction status of the ongoing projects is as follows:

As on 31st March, 2014

Project Name	Location	Type	Saleable Area (Lakhs sq. ft.)	Area Launched (Lakhs sq. ft.)	Area Booked (Lakhs sq. ft.)	Expected Completion Time
Treehouse Residences	Bhiwadi	Comfort Homes	1.28	1.28	0.59	Expected handover in Q1FY15
Ashiana Town	Bhiwadi	Comfort Homes	39.00	9.84	7.65	Expected handover of Phase I in Q3FY16. Phase II in Q4FY16 and Phase III in FY17
Rangoli Gardens	Jaipur	Comfort Homes	26.17	26.15	24.05	Phase I ,II and III handed over and Phase IV in Q2FY15, phase V in Q4FY15, phase VI in Q1FY16 and phase VII in Q2FY16
Gulmohar Gardens	Jaipur	Comfort Homes	10.94	4.22	3.29	Phase I & II opened for bookings. Phase I expected to be delivered in Q1FY16 and Phase II in Q3FY16
Ashiana Utsav Lavasa	Lavasa	Senior Living	6.22	3.90	2.92	Handed over phase I, Phase II in FY15
Ashiana Anantara	Jamshedpur	Comfort Homes	4.66	4.66	3.31	Expected handover in Q2FY16
Ashiana Aangan	Neemrana	Comfort Homes	4.20	4.20	4.19	Expected handover in Q2FY16
Ashiana Dwarka	Jodhpur	Comfort Homes	5.27	1.84	0.60	Expected handover in FY16 of Phase I
Vrinda Gardens	Jaipur	Comfort Homes	14.82	4.57	1.50	Construction has commenced for first phase. Expected handover in FY17 of Phase I
Ashiana Navrang	Halol	Comfort Homes	6.71	2.46	1.49	Construction has commenced. Expected handover in Q2FY16 of Phase I
Total			**119.27**	**63.12**	**49.59**	

Land Acquisitions:

Land is the raw material for our projects and acquisitions were made in order to keep the sales momentum going. Two land parcels were acquired during the year:

Jaipur: Ashiana acquired a land parcel in Jaipur. The land is a converted residential land measuring approximately 12.65 acres, and is situated along the road connecting the Jaipur-Ajmer highway to SEZ (Mahindra World City) in Tehsil Sanganer, District Jaipur, Rajasthan. This land will be utilized to develop Comfort Homes with a total saleable area of approximately 12 lakhs sq. ft.

Sohna: Ashiana entered into a development agreement on revenue sharing model on a land parcel measuring 13.34 acres on Sohna Road, Gurgaon. It will be utilized to develop Comfort Homes with a total saleable area of approximately 11.50 lakhs sq. ft.

Land Name & Location	Land Area (Acres)	Estimated Saleable Area (lsf)	Proposed Development
Ashiana Surbhi, Bhiwadi	4.91	4.63	Comfort Homes
Ashiana Umang, Jaipur	12.65	12.00	Comfort Homes
Ashiana Aangan Neemrana (Ph-II)	4.00	4.00	Comfort Homes
Ashiana Utsav, Kolkata	10.13	7.50	Senior Living
Milakpur Land, Bhiwadi*	40.63	31.00	Comfort Homes/ Senior Living
Sohna Road, Sohna	13.34	11.50	Comfort Homes
	85.66	**70.63**	

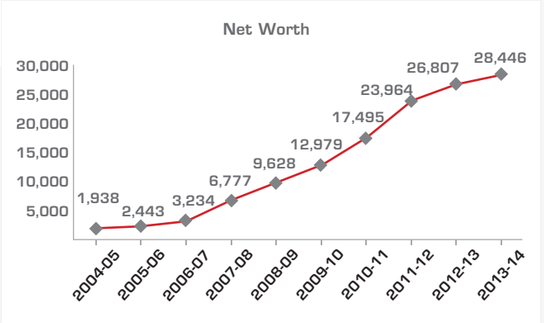
*Company's land at Milakpur Gujar, Alwar (Rajasthan) admeasuring 15.02 hectares, appearing in these accounts at book value of ₹ 338.97 lakhs, is under acquisition, 12.834 hectares for residential purposes and 2.186 hectares for development of road, by the Government of Rajasthan. Company's writ petition is pending before the Hon'ble High Court of Rajasthan against acquisition of 12.834 hectares. A compensation of ₹ 3597.88 lakhs has been declared by the Government which and interest thereon shall be considered in the accounts on finality and receipt. Till that time it appears in future land bank details.

This year we are looking at adding one more city in the land bank. The idea is to identify a new city every year for launching new projects. This will also counter the risks involved related to the regulatory framework and other market risks which prevent growth certain times for individual projects and cities. To track and measure the same, we have interim milestones like number of potential cities to research in a year, the time taken for turning around potential land acquisition offers and the total land acquisition offers made in these cities. All these metrics are tracked on a monthly basis.

Financial Review

For the year ending 31st March, 2014, Consolidated Sales and Other Income was recorded as ₹ 12,280 lakhs as against ₹ 16,412 lakhs during the previous year. Further, consolidated Profit after Tax closed at ₹ 2,186 lakhs for FY 2013-14 as compared to ₹ 3,315 lakhs in FY 2012-13.

₹ in Lakhs



Net worth of the Company has grown 15 times in ten years from ₹ 19.38 crores as on 31st March 2005 to ₹ 284.46 crores as on 31st March 2014 without any dilution of equity or leveraging balance sheet. The current Debt-Equity ratio for the Company is 0.03:1 as on 31st March, 2014.

As disclosed earlier, revenue recognition and profits are weak for FY13-14 as the Company is in transition phase to contract completion method of accounting from percentage of completion method.

This method of accounting more accurately reflects the assets and liabilities of the Company. This will make it easy to understand the operating cash flows of the Company, which is one of the most important parameter to appreciate the financial health of the Company. It also better reflects the margins of the Company, as they are directly linked to the delivered homes and square footage and not subject to future estimations of project cost. The full effect of new method will start reflecting in the financials FY 2014-15 onwards.

The best way for now is to look at key growth drivers: sales booked, construction done and operating cash flows generated.

The Company deployed ₹ 85.18 crores in land acquisitions this year as compared to ₹ 65.15 crores previous year. Out of this major amount is towards purchase of land (₹ 54.78 crores) and rest in advance

Modified Cash Flow Statement (Consolidated)

For the year ended 31st March, 2014

Particulars	2013-2014 ₹	2012-2013 ₹
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	**270,058,792**	420,390,545
Adjusted for :		
Depreciation	**30,457,200**	26,004,622
Depreciation charged to project expenses	**208,497**	581,428
Interest Income (other than from customers)	**(32,730,707)**	(45,785,820)
Income from Long Terms Investment	**(56,857,128)**	(53,088,570)
Sale of Land	**-**	(75,000,663)
Provision for Diminution in value of Investment	**4,650,728**	(919,008)
Capital reserve on consolidation	**-**	-
Interest Paid	**18,331,411**	30,301,156
Preliminary Expenses written off	**14,176**	14,176
Fixed assets written off	**-**	-
Minority Interest	**(5,830)**	1,415
(Profit) / Loss on sale of Fixed Assets	**3,934,571**	746,616
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**238,061,710**	**303,245,897**
Adjusted for :		
Trade and other receivables	**12,933,759**	(142,628,414)
Inventories	**(1,239,837,626)**	(208,792,115)
Trade Payables and advances from customers	**1,850,283,060**	623,944,461
Withdrawal/(Deployment) in Operating Partnership firms (Project launched)	**397,561,837**	262,330,149
CASH GENERATED FROM OPERATIONS BEFORE NEW LAND ACQUISITION	**1,259,002,740**	**838,099,978**
Adjusted for :		
Advance Against Land	**(304,034,307)**	(135,029,615)
Purchase of Land	**(547,788,172)**	(468,943,057)
Deployment in New Partnership firm (Project not launched)	**-**	(47,522,829)
CASH GENERATED FROM OPERATIONS	**407,180,261**	186,604,476
Direct Taxes paid / adjusted	**(79,382,337)**	(117,708,018)
Cash flow before extra ordinary items	**327,797,924**	**68,896,460**
Extra Ordinary items	**(10,917,834)**	-
Net cash from Operating activities (A)	**316,880,090**	**68,896,460**
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	**(152,532,509)**	(46,332,367)
Sale of Fixed Assets	**6,296,027**	306,306
Net Purchase/ sale of Investments	**42,742,714**	48,424,134
Interest Income	**32,730,707**	45,785,820
Other Income from Long Term Investments	**9,746,872**	6,347,123
Net Cash from investing activities (B)	**(61,016,189)**	**54,531,016**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term and other borrowings	**5,823,110**	(40,229,174)
Interest paid	**(18,331,411)**	(30,301,156)
Dividend paid	**(47,498,928)**	(46,864,056)
Change in Minority Interest	**(17,210,329)**	(14,301,074)
Net Cash used in Financing activities (C)	**(77,217,558)**	**(131,695,460)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	**178,646,343**	**(8,267,984)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**959,360,359**	967,628,343
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**1,138,006,702**	**959,360,359**

*Please note that the modified cash flow statement discussed above is not prepared as per the statutory format and accounting standards as prescribed by the ICAI. For statutory numbers, please refer to the Page 123 of the annual report.

paid for acquisitions. The pipeline will serve the future growth in the coming years.

Total cash and cash equivalents at the end of the year amounted to ₹ 113.80 crores as compared to ₹ 95.94 crores previous year. This provides us sufficient funds to acquire additional land and expand further.

Recommended Dividend for the year 2013-14 is ₹ 0.5 per share. Also authorized share capital of the Company be subdivided into 9,30,49,775 number of shares of ₹ 2/- each.

Use of cash flows and low dividend payout

Over the years, the Company's business model has been quite successful and has resulted in increased sales, brand awareness and improved cash flows.

The Company's operating cash flows have exceeded over ₹ 100 crores for the last two years, and they will continue to improve over the coming years. While the cash flow has improved dramatically over the last few years, as a Company we still get constrained at times when we are looking at land deals to sustain our future project launches.

Just to explain this in more detail, in FY2013-14 we sold 22.13 lakhs sq. ft. and constructed over 17.87 lakhs sq. ft. Better bookings and construction also resulted in reduction of developable and saleable inventory. Land Multiple* at the end of the year was 7.73 ensuring that we have sufficient land bank for well execution of our growth targets without facing shortage of land at any given point

In the coming FY 2014-15, we are targeting to sell 24 lakhs sq. ft. and construct another 22 lakhs sq. ft.

So effectively to sustain 4.13 lakhs sq. ft. of incremental construction we will have to build land inventory of 24.5 lakhs (average of 6 times the incremental sales) over the next year. To fund this incremental requirement is where our cash flows are used and hence limits our ability to have generous dividend payouts. Therefore to a large extent, while your Company has industry leading return on equity and healthy cashflows, most of it is used to fund the future growth of the Company.

Initiatives

One big initiative was the extensive digital marketing exercise that we undertook last year.

We have greatly extended our reach, across the digital platforms. We have built our Facebook and Linkedin pages, and got active on the Twitter Handle. Our overall marketing budget has remained constant at ₹ 11-12 crores for the last three years, though we are able to sell almost double the square footage that we sold in these three years. We have built an online chat feature that helps any visitor on our website. This has greatly helped us reach out to the interested buyer.

*Land Multiple is a measure which we track internally to predict and maintain the sufficient land inventory to achieve the targeted growth in sales and construction over the years. As a strategy, Company focuses on maintaining a land inventory of 5-7 times execution capabilities. Land multiple for any given period can be calculated as:

$$\text{Land Multiple} = \frac{\text{Total Developable Land Area}}{\text{Equivalent area Constructed in the corresponding period}}$$

Artistic view of Ashiana Aangan, Neemrana

Artistic view of Gulmohar Gardens, Jaipur

Another initiative that we have taken is to staff the senior and mid level vacancies through internal hires. As the Company was growing rapidly, new roles were emerging and an easy way out was to hire new people.

There was a need to show a growth path to our existing employees to build their loyalty over the long term, and keep them motivated to perform to the best of their abilities. The management also felt that while we were growing there was a distinct danger that the new recruits may not buy into our management ethos and Company's culture, and hence dilute it. So it made a lot of sense to hire from existing employees.

This was rolled out Company wide, with a lot of training workshops and internal communication. This initiative has resulted in many success stories, where people have moved into roles they never dreamed of, and motivated many others to perform well and be eligible for such opportunities as they come up.

Innovation

Innovation is an ongoing process and not necessarily driven by the corporate head office. Many of our project sites come up with ideas that get adopted in the entire Company, over time.

Aluminum Formwork System is a new concept that we are working on. It is a comparatively new technology in India, saves cost, time and improves the quality of construction. Aluminum Formwork is successfully used in Japan, Singapore, Malaysia and the Middle East for construction of apartments and buildings, both low and high rise. For repetition of building layouts and for above-the-plinth work, Aluminum Formwork panels can be designed for any condition/component of building such as bay windows, stairs, balconies and special architectural features. This system is unique as all the components in a building, including slabs, floors, walls, columns, beams, staircases, balconies and window hoods are made of concrete and there is no need for block works or brick works. As all the periphery of resulting structure/component is concrete and at the same time we can control the concrete quality, the durability of the structure increases. It gives form finish, eliminates the need for external and internal plaster and the walls can be directly painted with a minimal skim coat, all these ultimately resulting in cost saving. We did some research to calculate the benefit in terms of cost and time. Based on that feedback we are launching a project in Bhiwadi, trying these concepts for the first time and now working to make it a success.

The Company doesn't try to be innovative just to follow a fad. We try to encourage new ideas and take

feedback. As long as anyone champions the idea with conviction and is able to articulate the benefits, the whole management team supports the idea to make it a success.

Corporate Social Responsibility

We have been working towards Corporate Social Responsibility from many years. Key areas of focus being education, skill training, environment and healthcare.

Education

Average of 300 students were provided basic education and involved in activities like craft making, drawing, storytelling etc. under the Phoolwari Scheme across all construction sites. Mid-day meals were provided through the Ekta project and we were also able to send around 110 students to Government upper primary school. We undertook development and maintenance at Government schools in Jaipur and Bhiwadi, delivering two new classrooms in the former and a computer lab in the latter to implement education through digital learning or ICT.

Skill training

Skill trainings were organized across all our sites, with a proper syllabus and examination for all courses leading to a certification by CIDC. At Lavasa we are doing it through 'Kushal' which is working under NSDC and CREDAI. In all 242 people were trained. Women empowerment was executed through training 25 women trainees in different trades namely Tiles Grouting, Care Giver and Mason.

Environment

This year we planted around 1600 plants across all our locations. Donations were given to the needy under the 'Joy Of Giving' through contributions by residents and employees. 'Save Water' is the underlying motto for all the installed rain water harvesting systems across all locations. STP ensures recycling of water and using it for purposes like gardening etc. Also water wastage is minimized by undertaking regular checks to avoid leakage, and water meters are installed at construction sites to keep a check on the daily usage. We are also involved in collecting garbage from the residential projects and recycling the degradable portion into manure amounting to around 100 kgs in 3 months.

Our efforts have also been recognized at different platforms for Corporate Social Responsibility:

Received Bhamashah Award from Government of Rajasthan for educational works in 2013

Honored by Bharat Vikas Parishad, Jaipur for Corporate Social Responsibility initiatives in 2013

Think Media Inc awarded us for "Outstanding Corporate Social Responsibility Work in the Real Estate Sector"

Risks

The key risks & challenges that the Indian real estate industry is facing today is

Lack of clear land titles

This is a very serious issue and can result in long litigations and delays in the launch of project.

As a strategy the Company looks to partner with land owners for land parcels where the titles are clear and most of the approvals are in place. The agreements are structured in such a manner that the financial commitment of the Company increases only on achievement of certain milestones.

Absence of Title Insurance

Title Insurance ensures that the current owner is safe from past claims and creates a legal protection for the property ownership. India currently does not have a structure in place and that has resulted in many claims and counter claims on the ownership of properties and much litigation around it.

The Urban Development Ministry has proposed to incorporate Title Insurance in the proposed Real Estate Management Bill thereby making ownership of property far more credible and secure.

Shortage of labor

There has been a huge shortage of labor at project sites over the last 2-3 years. Due to success of the government MGNREGA scheme and development of Eastern India, there has been a big reduction in the migratory labor from states like Bihar, West Bengal & Odisha.

The Company ensures that it pays all wages on time, so that the people who need the money for their day-to-day expenses have regular access to it. Because of these best practices the Company has fared better than many of its competitors. Also, we are working to improve living conditions of laborers to attract and retain them.

Rising manpower and material costs

The wages have been growing in double digits and coupled with the shortage of labor has resulted in time and cost overruns in many projects across India. Also the material costs have gone up quite dramatically over the last 5 years. The Company per sq. ft. cost of saleable area has grown from ₹ 700 per sq. ft. 5 years back to over ₹ 1300 per sq. ft. currently.

The Company has worked to ensure that the projects are delivered on time and is constantly working on areas to increase labor productivity, training unskilled labor for skilled jobs etc. Because of this discipline, we have been able to retain manpower and materials close to budgeted costs and ensured there were no significant cost overruns in any of our projects.

Approvals and procedural difficulties

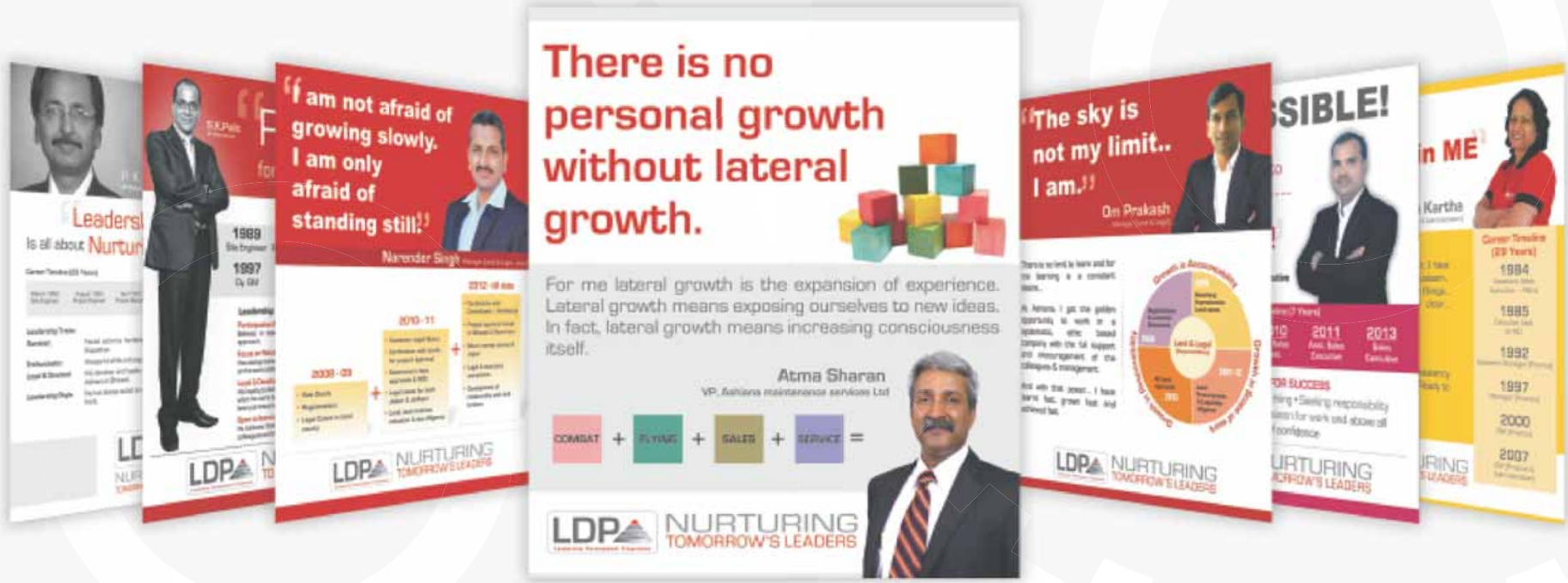
Despite real estate and construction being one of the key contributors of economic growth, with secondary and tertiary linkages in terms of employment, GDP growth, there is no well defined regulatory regime for this sector. There is an urgent and important need for better governance. One of the foremost demands of the real estate industry across the country is to facilitate fast-track and transparent system of project approval procedures.

According to a recent World Bank report 'Doing Business 2013', while India has reduced the amount of time taken to process building permit applications, the country still ranks at 182 of 185 countries in the 'dealing with construction permits' category.

Outlook

We aim to sell 24 lakhs sq. ft. of residential area and build 22 lakhs sq. ft. in FY 14-15. We have initiated a number of steps to build our organization and have started seeing the results of our efforts, over the last few years. We have been able to cut down the time from launch-to-delivery of projects and we have also increased labor productivity. There has been a gradual acknowledgment of the brand, which has allowed us to command a premium for our products and lead to improved profitability. We are looking to enter one new city this year and consolidate our position in the markets which we have entered in the last couple of years.

We remain cautiously optimistic about the coming year. While there has been a definite slowdown in the sales since the last quarter of FY 2013-14, the overall positive sentiment has raised the hopes of increased GDP growth over the next year and gives consumers the confidence to make large investment decisions like purchasing a house.



A strong and consistent growth plan for Ashiana- averaging 25% YoY would see the manpower grow from the current 453 to 2300 by 2025. The corresponding growth of maintenance services would take the sq. ft. under maintenance to approximately 11 crore sq. ft. and manpower to 2150. The statistics of the good to great companies suggests that a whopping 95.24% of their CEOs are in-grown and developed with the organization.

The culture and ethos of an organization can be best kept up by its own members and external hires in managerial roles may tamper with it. Succession plan is the bedrock of this exercise and it is ensured by giving the employees ample scope to hone their critical skills. Along with the development of the existing skills there are means in place to identify and nurture new skills, which will go a long way in ensuring holistic development. Also, rewarding high quality employees with opportunities of growth will result in employee retention and also create leaders who are competent enough to uphold the integral values.

Geographical expansion to fuel growth will require decentralizing decision making and consequently empowered and capable on ground managers. Also, finding middle level managers who are capable and in sync with Company's values is very difficult.

PROCESS

Train the trainer: The executive team is trained to further train their direct reportees. In fact, the senior team is guided through strategic planning by Business Coach - Kevin Lawrence. The trainers are trained in leadership behavior, motivating teams, interpersonal skills, delegation, planning & organizing and managing performance.

Management Conversation: These are structured quarterly conversations that are undertaken between a manager and his subordinate. What started off as an exercise for executive team and their direct reports has now blossomed into something bigger covering 190 employees in this year. Job descriptions, skills and competencies, KPIs and core values are the mainstay and dealt with adequately.

Individual development plan: Two competencies pertinent to the job description of the employee are developed in each quarter with actionable "To Do's" clearly defined and timelines established along with a monitoring rhythm. A strength and a weakness are identified from among the critical skills, the strength is to be developed further and the weakness into an 'allowable weakness'.

Fast tracking of engineers: Induction at the entry level is increased with intake of Graduate Trainee Engineers who are given exposure to all aspects of real estate project construction activities. Self-monitoring of daily, weekly, monthly and yearly target achievements is undertaken to fulfil the objectives of expansion.

Supervisor Training: A 3 step structured training is imparted spread over 5-7 years to enable supervisors to independently take on site engineer's roles & responsibilities. Both technical theory and practical grooming are therefore imparted proportionately. Incentive pay and technical designations for the successful and hardworking are in place to ensure that they are kept motivated.

BUZZ CREATION

A multi-pronged strategy has been adopted to ensure high visibility and recall. The media employed are varied and include: Monthly meetings; A training team; Daily quotes through emails; Posters and boards displayed at all branches, sites & at the head office, related to the growth opportunities, success stories and innovative IDPs; Recognition of employees during the monthly meetings and quarterly presentations at branches; Close monitoring of conduct of Management Conversations.

We are sanguine that this people initiative will not only provide professional development opportunities but will also fuel the growth of Ashiana through a home-grown dedicated team.

ashiana™
you are in safe hands

Ashiana Housing Limited

Company Information

Company Secretary
Bhagwan Kumar

Auditors
M/s. B. Chhawchharia & Co., DTJ 422,
DLF Tower B, Jasola District Centre, Jasola,
New Delhi - 110 025.

Registered Office
5F Everest, 46/C, Chowringhee Road,
Kolkata - 700 071. Ph: (033) 4037 8600.
Fax No: 033- 4037 8600

Head Office
304, Southern Park, Saket District Centre,
Saket, New Delhi - 110 017.
Ph: (011) 4265 4265, Fax: (011) 4265 4200

Bankers
HDFC Bank Ltd., State Bank of Bikaner & Jaipur, Punjab National Bank, Kotak Mahindra Bank, Bank of Maharastra, SBI, Axis Bank

Website : www.ashianahousing.com,
E-mail : investorrelations@ashianahousing.com

Registrar & Share Transfer Agent
M/s. Beetal Financial & Computer Services Pvt. Ltd.,
Beetal House, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukh Dass Mandir, New Delhi - 110 062.
Ph: (011) 2996 1281 - 82, Fax: (011) 2996 1284

Listing
Shares listed at BSE (Stock code - 523716) and
NSE (Stock code - ASHIANA)

Board of Directors

Vishal Gupta
Managing Director

Ankur Gupta
Joint Managing Director

Varun Gupta
Whole Time Director

Ashok Kumar Mattoo
Independent Director

Abhishek Dalmia
Independent Director

Lalit Kumar Chhawchharia
Independent Director

Sonal Mattoo
Independent Director

Hemant Kaul
Independent Director

Directors' Report

To the member(s),

Your Directors have pleasure in presenting the 28th Annual Report together with the audited statement of accounts for the year ending 31st March, 2014.

1. FINANCIALS

The financial results of the Company for the year ended 31st March, 2014 are as follows:-

₹ in Lakhs

Sl. No.	Particulars	Current Year 2013-14	Previous Year 2012-13
1.	Sales and other income	**8,863.48**	13,112.90
2.	Profit before Depreciation	**2,536.15**	4,006.03
3.	Depreciation	**302.99**	256.11
4.	Profit after Depreciation but before Taxation	**2,233.15**	3,749.92
5.	Provision for Taxation	**(20.94)**	540.26
6.	Profit after Depreciation and Taxation	**2,144.92**	3,209.66
7.	Surplus brought forward from previous year	**2,135.14**	1,737.80
8.	Profit available for Appropriation	**4,280.06**	4,947.46
9.	Proposed Dividend	**465.25**	418.72
10.	Tax on Proposed Dividend	**57.35**	43.59
11.	Transfer to General Reserve	**1,500.00**	2,350.00
12.	Balance Surplus carried to Balance Sheet	**2,257.45**	2,135.14

As the Company is under transition to contract completion method of accounting from percentage of completion method therefore, the revenue and profits are relatively weak in FY 13-14. From FY 14-15 profitability should improve.

2. OPERATIONS

A brief summary of on-going projects

Project Name & Location	Type	Saleable Area (lakhs sq. ft.)	Area Booked as on 31-03-2014 (lakhs sq. ft.)
Treehouse Residences BHIWADI	Comfort Homes	1.28	0.59
Ashiana Town BHIWADI	Comfort Homes	39.00	7.65
Vrinda Gardens* JAIPUR	Comfort Homes	14.82	1.50
Rangoli Gardens* JAIPUR	Comfort Homes	26.17	24.05
Gulmohar Gardens* JAIPUR	Comfort Homes	10.94	3.29
Ashiana Dwarka JODHPUR	Comfort Homes	5.27	0.60
Utsav LAVASA	Senior Living	6.22	2.92
Ashiana Navrang HALOL	Comfort Homes	6.71	1.49
Ashiana Aangan NEEMRANA	Comfort Homes	4.20	4.19
Ashiana Anantara JAMSHEDPUR	Comfort Homes	4.66	3.31

*in Partnership

KEY HIGHLIGHTS OF THE BUSINESS AND OPERATIONS

Some of the key highlights pertaining to the business of your Company, including its subsidiaries and partnerships, for the year 2013-14 and period subsequent thereto are given hereunder:

Launches, approvals and acquisitions:

a) **Gulmohar Gardens, Jaipur (Rajasthan):** Launched Gulmohar Gardens comfort homes project in Jaipur (Rajasthan) comprising 2-3 BHK flats and Villas with total saleable area of approximately 10.94 lakhs sq. ft.;

b) **Ashiana Town, Bhiwadi (Rajasthan):** Launched Ashiana Town comfort homes project in Bhiwadi (Rajasthan) comprising 2-3 BHK flats with total saleable area of approximately 39 lakhs sq. ft. This project has also got environmental clearance;

c) **Rangoli Gardens, Jaipur (Rajasthan):** Launched commercial block in Phase –VII. This phase has residential and commercial blocks with a total saleable area of approximately 70,420 sq. ft.;

d) **Ashiana Dwarka, Jodhpur (Rajasthan):** Launched Ashiana Dwarka comfort homes project in Jodhpur (Rajasthan) comprising 2-3 BHK flats with total saleable area of approximately 5.27 lakhs sq. ft.;

e) **Ashiana Navrang, Halol (Gujarat):** Launched Ashiana Navrang comfort homes project in Halol (Gujarat) comprising 2-3 BHK flats with total saleable area of approximately 6.71 lakhs sq. ft.;

f) **Ashiana Anantara, Jamshedpur (Jharkhand):** Launched two phases namely Leo and Orient in Ashiana Anantara Jamshedpur (Jharkhand). Ashiana Anantara comprises comfort homes. Both these phases comprising 2-3 BHK flats with total saleable area of approximately 2.18 lakhs sq. ft.;

g) **Vrinda Gardens, Jaipur (Rajasthan):** Launched Vrinda Gardens comfort homes project in Jaipur (Rajasthan) comprising of 2-3 BHK flats with total saleable area comprising of approximately 14.62 lakhs sq. ft.;

h) **Ashiana Aangan, Neemrana (Rajasthan):** Phase –II of this project received conversion approval from agricultural to non agricultural under section 90A of the Rajasthan Land Revenue Act. Environmental clearance in respect of this project has been received. This project has comfort homes with total saleable area of approximately 4 lakhs sq. ft.;

i) **Ashiana Surbhi, Bhiwadi (Rajasthan):** This project received conversion approval from agricultural to non agricultural under section 90A of the Rajasthan Land Revenue Act and lease deed was issued from Urban Improvement Trust (Bhiwadi) in favor of the Company. Building plans in respect of this project has also been received. This project has comfort homes with total saleable area of approximately 4.63 lakhs sq. ft.;

j) **Ashiana Umang, Jaipur (Rajasthan):** Acquired 12.65 acres of residential land for development of comfort homes project, near Mahindra World City in Sanganer, Jaipur. Lease deed in respect of this project has been received from Jaipur development Authority. This land has saleable area of approximately 12 lakhs sq. ft;.

k) **Sohna, Gurgaon (Delhi, NCR):** Entered into a Development Agreement on revenue share basis with Universe Heights (India) Private Ltd. for development of comfort homes project on land admeasuring 13.3375 acres with approximately 11.5 lakhs sq. ft. saleable area, situated at village Dhunela, Tehsil Sohna, District Gurgaon (Haryana).

Other developments:

a) Entered into Agreement to Sale for acquisition of 5.667 Hectares of land in Bhiwadi (Rajasthan). This land has already a conversion approval for non agricultural purpose.

b) Started Leadership Development Programme – a structured program designed to create leader for future. This program consists of Management Conversation and Individual Development Plan;

c) Record construction of 8 lakhs sq. ft. Achieved in Rangoli Gardens a project in Jaipur (Rajasthan) in partnership with Megha Colonizers;

d) A total of 22.13 lakhs sq. ft. was booked against a total of 17.87 lakhs sq. ft. constructed across all the projects of the Company;

e) Launched an updated website whereby Utsav's website site was also merged and became accessible from same URL and designed to operate from mobile phones also;

Recognitions:

During the year under review your Company was accorded the following awards:

a) Awarded by Think Media Inc. for Outstanding Corporate Social Responsibility work in the Real Estate sector.

b) Awarded the Bhamashah Award by the Government of Rajasthan for contribution made in the field of education.

c) Honored by Bharat Vikas Parishad, Rajasthan for Corporate Social Responsibility initiatives by the Company.

3. SECTION 80(IB) PROJECTS

Your Directors have pleasure in reporting that following projects are eligible for claiming deduction under Section 80 (IB) of the Income Tax Act, 1961:

Sl. No.	Project Name
1.	Ashiana Utsav, Jaipur
2.	Ashiana Utsav, Bhiwadi

4. DIVIDEND

The Board of Directors of the Company has recommended a dividend @ 25% i.e. ₹ 0.50/- (Fifty Paise only) per equity share of ₹ 2/- for the Financial Year 2013-14.

5. DIRECTORS

There are eight Directors on the Board of the Company and there is no change in the directorship during the year under review. In view of the Companies Act, 2013 Mr. Varun Gupta is retiring by rotation at the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

6. AUDITORS

M/s. B. Chhawchharia & Co., Chartered Accountants, Auditors of the Company, is going to retire at the conclusion of ensuing Annual General Meeting and being eligible, offer them for re-appointment. The Company has received a certificate to the effect that their re-appointment, if made, will be within the prescribed limit under Section 139(1) of the Companies Act, 2013. The Directors and the Audit Committee recommends their re-appointment.

7. FIXED DEPOSITS

The Company had neither invited nor accepted any deposits from the public within the meaning

of the Companies (Acceptance of Deposits) Rules 1975.

8. SUBSIDIARY COMPANIES

There are three wholly owned subsidiary companies namely Ashiana Maintenance Services Ltd., Latest Developers Advisory Ltd. and Topwell Projects Consultants Ltd. However, in terms of general circular No. 2/2011 dated 8th February, 2011 read with clarification in respect of above circular vide general circular No. 22/2011 dated 2nd May, 2011, the Board of Directors of the Company have consented for not attaching the annual accounts of the subsidiary companies and instead has incorporated financial information of subsidiaries in the Notes to the Consolidated Accounts prepared in compliance with the applicable accounting standards and Listing Agreement which have been duly audited by Statutory Auditors B. Chhawchharia & Co.

The Company further undertakes that annual accounts of the subsidiary companies and the related detailed information shall be made available to the shareholders of Ashiana Housing Ltd. seeking such information at any point of time. The annual accounts of the subsidiary companies are also available for inspection by any shareholder at the head office of the Company.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Annual Report also contains a separate section on the 'Management Discussion and Analysis' which is a part of the Directors' Report.

10. CORPORATE GOVERNANCE

The Secretarial Audit Report for the year ended on 31st March, 2014 issued by Mr. Ashok Kumar Verma, Practising Company Secretary, confirming compliance with all the applicable provisions of corporate laws and listing agreement is provided as an Annexure-1 to the Directors' report.

As required under clause 49 of the Listing Agreement with the Stock Exchanges, Auditors Certificate regarding compliance of the Code of Corporate Governance is given herewith as Annexure-2.

11. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement giving information on Conservation of Energy and Technology Absorption as required under section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given herewith as Annexure-3.

There have been no foreign exchange earnings whereas expenditure of ₹ 85,59,213/- (Rupees eighty five lakhs fifty nine thousand two hundred and thirteen only) has been incurred in foreign currency during the year under review.

12. PARTICULARS OF EMPLOYEES

None of the employees of your Company is drawing remuneration exceeding limits laid down under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011.

13. DISCLOSURE UNDER SECTION 217 OF THE COMPANIES ACT, 1956

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which have affected the financial position of the Company between the end of financial year and the date of this report.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

(i) In the preparation of annual accounts, applicable accounting standards have been followed by the Company;

(ii) Such accounting policies have been selected and consistently applied and judgements & estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the Company for the year ended on that date;

(iii) Proper and sufficient care has been taken 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) Annual accounts have been prepared on a going concern basis.

15. CODE OF CONDUCT

The Board of Directors of the Company has adopted a Code of Conduct for the Directors and Senior Executives of the Company. The object of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow Directors and with the environment in which the Company operates. The code is available on the Company's website (www.ashianahousing.com).

16. ACKNOWLEDGMENTS

The Board of Directors takes this opportunity to express its grateful thanks and wish to place on record its appreciation to the Government of India, the Govt. of Rajasthan, the Government of Maharashtra, the Govt. of Jharkhand and the Govt. of Gujarat and their agencies for providing us excellent business opportunities, to our bankers for their continued support and guidance from time to time and to the employees of the Company at all levels for the continued co-operation and unstinted support extended to the Company. The Directors also express their sincere thanks to all the shareholders for the continued support and trust they have reposed in the Management.

On behalf of the Board of Directors

Vishal Gupta	Ankur Gupta
Managing Director	Jt. Managing Director

Place: New Delhi
Date: 30th May, 2014

Annexure-1

Secretarial Audit Report

To the members of ASHIANA HOUSING LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASHIANA HOUSING LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, hereby, report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2014 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2014 according to the provisions of:

(i) The Companies Act 1956, Companies Act, 2013 (the Act) and the Rules made thereunder

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For A. K. VERMA & Co.
PRACTISING COMPANY SECRETARIES

A. K. VERMA
FCS-3945
CP No:2568
(SENIOR PARTNER)

Place: New Delhi
Date: 28th May, 2014

Annexure-2

Auditors' Certificate

To the members of ASHIANA HOUSING LIMITED

We have examined the compliance of conditions of corporate governance by Ashiana Housing Limited for the year ended 31st March 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of corporate governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of 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 the representations made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

For B. Chhawchharia & Co.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 30th May, 2014

Annexure-3

Conservation of Energy & Technology Absorption

Statement of Particulars under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of Directors' Report for the year ended 31st March, 2014.

1. **Conservation of Energy:**

   The Company's energy consumption is minimal. We continually strive to reduce energy consumption in our developments by following the enhanced energy conservation measures. Company's projects are created with following energy conserving feature:

a. Gearless lifts – It saves power consumption because it runs on Permanent Magnet Synchronous Technology. Due to removal of gear box, it reduces pollution. Hence it is called as Green Elevator. It also reduces power loss in speed reduction.

b. Solar geysers – We are installing/fitting solar energy heated water into the geysers of individual apartments. This activity reduces consumption of power required for heating water during winter.

c. Use of LED lights – We have replaced all sodium vapor or metal halide lights fixtures by CFL and LED lights which consumes much lower energy.

d. We leave minimum open paved hard space. We cover area by grass/shrubs/ground which consumes solar energy and supply oxygen. This affects ambient temperature within the premise.

e. We plan, design and plant trees along the roads, so that cars can be parked under their shade and remain cool. Due to this, the energy consumed by the A.C. to cool the car is also reduced.

f. We prefer to use multiple number of Diesel Generators set instead of very large capacity Diesel Generator Sets and synchronize them to optimize power generation, power usage and oil consumption.

2. **Technology Absorption:**

a. We have adopted "Wall Form" shuttering system in one of our new projects. By adopting this modern technology we would be able to construct building faster, since all external and internal walls are reinforced concrete and to be cast along with the slabs. Therefore, it is a monolithic and efficient structure. This save time and enhances quality.

b. We have taken different efforts to lower the generation of construction debris. Due to efforts in last few years the construction debris generated in our projects has become half of its previous quantities. Therefore, the construction site is now more environment friendly as the overall energy consumption to manage this construction debris is now coming low.

c. We have installed FAB reactor based STP where power consumption is less in comparison to conventional extended aerated system.

d. We have adopted semi automatic irrigation system in our projects which reduces water wastage and manpower.

On behalf of the Board of Directors

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Corporate Governance (Forming part of Directors' Report)

1. **Company's Philosophy on Code of Governance**

The Company firmly believes in good Corporate Governance and has made Corporate Governance a practice and continuous process of development right across the Company. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency and accountability in the functioning of the Company and conduct of business.

The Company's corporate philosophy is focused on its people who are the most important assets. The Company values its employee's integrity, creativity and ability who in turn demonstrate the highest ethical standard and responsibility towards the shareholders. The Company believes that over a period of time all its operations and actions must serve the underlying goal of enhancing overall shareholder value.

Our Company is in compliance with the guidelines on Corporate Governance stipulated under various clauses of Listing Agreement with stock exchanges and in this regards, we submit a report on the matters mentioned in the said clauses and practices followed by the Company.

2. **Board of Directors**

The Company has optimum combination of Executive and Non-Executive Directors. The Board consists of eight Directors out of which three are Executive Directors, five are Non-Executive & Independent Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than five Committees (as specified in the Clause 49 of the Listing Agreement), across all the companies in which they are Director. The necessary disclosures regarding Committee positions have been made by the Directors.

As per the declaration received by the Company, none of the Directors are disqualified under section 274(1)(g) of the Companies Act, 1956 read with Companies (Disqualification of Director under 274(1)(g) of the Companies Act,1956) Rules 2003.

(a) The composition of the Board of directors as on 31st March, 2014 is as under:

Sl. No.	Name of Director	Executive/ Non Executive	No. of other Directorship	No. of other Committee Membership
1.	Vishal Gupta	Executive	9	–
2.	Ankur Gupta	Executive	9	–
3.	Varun Gupta	Executive	10	–
4.	Ashok Kumar Mattoo	Non-Executive & Independent	3	–
5.	Abhishek Dalmia	Non-Executive & Independent	16	2
6.	Lalit Kumar Chhawchharia	Non-Executive & Independent	88	0
7.	Hemant Kaul	Non-Executive & Independent	2	1
8.	Sonal Mattoo	Non-Executive & Independent	2	–

Note: - As per clause 49 of the Listing Agreement membership of Audit Committee Shareholders'/Investors' Grievance Committee are required to be disclosed.

(b) Board Meeting held in Financial Year 2013 – 2014 and attendance of Directors:

Meetings of the Board and its Committee/s are generally held in New Delhi and scheduled well in advance. The Company Secretary in consultation with Managing Director drafts the agenda for each Board Meeting along with explanatory notes and distributes these in advance to the Directors. Normally the Board meets at least once in a quarter and the maximum time gap between any two meetings is not more then four months to consider, amongst other businesses, the quarterly performance of the Company and financial results. Detailed agenda notes with MIS reports, charts etc. are circulated well in advance. The Directors actively participate in the deliberation at these meetings. During the year, four Board Meetings were held on 30th May, 2013, 31st July, 2013, 8th November, 2013, and on 1st February, 2014.

The attendance of each Director in the Board Meetings is detailed herein below:

Name of Director	Executive/ Non Executive	Designation	No. of Board Meetings held during 2013-14	No. of Board Meetings attended during 2013-14	Attendance at the last AGM held on 27th August, 2013
Vishal Gupta	Executive	Managing Director	4	4	Not Present
Ankur Gupta	Executive	Jt. Managing Director	4	4	Not Present
Varun Gupta	Executive	Whole time Director	4	4	Present
Ashok Kumar Mattoo	Non-Executive & Independent	Independent Director	4	3	Not Present
Abhishek Dalmia	Non-Executive & Independent	Independent Director	4	2	Not Present
Lalit Kumar Chhawchharia	Non-Executive & Independent	Independent Director	4	3	Present
Hemant Kaul	Non-Executive & Independent	Independent Director	4	4	Not Present
Sonal Mattoo	Non-Executive & Independent	Independent Director	4	3	Not Present

(c) Resolution passed by circulation

During the financial year 2013-14, three resolutions were passed by the Board of Directors as resolutions by circulation. Details of the same are as follows:

Dated 21st May, 2013, 4th June, 2013 and 25th September, 2013.

(d) Remuneration paid to Executive Directors and sitting fees to the Non-executive Directors

Remuneration to Managing Director, Joint Managing Director and Whole Time Director is being paid as per terms of their appointment. The remuneration committee of Board of Directors reviews and recommends to the Board of Directors, remuneration payable to the Managing Director and the Whole Time Director. The Executive Directors of the Company are not entitled to sitting fee for attending the Board meeting or Committee meeting. The details of remuneration paid to the Managing Director/ Joint Managing Director /Whole Time Director during the year are stated herein below:

Sl. No.	Name	Designation	Salaries & Allowances (₹ in lakhs)	Commission* (₹ in lakhs)	Total (₹ in lakhs)
1.	Vishal Gupta	Managing Director	48.00	Nil	48.00
2.	Ankur Gupta	Jt. Managing Director	48.00	Nil	48.00
3.	Varun Gupta	Whole Time Director	48.00	Nil	48.00

*Commission was waived off by the Directors.

(e) Terms of appointment of Managing Director, Joint Managing Director and Whole Time Director

The current term of appointment of Vishal Gupta, Managing Director and Ankur Gupta, Joint Managing Director is upto 31st March, 2016, and the current term of Varun Gupta, Whole Time Director is upto 30th June, 2014.

(f) Independent Director's Remuneration

Apart from sitting fee for attending Board Meetings, remuneration by way of commission of ₹ 10.46 lakhs was paid to Mr. Ashok Kumar Mattoo and of ₹ 8.00 lakhs was paid to Mr. Hemant Kaul both Non-Executive Independent Directors. However, other Non-Executive Independent Directors were not paid any remuneration other than sitting fee.

(g) Disclosure in terms of Section II Part B of Schedule V to the Companies Act, 2013

i) All elements of remuneration package of all Directors of the Company:

Sl. No.	Name & Designation	Salaries (₹ in lakhs)	Benefits (₹ in lakhs)	Bonus	Stock Option	Pension
1.	Vishal Gupta- Managing Director	48.00	6.06	Nil	Nil	Nil
2.	Ankur Gupta- Jt. Managing Director	48.00	34.66	Nil	Nil	Nil
3.	Varun Gupta- Whole Time Director	48.00	2.17	Nil	Nil	Nil

ii) Details of fixed component and performance linked incentives along with performance criteria:

The fixed component of salary is the same as mentioned in above table. There is no performance linked incentive payable to any Director.

iii) Details of Service contract, notice period and severance fee:

Sl. No.	Name & Designation	Service Contract	Notice Period	Severence fee
1.	Vishal Gupta- Managing Director	3 Years w.e.f. 1st April, 2013	3 Months	Nil
2.	Ankur Gupta- Jt. Managing Director	3 Years w.e.f. 1st April, 2013	3 Months	Nil
3.	Varun Gupta- Whole Time Director	3 Years w.e.f. 1st July, 2011	3 Months	Nil

iv) Stock option details of every Director: No stock option was given to any Director.

(h) Shareholding of Directors in the Company as on 31st March, 2014

Sl. No.	Name of Director	No. of Shares	% of Total Shareholding
1.	Vishal Gupta	1,40,30,830	15.08
2.	Ankur Gupta	2,02,45,020	21.76
3.	Varun Gupta	2,02,48,140	21.76
4.	Ashok Kumar Mattoo	Nil	0.00
5.	Abhishek Dalmia	Nil	0.00
6.	Lalit Kumar Chhawchharia	Nil	0.00
7.	Hemant Kaul	Nil	0.00
8.	Sonal Mattoo	Nil	0.00

(i) Committees of Board

The Board of Directors of the Company has constituted the following Committees namely (i) Audit Committee (ii) Investors' Grievances Committee / Share Transfer Committee (iii) Remuneration Committee.

3. **Audit Committee**

The Company has an Audit Committee of the Board since January 2000 in accordance with provision of clause 49 of the Listing Agreement. During the year the Audit Committee was reconstituted by the Board of Directors in their

meeting held on 1st February, 2014. The composition of reconstituted Audit Committee is as follows:

Sl. No.	Name of Director	Executive/Non Executive	Designation
1.	Lalit Kumar Chhawchharia	Non Executive - Independent	Chairman
2.	Ashok Kumar Mattoo	Non Executive - Independent	Member
3.	Hemant Kaul	Non Executive - Independent	Member
4.	Varun Gupta	Executive Director	Member

The quorum of the Audit Committee is two members. The Company Secretary is the secretary of the audit committee. The composition, powers, role and term of reference of the committee are in consonance with the requirements mandated under section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Four Audit Committee meetings were held during the financial year 2013-14, the date of which are as follows:

1. 30th May, 2013
2. 31st July, 2013
3. 8th November, 2013
4. 1st February, 2014

The main object of Audit Committee is to ensure the credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, and other associated matters.

The attendance of members of the Audit Committee in the Audit Committee is as follows:

Sl. No.	Name	Number of Meetings Attended
1.	Lalit Kumar Chhawchharia	4
2.	Ashok Kumar Mattoo	3
3.	Sonal Mattoo	4

Brief Terms of Reference of Audit Committee:

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any statutory authority or to the investors or the public, the Company's system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of Audit Committee include inter-alia the following:

a. Discussion with the auditors, periodically about the internal control systems, the scope of audit including the observation of the auditors.

b. To review the quarterly, half yearly and annual financial statements before submission to the Board.

c. To review and take on record the unaudited quarterly results of the Company before publication.

d. To ensure compliance of Internal Control System.

e. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

f. Noting appointment and removal of external auditors. Recommending the fixation of audit fees of external auditors and also approval for payment for any other services.

g. Reviewing with Management the annual financial statements before submission to the Board.

h. To review change in accounting policy as and when therein.

4. Remuneration Committee

The Company has a duly constituted "Remuneration Committee". The Committee consists of three (3) Non-Executive Independent Directors. All matters relating to finalization of remuneration of Directors are being taken to the Committee for their consideration and approval.

The following Directors are the members of the Remuneration Committee:

Sl. No.	Name of Directors	Designation
1.	Ashok Kumar Mattoo	Chairman
2.	Lalit Kumar Chhawchharia	Member
3.	Sonal Mattoo	Member

During the financial year 2013-14 only one meeting of Remuneration Committee was held the date of which was 30th May, 2013.

5. Shareholders'/Investors' Grievance Committee cum Share Transfer Committee

The following Directors are members of the Shareholders'/Investors' Grievances Committee cum Share Transfer Committee:

Sl. No.	Name of Directors	Designation
1.	Sonal Mattoo	Chairperson
2.	Vishal Gupta	Member
3.	Varun Gupta	Member

The scope of the 'Shareholders'/Investors' Grievance Committee cum Share Transfer Committee is to monitor investors' grievances/complaints along with the share transfers. The Committee approved the share transfers at its meetings. The Transfer and Shareholders'/Investors' Grievance Committee also took the note of the findings of audit carried out by practicing Company Secretary and implemented the suggestions. The quorum of the meeting shall be any two members present at the meeting.

As required by the Listing Agreement executed with Stock Exchanges, Bhagwan Kumar, Company Secretary, was appointed as a 'Compliance Officer' and entrusted to monitor the share transfer process and liaise with the regulatory authorities.

There has been no complaint that has not been resolved to the satisfaction of the shareholders nor are there any pending complaints.

6. General Body Meetings

The details of last three Annual General Meetings are as mentioned below:

For the year	Venue	Date	Day and Time	Whether Special Resolution
2010-11	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata	19th August, 2011	Friday, 11.30 A.M.	Yes
2011-12	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata	8th August, 2012	Wednesday, 10.30 A.M.	Yes
2012-13	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata	27th August, 2013	Tuesday, 10.30 A.M.	Yes

Details of the Extraordinary General Meetings of the last three years is as follows:

2010-11	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata	27th November, 2010	Saturday, 11.00 A.M.	Yes

No resolutions requiring postal ballot as recommended under Companies (Passing of Resolution by Postal Ballot) Rules, 2001 have been placed for shareholders' approval at the last Annual General Meeting.

7. Disclosures

a. Materially Significant Related Party Transactions

During the year 2013-14, there were no materially significant related party transactions with its promoters, Directors or the management that may have potential conflict with the interest of the Company at large. However, the transactions made with related parties are at arm's length price.

b. Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary Company whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

c. Insider Trading Code

The Company has adopted the Employee Share Dealing Code in terms of the SEBI (Prohibition of Insider Trading) Regulations 1992. This code is applicable to all Directors and Designated employees of the Company. The code seeks to prevent dealing in Company's share by persons having access to unpublished, price sensitive information. The Company regularly monitors the transaction in terms of this code.

d. Non-Compliance/Strictures/Penalties

There was no instance of non-compliance by the Company on any matters related to Capital markets and therefore, no penalties and/or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority during the last three years.

8. CEO/CFO Certification

In terms of clause 49 of Listing Agreement, a certificate by Managing Director and GM - Finance & Accounts has been obtained and is attached as part of this annual report. Further, the Managing Director of the Company has given a declaration that all the Board members and senior management have affirmed compliance with the code of conduct for the current year.

9. Means of Communication

The quarterly Unaudited Financial Results and Annual Financial Results are published in leading national newspapers, i.e., Business Standard/ Financial Express (English)/ Economic Times and Arthiklipi (Bengali). It is also displayed on Company's website at www.ashianahousing.com. The Company has been conducting conference call since last four and half year after every quarterly Board meeting on financial results and issuing corporate presentation informing thereby the investor at large the detailed information about the Company, its business, current scenario, sales targets / achievements, construction targets/ achievements, future outlook etc. During the financial year 2013-14 the Company conducted three conference calls for the analyst and investors on 2nd August, 2013, 11th November, 2013 and on 4th February,

2014. In almost all conference calls a good number of analysts and investors participated. The Company has not made any representation to any Institutional Investor. The Management Discussion and Analysis report prepared by the Management, forms part of the Annual Report.

10. General Shareholder's Information

(a) Annual General Meeting Information

Day, Date : Friday, 29th August, 2014
Time : 10.30 A.M.
Venue : Kalakunj, (Basement - Kalamandir) 48, Shakespeare Sarani, Kolkata – 700 071

(b) Financial Calendar

Ashiana Housing Ltd. follows the financial year from April to March. The Unaudited Financial Results for the first three quarters and the Audited Financial Results for the year ended 31st March, 2014 were taken on record and approved by the Board of Directors in its meeting(s) held on the following dates:

Quarter Ended	Date of Board Meeting
April – June, 2013	31st July , 2013
July – September, 2013	8th November, 2013
October – December, 2013	1st February, 2014
Year Ended March 31, 2014	30th May, 2014

(c) Book Closure

The Company's Register of Members and Share Transfer books will remain closed from 23rd August, 2014 to 29th August, 2014 (both days inclusive) for the purpose of Annual General Meeting of the Company.

(d) Stock Exchanges

The Company's equity shares are listed on the Bombay Stock Exchange and National Stock Exchange the details of which are as follows:

Sl. No.	Name and address of the Stock Exchange	Security Code
1.	National Stock Exchange Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	ASHIANA
2.	Bombay Stock Exchange P.J. Towers, Dalal Street Mumbai - 400 001	523716

There is no outstanding listing fees payable to Bombay Stock Exchange and National Stock Exchange.

(e) Dividend paid for the last three years

Sl. No.	Date of Declaration	Dividend in %	Total Amount of Dividend (₹)
1.	19th August, 2011	17.5	32,567,421
2.	8th August, 2012	22.5	41,872,399
3.	27th August, 2013	22.5	41,872,399

(f) Market Price Data

Monthly High and Low quotation of shares traded in Bombay Stock Exchange and National Stock Exchange for the financial year 2013-14 is given below:

The Company has its ISIN No. INE 365D 01021 for dematerialization of equity shares.

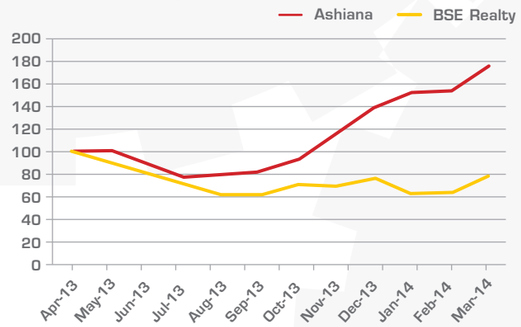
	National Stock Exchange			Bombay Stock Exchange		
Month	High Price	Low Price	Volume (No. of Shares)	High Price	Low Price	Volume (No. of Shares)
Apr-2013	256.50	239.95	58,738	256.95	240.00	16,226
May-2013	276.45	240.00	58,670	275.00	239.00	22,225
Jun-2013	274.50	230.00	31,892	265.00	223.00	23,721
Jul-2013	246.10	197.00	33,559	246.00	197.00	24,572
Aug-2013	240.00	191.00	35,615	227.80	190.00	12,763
Sep-2013	215.00	195.50	57,815	216.40	200.00	34,262
Oct-2013*	241.70*	45.00*	1,33,374	245.80*	45.05*	41,643
Nov-2013	61.50	46.00	2,31,077	61.75	43.50	1,02,790
Dec-2013	73.65	55.00	2,80,173	73.20	57.05	4,61,871
Jan-2014	82.90	69.25	3,75,378	86.80	70.00	97,844
Feb-2014	8.45	75.10	2,65,909	81.10	73.10	68,548
Mar-2014	89.45	77.00	2,44,619	89.50	77.00	1,09,505

*The equity share capital of the Company was subdivided from one equity share of ₹ 10/- to five equity shares of ₹ 2/- w.e.f. the record date 25th October, 2013.

(g) Share Performance Chart

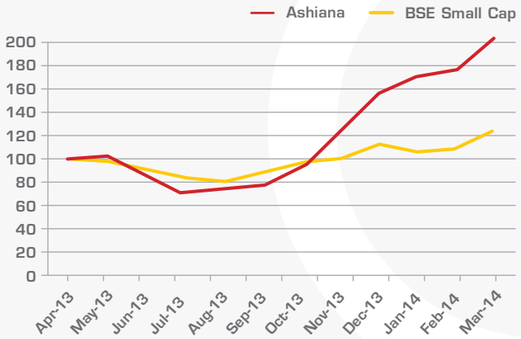
Performance in comparison to broad based indices

BSE REALTY Graph (Base 100 = April, 2013)



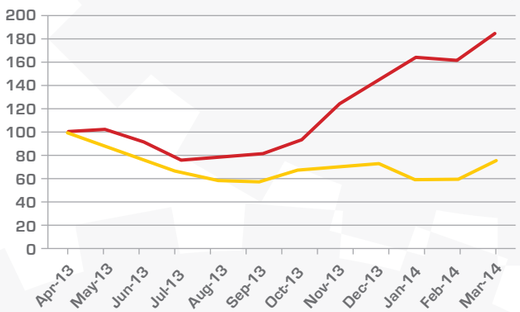
After taking effect of subdivision of one equity share of ₹ 10/- to five equity shares of ₹ 2/-.

BSE SMALL CAP Graph (Base 100 = April, 2013)



After taking effect of subdivision of one equity share of ₹ 10/- to five equity shares of ₹ 2/-.

NSE - CNX REALTY Graph (Base 100 = April, 2013)



After taking effect of subdivision of one equity share of ₹ 10/- to five equity shares of ₹ 2/-.

(h) Registrar & Transfer Agent :

M/s. Beetal Financial & Computer Services Pvt. Ltd., having its address at Beetal House, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi - 110 062, has been appointed by the Company for registration of share transfer and other related work.

(i) Share Transfer Process

The Company's shares being in compulsory demat list are transferable through the depository system. Shares in demat form are processed by the Registrar & Transfer Agent - M/s Beetal Financial & Computer Service Pvt. Ltd., Beetal House, 99, Madangir, Near Dada Harsukh Dass Mandir, Behind Local Shopping Centre, New Delhi – 110 062. Transfer of shares both by demat and physical mode are approved by the 'Transfer and Shareholders/ Investors Grievance Committee'.

(j) Distribution of Shareholding as on 31st March, 2014

Range	Shareholders		Shares	
No. of Shares	Numbers	% to total	Numbers	% to total
UP TO 500	7,959	85.65	88,34,666	9.4946
501 TO 1000	958	10.31	34,46,444	3.7039
1001 TO 2000	203	2.18	14,34,685	1.5418
2001 TO 3000	47	0.51	5,92,510	0.6368
3001 TO 4000	27	0.29	4,70,401	0.5055
4001 TO 5000	16	0.17	3,81,786	0.4103
5001 TO 10000	37	0.40	13,22,718	1.4215
10001 AND ABOVE	45	0.48	7,65,66,565	82.2856
TOTAL	**9,292**	**100.00**	**1,86,09,955**	**100.00**

(k) Shareholding Pattern as on 31st March, 2014

Sl. No.	Shareholders	No. of shares	Percentage
A.	**Promoter's Holding**		
1.	Indian Promoters	6,24,72,760	67.139
B.	**Non-Promoter's Holding**		
1.	Banks, FIIs, Insurance Cos., Central/State Govt. Institutions/ Non-Govt. Institutions	4,000	0.004
2.	Foreign Institutional Investors	23,90,441	2.569
C.	**Others**		
1.	Private Corporate Bodies	73,55,647	7.905
2.	Indian Public (including HUF)	2,03,52,064	21.872
3.	NRIs/OCBs	4,55,664	0.490
4.	Trust		
5.	Others (shares in transit)	19,199	0.021
	Grand Total	**9,30,49,775**	**100.00%**

(l) Dematerialization of Shares and Liquidity

The Shares of the Company are compulsorily traded in dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Ltd. and Central Depository Services (India) Ltd. Out of 9,30,49,775 Equity Shares of the Company 8,46,44,270 Equity shares have been dematerialised as on 31st March, 2014.

(m) Secretarial Audit Report

As stipulated by the Securities and Exchange Board of India, M/s. B. Chhawchharia and Co. Chartered Accountants, Statutory Auditors of the Company, carries out the Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Audit Committee. The audit,

inter alia confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form.

(n) Office Locations

Registered Office:	**Head Office & Share Dept.:**
5F, Everest	Unit No. 4&5, 3rd Floor,
46/C,	Plot No. D-2
Chowringhee Road	Saket District Center, Saket
Kolkata-700 071	New Delhi - 110 017

CIN: L70109WB1986PLC040864

Branch Offices:

(a) 4th Floor, Ashiana Village Centre, Vasundhara Nagar, Bhiwadi, Rajasthan - 301 019

(b) Ashiana Trade Centre, Adityapur, Jamshedpur – 831 013

(c) 3rd Floor, Apex Mall, Lal Kothi, Tonk Road, Jaipur - 302 015

(d) Dhinanon Ki Dhani, Pal Sangaria Link Road, Jodhpur - 342 014

(e) The Business Centre, Office No. 2, 2nd Floor, Purushottam Plaza, Baner Road, Pune - 411 045

(f) Balaji Krupa Estate, Old Jyoti Ltd., Halol – Godhra Road, Halol (Gujarat) - 389 350

Address for correspondence

Shareholders are advised to correspond the Registrar & Share Transfer Agent – M/s. Beetal Financial & Computer Services Private Ltd. , Beetal House, 99, Madangir, Near Dada Harsukh Dass Mandir, Behind Local Shopping Centre, New Delhi – 110 062, for any query regarding Share Transfer / Transmission etc. and other related matter or may contact Mr. Bhagwan Kumar, Company Secretary and Compliance Officer on Phone No. 011-42654265; Fax No. 011-42654200; and e-mail:bhagwan@ashianahousing.com

(o) Compliance with Non Mandatory Requirements

As per clause 49 of the listing agreement it is the discretion of the Company to implement non-mandatory requirements subject to disclosure of the same, along with the compliance of mandatory requirements, in the annual report of the Company. The status of compliance of non-mandatory requirements is as follows:

i) **The Board:** The Board of Directors elect one of the Executive Directors, as its Chairman for every Board meeting. Therefore, the provisions relating to Non-Executive Chairman are not applicable to the Company.

ii) **Remuneration Committee:** The Company has a duly constituted "Remuneration Committee". The Committee consists of three Non-Executive Independent Directors. Other details are given in this section.

iii) **Shareholder Rights:** Shareholders of the Company are provided with an Investor Update, containing operational and financial highlights of the Company, on quarterly and annual basis instead of sending to house of every shareholder a half yearly financial performance including significant events in the last six months. These Investor Updates are also updated in the Investor Relations section on the website of the Company at www.ashianahousing.com and are also sent to the Bombay Stock Exchange and National Stock Exchange immediately after the announcement of quarterly and annual financial results.

iv) **Audit Qualifications:** The audited financial statements of the Company for the financial year 2013-14 do not contain any qualifications and the audit report does not contain any adverse remarks.

v) **Training of Board Members:** The Company has a system of updating regularly about every material business and regulatory requirements affecting the Company.

vi) **Mechanism of evaluating Non-Executive Board Members:** The Company does not follow a formal evaluation mechanism for reviewing the performance of Non-Executive Independent Directors of the Company.

vii) **Whistle Blower Policy:** The Company has a whistle blower policy which forms part of the Code of Conduct for Directors and Senior Management and is also given in the Investor Relations section on the website of the Company at www.ashianahousing.com.

On behalf of the Board of Directors

Vishal Gupta
Managing Director

Place: New Delhi
Date: 30th May, 2014

CEO/CFO Certificate

The Board of Directors
Ashiana Housing Ltd.
Unit No. 304, 305, Southern Park,
Saket, New Delhi – 110 017

We, Vishal Gupta, Managing Director and Manojit Sengupta, G.M. – Finance & Accounts, hereby certify to the Board that:

a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee:

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year, if there is any, and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Vishal Gupta
(Managing Director)

Manojit Sengupta
(GM-Finance & Accounts)

Place: New Delhi
Date: 30th May, 2014

Auditors' Report

To the Members of ASHIANA HOUSING LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ASHIANA HOUSING LIMITED, which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 and to the best of our information and according to the explanations given to us, the financial statements 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 31st March, 2014 ;
(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. As required by section 227(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) 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;

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches visited by us;

d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013;

e) On the basis of written representations received from the Directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For B. Chhawchharia & Co.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 30th May, 2014

Annexure to the Auditors' Report

Referred to in our Report of even date for the year ended 31st March, 2014

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

   b) According to the information and explanation given to us, all the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained, no material discrepancies were noticed on such verification.

   c) In our opinion and according to the information and explanations given to us, the Company has not disposed substantial part of its fixed assets during the year.

2. a) According to the information and explanations given to us, the management has physically verified the inventory during the year. In our opinion, the frequency of verification is reasonable.

   b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. The Company has not taken/granted any loans, secured or unsecured, from/to Companies, parties or other concern covered in the register maintained under Section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of constructed units and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under that Section have been so entered.

   b) In our opinion and according to the information and explanations given to us, the transactions that were made in pursuance of contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956 and aggregating during the year to ₹ 500,000/- or more, in respect of each party, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

8. As certified by a Cost Accountant, the Company has maintained cost records for the year under review, as prescribed under section 209(1)(d) of the Companies Act, 1956 read with Companies (Cost Accounting records) Rules, 2011 to the extent applicable to the Company. We have, however, not made a detailed examination of such records.

9. a) According to the records of the Company, generally the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, and no such statutory dues were outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.

   b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, as applicable, which have not been deposited on account of any dispute, except the following:

Name of the Statute	Amount (₹ in lakhs)	Relating to the year	Forum where dispute pending
Income Tax Act, 1961	18.54	2010-2011	Deputy Commissioner of Income Tax
Finance Act, 1994	89.20	2007-08 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal, New Delhi

10. The Company does not have accumulated losses. The Company has not incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holder.

12. As per information and explanations provided to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society.

14. The Company is not dealing or trading in shares, securities, debentures and other investments. However, Investments of the Company are held in its own name.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions as at the close of the year.

16. In our opinion and according to the information and explanation given to us, term loan have been applied for the purpose for which they were obtained.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short- term basis have been used for long-term investment.

18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. During the period covered by our audit report, the Company has not issued any debentures.

20. The Company has not raised money by public issues during the financial year concerned.

21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B. Chhawchharia & Co.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 30th May, 2014

Balance Sheet

as at 31st March, 2014

Particulars	Notes	₹	As at 31.03.2014 ₹	₹	As at 31.03.2013 ₹
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	186,099,550		186,099,550	
Reserves & Surplus	2	2,641,645,566	2,827,745,116	2,479,413,730	2,665,513,280
Non-current Liabilities					
Long Term Borrowings	3	91,284,084		110,502,784	
Deferred Tax Liabilities (Net)	4	34,925,000		37,287,000	
Other Long Term Liabilities	5	45,012,077		56,700,875	
Long Term Provisions	6	21,860,821	193,081,982	14,495,704	218,986,363
Current Liabilities					
Short Term Borrowings	7	-		223,384	
Advance from Customers	8	2,547,235,909		650,072,644	
Trade Payables	9	102,497,009		68,661,565	
Other Current Liabilities	10	125,955,765		111,278,163	
Short-term Provisions	11	52,052,493	2,827,741,176	46,231,774	876,467,530
			5,848,568,274		3,760,967,173
ASSETS					
Non-current Assets					
Fixed Assets:	12				
Tangible Assets		533,427,104		429,851,008	
Intangible Assets		15,200,241		17,056,646	
Capital work in Progress		7,770,822		-	
Intangible Assets under development		-		1,266,000	
		556,398,167		448,173,654	
Non-Current Investments	13	24,882,963	581,281,130	365,779,310	813,952,964
Current Assets					
Current Investments	14	466,721,392		304,496,873	
Inventories	15	3,538,964,859		1,661,087,992	
Trade Receivables	16	33,765,318		67,601,942	
Cash & Cash Equivalents	17	476,154,549		494,119,722	
Short Term Loans & Advances	18	751,681,026	5,267,287,144	419,707,680	2,947,014,209
			5,848,568,274		3,760,967,173

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS 31

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta Managing Director
Ankur Gupta Jt. Managing Director
Varun Gupta Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar Company Secretary
Manojit Sengupta General Manager - F&A

Profit & Loss Account

for the year ended 31st March, 2014

Particulars	Notes	2013-2014 ₹	2012-2013 ₹
INCOME			
Revenue from Operations	19	459,231,297	987,740,943
Income from Partnership	20	305,833,883	204,038,254
Other Income	21	121,283,187	119,511,253
		886,348,367	1,311,290,450
EXPENSES			
Direct Costs:			
Purchases	22	662,210,207	428,977,649
Project Expenses	23	1,328,928,794	676,447,397
Ongoing Project Expenses Adjusted		1,769,456	26,470,721
Changes in Inventories	24	(1,752,205,512)	(546,000,256)
Hotel & Club Expenses	25	67,354,543	60,303,063
		308,057,488	646,198,574
Employee Benefits Expense	26	142,591,869	111,789,976
Advertisement & Business Promotion		40,580,328	31,949,006
Finance Costs	27	18,292,841	30,254,620
Other Expenses	28	123,210,564	90,495,624
Depreciation & Amortization expenses		30,299,969	25,610,820
		663,033,059	936,298,620
Profit before extraordinary items and tax		223,315,308	374,991,830
Extraordinary Items	29	10,917,834	-
Profit before tax		212,397,474	374,991,830
Tax Expenses	30		
i) Current Tax		267,557	48,663,087
ii) Deferred Tax		(2,362,000)	5,363,000
		(2,094,443)	54,026,087
Profit for the Year after tax		214,491,917	320,965,743
Earning Per Share (On Shares of nominal value of ₹ 2/- each) Basic and Diluted		2.31	3.45

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta Managing Director
Ankur Gupta Jt. Managing Director
Varun Gupta Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar Company Secretary
Manojit Sengupta General Manager - F&A

Notes to the Accounts

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
1 SHARE CAPITAL		
Authorised :		
175000000 (P.Y. 35000000) Equity shares of ₹ 2/- (P.Y. ₹ 10/-) each	350,000,000	350,000,000
Issued, Subscribed and Paid up :		
93049775 (P.Y.18609955) Equity shares of ₹ 2/- (P.Y. ₹ 10/-) each fully paid up	186,099,550	186,099,550
	186,099,550	186,099,550

a) Reconciliation of the number of equity shares outstanding is as follows :

	31.03.2014 Nos.	31.03.2013 Nos.
At the beginning of the year	18,609,955	18,609,955
Less : Cancelled during the year for sub-division	(18,609,955)	-
Add : Issued during the year on sub-division	93,049,775	-
At the end of the year	93,049,775	18,609,955

b) Details of shareholders holding more than 5% of the Equity Shares in the Company:

Name of Shareholder	As at 31.03.2014 Nos.	% holding	As at 31.03.2013 Nos.	% holding
Vishal Gupta	14030830	15.08	2793866	15.01
Ankur Gupta	20245020	21.76	4036599	21.69
Varun Gupta	20248140	21.76	4037328	21.69
Rachna Gupta	6210485	6.67	1242097	6.67

c) Term /Rights attached to Equity Shares

The Company has only one class of Equity Share having a par value of ₹ 2 (P.Y. ₹ 10/-) per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2014, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.50 /- (31st March 2013: ₹ 0.45 on sub divided paid up value of ₹ 2/-). In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 RESERVES & SURPLUS		
Capital Reserve	1,500,000	1,500,000
	1,500,000	1,500,000
Securities Premium Reserve	14,400,000	14,400,000
	14,400,000	14,400,000
General Reserve		
As per last Account	2,250,000,000	2,015,000,000
Add : Amount transferred from surplus in Profit & Loss Account	150,000,000	235,000,000
	2,400,000,000	2,250,000,000
Surplus in the statement of Profit and Loss		
As per last Account	213,513,730	173,779,761
Profit for the Year	214,491,917	320,965,743
Less: Appropriations		
Proposed Dividend	(46,524,888)	(41,872,399)
Tax on Dividend	(5,735,194)	(4,359,375)
Transfer to General Reserve	(150,000,000)	(235,000,000)
Net Surplus in the statement of Profit and Loss	225,745,566	213,513,730
	2,641,645,566	2,479,413,730

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
3 LONG -TERM BORROWINGS:		
SECURED LOANS		
Term Loan		
From Bank		
Corporate Loan - From AXIS Bank Limited	108,333,340	133,333,336
Secured by exclusive mortgage on "Treehouse" Hotel with 101 rooms and retail mall of 38,687 sq. ft. at Village Centre, Vasundhara Colony, Bhiwadi Dist. Alwar		
Terms of Repayment : 72 equal monthly installments commencing from 31st August, 2012		
Vehicle Loan		
a) From Banks:		
HDFC Bank Limited	14,478,995	4,576,028
b) From Others:		
Tata Capital Ltd	325,921	945,502
Secured against hypothecation of vehicles financed by them.		
Terms of Repayment:		
₹ 1,40,18,874/- Under 36 EMI Scheme		
₹ 7,86,042/- Under 60 EMI Scheme		
	123,138,257	138,854,866
Less : Current Maturity (Refer Note No. 10)	31,854,173	28,352,082
	91,284,084	110,502,784
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on Fiscal allowance of Fixed Asset	50,111,000	41,990,000
Less: Deferred Tax Assets on		
- Employee Benefits	7,093,000	4,703,000
- Provision for Diminution in value of Investments	1,504,000	-
- Fiscal allowance of unabsorbed losses	6,589,000	-
	34,925,000	37,287,000
5 OTHER LONG TERM LIABILITIES		
Security Deposit from Treehouse Members	21,935,986	23,412,895
Security Deposit against rent	-	10,000,000
Lease Rent Deposit	23,076,091	23,287,980
	45,012,077	56,700,875
6 LONG TERM PROVISIONS		
Provision for Employee Benefits		
- Gratuity	21,553,528	14,495,704
- Leave Pay	307,293	-
	21,860,821	14,495,704
7 SHORT - TERM BORROWINGS		
SECURED LOANS		
Loan repayable on demand:		
From HDFC Bank Limited - Bank Overdraft	-	223,384
Secured against pledge of Fixed Deposit Receipts		
	-	223,384

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
8 ADVANCE FROM CUSTOMERS		
Customer Advance	2,586,457,769	715,564,627
Less: Ongoing Projects Adjustment Account	39,221,860	65,491,983
	2,547,235,909	650,072,644
9 TRADE PAYABLES		
Sundry Creditors	102,497,009	68,661,565
	102,497,009	68,661,565
10 OTHER CURRENT LIABILITIES		
Current maturities of long-term borrowings (Refer Note No. 3)	31,854,173	28,352,082
Interest accrued but not due on borrowings	93,398	36,454
Interest accrued and due on borrowings (Auto debited on 02.04.2014)	1,265,240	1,523,145
Unclaimed Dividends	10,071,525	8,579,523
Security deposits	13,712,927	9,411,808
Due against slump sale - to subsidiary companies	-	2,681,327
Other liabilities	68,958,502	60,693,823
	125,955,765	111,278,163
11 SHORT-TERM PROVISIONS		
For Proposed Dividend	46,524,888	41,872,399
For Tax on Dividend	5,527,605	4,359,375
	52,052,493	46,231,774

12 FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	As at 01.04.2013 ₹.	Additions/ (Deductions) ₹.	As at 31.03.2014 ₹.	Up to 31.03.2013 ₹.	For the year/ (Adjustments) ₹.	Up to 31.03.2014 ₹.	As at 31.03.2014 ₹.	As at 31.03.2013 ₹.
TANGIBLE ASSETS								
BUILDING	230,506,938	238,640	230,745,578	30,333,851	6,621,354	36,955,205	193,790,373	200,173,087
PLANT & MACHINERY	172,573,348	107,447,197	280,020,545	34,873,663	9,778,620	44,652,283	235,368,262	137,699,685
FURNITURE & FIXTURES	44,296,100	2,964,368	47,260,468	14,398,536	2,851,275	17,249,811	30,010,657	29,897,564
VEHICLES	26,432,520	19,755,485	37,713,414	7,325,177	3,170,562	7,332,819	30,380,595	19,107,343
		(8,474,591)			(3,162,920)			
ELECTRICAL INSTALLATIONS	13,462,007	91,999	13,554,006	3,398,290	621,156	4,019,446	9,534,560	10,063,717
EQUIPMENTS AND FACILITIES	27,814,749	2,427,845	30,242,594	5,403,201	1,376,856	6,780,057	23,462,537	22,411,548
COMPUTERS- HARDWARE	22,539,439	3,282,913	25,822,352	12,041,375	2,900,857	14,942,232	10,880,120	10,498,064
TOTAL	537,625,101	136,208,447	665,358,957	107,774,093	27,320,680	131,931,853	533,427,104	-
		(8,474,591)			(3,162,920)			
INTANGIBLE ASSETS								
TRADEMARK AND LOGO	11,143,152	-	11,143,152	195,387	1,114,315	1,309,702	9,833,450	10,947,765
GOODWILL	2,045,374	712,095	2,757,469	-	480,090	480,090	2,277,379	2,045,374
COMPUTERS - SOFTWARE	6,845,495	410,789	7,256,284	2,781,988	1,384,884	4,166,872	3,089,412	4,063,507
TOTAL	20,034,021	1,122,884	21,156,905	2,977,375	2,979,289	5,956,664	15,200,241	-
CAPITAL WORK IN PROGRESS								
CAPITAL WORK IN PROGRESS	-	7,770,822	7,770,822	-	-	-	7,770,822	-
INTANGIBLE ASSETS UNDER DEVELOPMENT								
COMPUTER - SOFTWARE	1,266,000	720,000	-	-	-	-	-	1,266,000
		(1,986,000)						
GRAND TOTAL	558,925,122	145,822,153	694,286,684	110,751,468	30,299,969	137,888,517	556,398,167	-
		(10,460,591)			(3,162,920)			
PREVIOUS YEAR FIGURES	519,262,339	41,292,100	558,925,122	85,717,043	25,610,820	110,751,468	-	448,173,654
		(1,629,317)			(576,395)			

Particulars	Face Value Per Share ₹	No. of Shares	As at 31.03.2014 ₹	No. of Shares	As at 31.03.2013 ₹
13 Non-Current Investments					
Trade					
In Immovable Properties:					
Retail space at Village Centre, Bhiwadi			88,515,920		88,515,920
Building at W-177, Greater Kailash - II, New Delhi			32,939,879		32,939,879
Land at RIICO Industrial Area, Bhiwadi, Rajasthan			3,613,539		3,613,539
Building at Ashiana Plaza, Patna			1,616,571		1,616,571
Roof rights, Ashiana Trade Centre, Jamshedpur			1,500,000		1,500,000
Bageecha office, Bhiwadi			313,042		313,042
Flats at Utsav, Bhiwadi			7,432,216		7,432,216
Shops, Ashiana Trade Centre, Jamshedpur			-		313,186
			135,931,167		136,244,353
In Fully paid up Equity Shares:					
Subsidiary Companies (Unquoted)					
Ashiana Maintenance Services Ltd. (Formerly Vatika Marketing Ltd.)	10	50,000	520,120	50,000	520,120
Latest Developers Advisory Ltd	10	50,000	500,502	50,000	500,502
Topwell Projects Consultants Ltd.	10	50,000	500,502	50,000	500,502
			1,521,124		1,521,124

Particulars	Face Value Per Share ₹	No. of Shares	As at 31.03.2014 ₹	No. of Shares	As at 31.03.2013 ₹
+ In Partnership Firms:					
Ashiana Amar Developers			8,554,960		(14,709,529)
Ashiana Manglam Developers			49,891,180		115,626,694
Ashiana Greenwood Developers			8,922,799		13,544,648
Megha Colonizers - Rangoli Division			(480,215,278)		(188,708,742)
Ashiana Manglam Builders			51,824,891		87,522,829
Vista Housing			243,313,569		148,342,785
			(117,707,879)		161,618,685
+ In Limited Liability Partnerships:					
Neemrana Builders LLP			3,587,845		13,145,513
MG Homecraft LLP			543,549		52,252,478
			4,131,394		65,397,991
(A)			23,875,806		364,782,153
Others:					
In Fully paid up Equity Shares:					
i. Quoted					
IFGL Refractories Ltd	10	10224	790,939	10224	790,939
Elite Leasings Ltd.	10	3750	6,218	3750	6,218
ii. Unquoted					
Adityapur Toll Bridge Company Ltd.	10	20000	200,000	20000	200,000
In National Saving Certificate			10,000		-
(B)			1,007,157		997,157
Total (A) + (B)			24,882,963		365,779,310
Aggregate amount of Quoted investments			797,157		797,157
Aggregate amount of Unquoted investments			24,085,806		364,982,153
Market Value of Quoted investments			638,061		322,140

+ The particulars of partnership firms and limited liability partnerships are given below :-

a) Ashiana Amar Developers

Name of Partners	Share	Capital (₹)
Ashiana Housing Ltd.	95%	8,554,960
Ashiana Maintenance Services Ltd. (Formerly Vatika Marketing Ltd)	5%	5,350,483

b) Ashiana Manglam Developers

Name of the Partner	Share: 30% of pre-tax yearly profit upto cumulative aggregate of ₹ 917.40 lakhs	Balance	Capital (₹)
Ashiana Housing Ltd.	-	65.00%	49,891,180
Rajkumari Garg	33.00%	11.55%	5,579,960
Sangeeta Agarwal	17.00%	5.95%	4,574,516
Sanjay Gupta	33.00%	11.55%	5,579,949
Vinod Goyal	17.00%	5.95%	4,574,519

c) Ashiana Greenwood Developers

Name of Partners	Share	Capital (₹)
Shubhlabh Buildhome Private Ltd.	50%	8,480,247
Ashiana Housing Ltd.	50%	8,922,799

d) Megha Colonizers - Rangoli Division

Name of Partners	Share: 50% of pre tax yearly profit upto cumulative aggregate of ₹ 7371.47 lakhs	Balance	Capital (₹)
N. K. Gupta	15.00%	7.50%	(104,082,231)
Vinod Goyal	15.50%	7.75%	(107,554,642)
Ram Babu Agarwal	7.50%	3.75%	(52,041,116)
Ajay Gupta	15.00%	7.50%	(104,082,231)
Ritesh Agarwal	33.00%	16.50%	(228,977,910)
Manglam Build-Developers Ltd.	6.00%	3.00%	(41,632,891)
Rajendra Agarwal	8.00%	4.00%	(55,510,524)
Ashiana Housing Ltd.	-	50.00%	(480,215,278)

e) Ashiana Manglam Builders

Name of Partners	Share: 25% of pre tax yearly profit upto cumulative aggregate of ₹ 1325 lakhs	Share: 40% of pre tax yearly profit upto cumulative aggregate of ₹ 1988.11 lakhs	Balance	Capital (₹)
Ashiana Housing Ltd.	100.00%	-	50.00%	51,824,891
Manglam Build-Developers Ltd.	-	50.00%	25.00%	(45,071,475)
Ram Babu Agarwal	-	50.00%	25.00%	(18,984,628)

f) Vista Housing

Name of Partners	Share: 15% of pre tax yearly profit upto cumulative aggregate of ₹ 1500 lakhs	Share: 30% of pre tax yearly profit upto cumulative aggregate of ₹ 4100 lakhs: First ₹ 866 lakhs	Share: 30% of pre tax yearly profit upto cumulative aggregate of ₹ 4100 lakhs: Balance	Balance	Capital (₹)
Ashiana Housing Ltd.	100.00%	-	-	50.00%	243,313,569
Manglam Build-Developers Ltd.	-	100.00%	75.05%	37.50%	(48,370,486)
Ram Babu Agarwal	-	-	24.95%	12.50%	17,340,840

g) Neemrana Builders LLP

Name of Partners	Share	Capital (₹)
Ashiana Housing Limited	98.5%	3,587,845
Vishal Gupta	0.5%	18,212
Ankur Gupta	0.5%	18,212
Varun Gupta	0.5%	18,212

h) MG Homecraft LLP

Name of Partners	Share	Capital (₹)
Ashiana Housing Limited	98.5%	543,549
Vishal Gupta	0.5%	2,759
Ankur Gupta	0.5%	2,759
Varun Gupta	0.5%	2,759

+on the basis of audited Balance Sheet as at 31st March, 2014

Particulars	Face Value Per Unit ₹	No. of Units	As at 31.03.2014 ₹	No. of Units	As at 31.03.2013 ₹
14 CURRENT INVESTMENTS					
(i) In Mutual Funds (Unquoted)					
Reliance Income Fund Growth Plan	10	2,958,069.367	**120,000,000**	-	-
SBI Magnum Income Fund - Regular Plan - Growth	10	2,609,028.744	**79,600,000**	-	-
DSP Black Rock Income Opportunity - IP - Growth	1000	-	**-**	89,372.371	141,696,873
HSBC Flexi Debt Fund - Growth	10	-	**-**	3,027,919.731	47,000,000
SBI Dynamic Bond Fund - Regular Plan - Growth	10	5,621,055.050	**77,800,000**	5,621,055.050	77,800,000
UTI Treasury Advantage Fund - IP - Growth	1000	-	**-**	2,531.232	4,000,000
UTI Treasury Advantage Fund - IP - DP - Growth	1000	-	**-**	21,526.024	34,000,000
Birla Sun Life Cash Plus	1000	2,502.608	**500,000**	-	-
JM High Liquidity Fund - Growth Option	10	232,057.597	**8,000,000**	-	-
UTI Liquid Cash Plan	1000	11,755.957	**24,525,966**	-	-
Birla Sun Life Short Term Opportunities Fund-Growth	10	246,500.919	**5,000,000**	-	-
Morgan Stanley Liquid Fund - Daily Dividend	1000	1,600.047	**1,600,847**	-	-
(ii) In Bonds/Debentures (Quoted)					
9.85% APSFC BONDS 28.03.2024	1000000	29	**29,000,000**	-	-
9.80% GSPC NCD Series 2 22.03.2073	1000000	50	**51,260,000**	-	-
10.45% GSPC NCD 28.09.2072	1000000	23	**24,386,900**	-	-
9.03% GSPC NCD 22.03.2028	1000000	19	**18,551,600**	-	-
9.75% IFCI LTD PP 60 BONDS 26.04.2028	1000000	3	**3,019,500**	-	-
11.15% WELSPUN CORP LTD BONDS 28.08.2019	1000000	28	**28,112,000**	-	-
			471,356,813		304,496,873
Less : Provision for Diminution in value of investment			**4,635,421**		-
			466,721,392		**304,496,873**
Aggregate amount of Quoted Investments			**154,330,000**		-
Aggregate amount of Unquoted Investments			**317,026,813**		304,496,873
Repurchase Price of units of mutual funds			**319,870,967**		320,609,819
Market Value of Quoted Investments			**154,384,800**		-

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
15 INVENTORIES		
Stock (As taken, valued and certified by the management)		
Land/Development Rights :		
Projects Launched	**712,116,129**	430,429,664
Others	**917,251,500**	545,191,337
Unsold completed constructions	**153,492,885**	127,161,728
Work-in-progress	**1,649,750,548**	527,180,928
Construction materials	**104,640,924**	29,885,064
Hotel & club consumables	**1,712,874**	1,239,271
	3,538,964,859	**1,661,087,992**
16 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Due for more than six months	**5,139,940**	2,838,169
Other Debts	**28,625,378**	64,763,773
	33,765,318	**67,601,942**
17 CASH AND CASH EQUIVALENTS		
Cash-in-hand	**3,501,665**	2,605,688
Cheques-in-hand	**3,636,678**	1,173,453
Balances with Scheduled Banks :		
In Current Account	**186,084,099**	113,333,383
In Unclaimed Dividend Account	**10,071,525**	8,579,523
In Fixed Deposit Account*	**247,000,448**	345,639,408
Fixed Deposit with Others*	**25,860,134**	22,788,267
	476,154,549	**494,119,722**
*Pledged	**144,897,146**	157,426,019
*Maturing after 12 months from close of the year	**21,709,990**	140,308,575
18 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advance/Deposit against land/development rights:		
Projects Launched	**100,366,291**	51,505,820
Others	**350,309,078**	168,715,804
Advances recoverable in cash or in kind or for value to be received	**107,147,085**	140,516,107
Loan :		
To a wholly owned subsidiary Company	**30,000,000**	-
To others	**-**	1,600,000
Unaccrued Selling Expenses	**118,419,998**	38,525,704
Deposits	**10,182,813**	7,512,442
Taxation Advances and Refundable (Net of Provisions)	**35,255,761**	11,331,803
	751,681,026	**419,707,680**
Include due from related parties	**33,439,444**	895,778

Particulars	2013-2014 ₹	2012-2013 ₹
19 REVENUE FROM OPERATIONS		
Real Estate:		
a) Completed Projects (on Possession)	**325,085,713**	751,346,221
b) Ongoing Projects	**(7,187,677)**	45,757,604
c) Sale of Land	**-**	75,000,663
Hotel & club:		
Rooms, Restaurant, Banquets and other services	**141,333,261**	115,636,455
	459,231,297	**987,740,943**
20 INCOME FROM PARTNERSHIP		
Share of Profit	**215,099,092**	135,364,054
Project Management Fee	**90,734,791**	68,674,200
	305,833,883	**204,038,254**
21 OTHER INCOME		
Interest*	**38,020,832**	44,560,575
Income from Investments:		
Interest on Bonds/Debentures*	**4,745,836**	8,711,438
Rent	**9,855,588**	6,922,493
Dividend :		
From a subsidiary company	**15,000,000**	8,500,000
From others	**16,183**	98,997
Profit on sale of investments	**45,053,241**	36,141,473
Fee and Subscription	**1,688,388**	1,490,778
Rent and Hire charges	**3,076,624**	3,533,641
Miscellaneous Income	**2,952,011**	8,963,927
Liabilities Written Back	**874,484**	587,931
	121,283,187	**119,511,253**
*Includes Tax Deducted at Source	**2,821,456**	3,223,865

Particulars	2013-2014 ₹	2012-2013 ₹
22 PURCHASES		
Land / Development Rights	662,210,207	424,557,649
Flats/ Bungalows/ Shops	-	4,420,000
	662,210,207	428,977,649
23 PROJECT EXPENSES		
Consumption of construction materials (Indigenous)	822,473,378	367,018,258
Wages	90,216,170	71,082,696
PRW Charges	136,660,013	56,397,680
Other Direct Construction Expenses	68,969,692	67,974,644
Power & Fuel	14,244,900	7,370,624
Architects' Fee & Consultancy Charges	19,811,793	13,132,450
Employee Benefit Expenses	62,129,282	46,730,276
Rent	737,532	140,500
Insurance	1,327,430	453,786
Repair & Maintenance		
To Machineries	3,303,526	1,311,929
To Others	3,135,251	1,308,053
Financial Cost	4,204,685	9,687,812
Miscellaneous project expenses	101,715,142	57,824,408
	1,328,928,794*	700,433,116
Less: Ongoing Project Adjustment	-	23,985,719
	1,328,928,794	676,447,397
* Include Project Post - Completion Expenses	37,831,878	4,770,671

Particulars	2013-2014 ₹		2012-2013 ₹	
24 CHANGES IN INVENTORIES				
Opening Stock :				
Land/Development Rights				
Projects Launched *	430,626,243		69,259,577	
Others	545,191,337	975,817,580	89,132,806	158,392,383
Unsold completed construction *		125,195,693		118,680,851
Work-in-progress		527,180,928		234,315,494
		1,628,194,201		511,388,728
Add: Acquired under Slump Sale		52,211,349		572,574,673
		1,680,405,550		1,083,963,401
Less: Closing Stock:				
Land/Development Rights				
Projects Launched		712,116,129		430,429,664
Others		917,251,500		545,191,337
Unsold completed construction		153,492,885		127,161,728
Work-in-progress		1,649,750,548		527,180,928
		3,432,611,062		1,629,963,657
		(1,752,205,512)		(546,000,256)
* Net of ongoing project adjustment		1,769,456		2,485,002
25 HOTEL & CLUB EXPENSES				
Consumables (indigenous)		21,295,993		18,168,462
Personnel		11,207,031		12,993,958
Management Fee		7,736,041		6,473,590
Power & fuel		13,175,050		11,260,232
Other running expenses		13,940,428		11,406,820
		67,354,543		60,303,063

Particulars	2013-2014 ₹	2012-2013 ₹
26 EMPLOYEE BENEFIT EXPENSES		
Salary and allowances	101,523,582	73,595,427
Directors' Remuneration	16,245,923	12,348,724
Contribution to Provident & Other Funds	1,780,989	1,881,589
Staff welfare expenses	23,041,375	23,964,236
	142,591,869	111,789,976
27 FINANCE COSTS		
Interest		
- On Term Loans	16,329,534	27,690,600
- Others	1,958,482	1,721,320
Loan Processing & Other Financial Charges	4,825	842,700
	18,292,841	30,254,620
28 OTHER EXPENSES		
Rent	16,377,939	12,752,029
Rates and Taxes	3,468,414	1,745,990
Insurance	591,468	471,139
Travelling and Conveyance	19,856,563	13,170,430
Legal and Professional expenses	9,122,981	10,809,884
Commission	778,993	1,647,559
Telephone, Telex & Fax	4,495,510	3,328,350
Printing & Stationery	6,058,665	3,754,723
Repairs and Maintenance :		
To Machineries	1,631,411	1,324,053
To Building	13,442,983	13,762,351
To Others	7,014,622	3,717,654
Directors' Fees	15,000	14,000
Auditors' Remuneration :		
For Statutory Audit	1,700,000	1,250,000
For Internal Audit	606,779	429,334
For Tax Audit	300,000	200,000
For Other Services	399,710	942,021
Miscellaneous expenses	27,431,148	20,139,738
Irrecoverable Balances Written off	3,291,786	216,887
Investments written off	-	31,333
Loss on sale of Fixed Assets	1,927,171	746,616
Items relating to previous year (Net)	64,000	41,533
Provision for Diminution in value of Investments	4,635,421	-
	123,210,564	90,495,624
29 EXTRAORDINARY ITEMS		
Short Provision of Employee Benefits upto 31st March 2013		
- Gratuity	2,279,268	-
- Leave Pay	160,760	-
Service Tax under VCES	8,477,806	-
	10,917,834	-
30 TAX EXPENSES		
Current tax		
Income Tax	-	46,600,000
Wealth Tax	766,000	597,000
Tax Adjustments	(498,443)	1,466,087
	267,557	48,663,087
Deferred Tax		
Deferred Tax	(2,362,000)	5,363,000
	(2,094,443)	54,026,087

31 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS

1) SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The Financial Statements are prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2006 and the relevant applicable provisions of the Companies Act, 1956 and the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current, wherever applicable, as per the normal operating cycle of the Company as set out in the Schedule VI to the Companies Act, 1956.

b) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates/ assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialised.

c) FIXED ASSETS

i) Fixed assets are valued at cost less depreciation/amortization.

ii) Capital work-in-progress is valued at cost.

iii) Intangible Assets under Development is valued at cost.

Cost includes purchase price and all other attributable cost of bringing the assets to working condition for intended use.

d) DEPRECIATION AND AMORTIZATION

i) Depreciation on tangible assets is provided on straight line basis in accordance with the provisions of Schedule XIV of the Companies Act, 1956.

ii) Intangible assets are amortized over the period of useful life of the assets as estimated by the management.

e) INVESTMENTS

i) Long term investments are carried at acquisition cost. Provision for diminution, if any, in the value of long term investments is made to recognize a decline, other than of a temporary nature.

ii) Investments intended to be held for less than one year are classified as current investments and are carried at lower of cost and market value.

iii) Value of Intangible capital rights created in favor of the Company in the process of Real Estate activities, being not determinate, are not shown in the books of accounts

f) INVENTORIES

Inventories are valued as follows:

Construction Material and Hotel & Club consumables	At Lower of cost and net realizable value. However, materials and other items are not written down below cost if the constructed units/food and beverages in which they are used are expected to be sold at or above cost. Cost is determined on FIFO basis.
Leasehold/Freehold Land and Development Rights	At Lower of cost and net realizable value.
Unsold Completed Construction and work in Progress	At Lower of cost and net realizable value. Cost includes direct materials, labor and project specific direct and indirect expenses and pro-rata unrealized cost from development of EWS/LIG units.

g) REAL ESTATE PROJECTS

i) Revenue in respect of the projects undertaken on or after 1st April, 2011 and the projects undertaken between 1st April, 2006 and 31st March, 2011, which did not reach the level of completion as considered appropriate by the management within 31st March, 2011, as discussed in (b) below, is accounted for (i) on delivery of absolute physical possession of the respective units on completion, or (ii) on deemed possession of the respective units on completion or (iii) on physical possession for fit-out, as considered appropriate by the management based on circumstantial status of the project.

ii) Revenue in respect of projects undertaken between1st April, 2006 and 31st March, 2011, which did not reach the level of construction as considered appropriate by the management within 31st March, 2011 is recognized on the "Percentage of Completion Method" (POC) of accounting and represents value of units contracted to be sold to the extent of actual work done against total estimated cost of execution. The corresponding cumulative amount at the close of the year appears under 'Current Liabilities' as deduction from "Advance from customers'.

The estimates of saleable area and Construction cost are reviewed periodically by the management and effect of any change in estimates is recognized in the period such changes are determined.

iii) Selling Expenses related to specific Projects/Units are being charged to Profit and Loss Account in the year in which Sale thereof is offered for taxation.

iv) Interest on delayed payments and other charges are accounted for on certainty of realization.

h) HOTEL & CLUB

Revenue from rooms, food and beverages, club and other allied services, is recognized upon rendering of the services.

i) OTHER INCOME

Other income is accounted on accrual basis except where the receipt of income is uncertain.

j) FOREIGN CURRENCY TRANSACTIONS

Income and Expenditure in foreign currency is converted into rupee at the rate of exchange prevailing on the date of the transactions. All payables and receivables related to foreign currency transactions outstanding at the year end are translated at exchange rates prevailing at the year end. The resultant translation differences are recognized in the Profit & Loss Account.

k) EMPLOYEE BENEFITS

i) Short term employee benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Such short term employee benefits are recognized at actual amounts due in the period in which the employee renders the related service.

ii) Post-employment benefits:

a) Defined Contribution Plans:

Payments made to defined contribution plans such as Provident Fund are charged as an expense as they fall due.

b) Defined Benefit Plans:

Provision for Gratuity and Leave Pay is determined on the actuarial valuation carried out at the balance sheet date in accordance with the provisions of Accounting Standard 15. Actuarial gains and losses are recognized in the Statement of Profit & Loss.

l) BORROWING COST

i) Interest and other financial charges incurred in connection with borrowing of funds, which are incurred for specific projects of the company are charged to Work in Progress as a part of the cost of such projects.

ii) Other borrowing cost are recognized as expense in the Profit and Loss Account.

m) TAXES ON INCOME

i) Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

ii) Deferred Tax is recognized, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax in respect of differential income due to accounting of sales on percentage completion basis, being not determinate, is not recognized.

n) EARNINGS PER SHARE

The Basic earnings per share ("EPS") is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) IMPAIRMENT OF ASSETS

Impairment Loss in the value of assets, as specified in Accounting Standard - 28 is recognized whenever carrying value of such assets exceeds the market value or value in use, whichever is higher.

p) PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past results and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

2) Contingent Liability, not provided for, in respect of:

a) Claims not acknowledged as debts

Cess - Sonari land	₹ 54.28 lakhs (₹ 45.91 lakhs)
Bank Guarantee	₹ 1375.00 lakhs (₹ 0.25 lakhs)
Service Tax	₹ 89.00 lakhs (₹ Nil)
Income Tax	₹ 39.14 lakhs (₹ Nil)

b) Contested claim of the Government of Rajasthan for refund of State Capital Subsidy including interest ₹ 55.79 lakhs (₹ 55.79 lakhs) against which the Company has deposited ₹ 55.79 lakhs (₹ 55.79 lakhs) under protest.

c) Contested claim of Secretary, UIT, Bhiwadi for payment of Completion Certificate Charges amounting to ₹ 12.53 lakhs (₹12.53 lakhs) against which the Company has deposited ₹ 12.53 lakhs (₹ 12.53 lakhs) under protest.

d) Contested claim of a customer pursuant to the order of the District Consumer Forum ₹ 10 lakhs (₹ 2.66 lakhs) against which the Company has deposited ₹ 2.66 lakhs (₹ 2.66 lakhs) under protest.

e) Contested claim of Employee State Insurance Corporation ₹ 4.28 lakhs (Nil) against which the Company has deposited ₹ 1.07 lakhs (Nil) under protest.

3) Company's land at Milakpur Gujar, Alwar (Rajasthan) admeasuring 15.02 hectares, appearing in these accounts at book value of ₹ 338.97 lakhs, is under acquisition, 12.834 hectares for residential purposes and 2.186 hectares for development of road, by the Government of Rajasthan. Company's writ petition is pending before the Hon'ble High Court of Rajasthan against acquisition of 12.834 hectares. A compensation of ₹ 3597.88 lakhs has been declared by the Government which and interest thereon shall be considered in the accounts on finality and receipt.

4) Construction work in Company's commercial project 'Marine Plaza' on land at Sonari, Jamshedpur, sub-leased by Tata Steel Ltd., was stopped by the Jamshedpur Notified Area Committee (JNAC) alongwith works in approx. fifty other projects in Jamshedpur. In response to Company's writ petition, the Hon'ble High Court of Jharkhand, by its interim order, has permitted the Company to carry out further construction subject to the condition that the Company shall not create any third party right in the project. A sum of ₹ 1845.57 lakhs has been incurred by the Company on this project till the close of this year. The Company, however, is not carrying out any construction in the project and the matter is subjudice.

5) Company's projects Ashiana Anantara, Jamshedpur, Ashiana Navrang, Halol, and Ashiana Dwarka, Jodhpur are being developed under Development Agreement with respective land owners on revenue sharing/area sharing basis.

6) Estimated amount of contract remaining to be executed on capital account and not provided for amounts to ₹ 12.64 lakhs (P.Y. 182.86); against which the Company has given advance of ₹ 4.68 lakhs (P.Y. 15.10 lakhs).

7) a) In view of non confirmation/response from the suppliers regarding their status as SSI units, the amount due to Small Scale Industrial undertaking can not be ascertained.

b) Due to non receipt of confirmation/response from the suppliers for compliance under the Micro, Small and Medium Enterprises Development Act, 2006, the Company is unable to provide the information required under the said act.

8)

Expenditure in Foreign Currency:	**2013-2014** ₹	2012-2013 ₹
Traveling Expenses	**5,870,089**	2,956,286
Medical Expenses	**-**	2,356,802
Consultant/Professionals Fee (including reimbursement)	**1,309,511**	-
Fee and membership expenses	**61,638**	-
Conference and Meeting expenses	**1,317,975**	1,008,599

9) The Company has acquired Rampura Business Division along with land admeasuring 2.29 hectares situated at Rampura village, District Alwar, Rajasthan from its subsidiary namely M/s MG Homecraft LLP by way of slump sale during the year, and assets and liabilities acquired thereof have been considered in these accounts accordingly. The company plans to launch project 'Ashiana Surbhi' on the aforesaid land.

10) The original documents relating to the customers of the Company's projects namely "Ashiana Town" & "Ashiana Treehouse Residences" at Bhiwadi and "Ashiana Aangan" at Neemrana, were seized by the Central Excise (Anti-Evasion), Jaipur on the 16th September, 2013. In view of this, photocopies of such documents, to the extent available, were produced to the statutory auditors for verification.

11) The disclosure required under Accounting Standard -15, Employees Benefit, notified in the Companies (Accounting Standard) Rules, 2006 are given below, based on the Actuarial Report certified by a Practicing Actuary.

Defined Contribution Plan	**2013-2014 (₹ in lakhs)**	2012-2013 (₹ in lakhs)
Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:		
Employer's Contribution to Provident & Pension Fund	**22.94**	18.82

Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a. Reconciliation of opening and closing balances of Defined Benefit obligation	**Leave Pay (Unfunded)* 2013-2014**	**Gratuity (Unfunded) 2013-2014**	2012-2013
Defined Benefit obligation at beginning of the year	**-**	**144.96**	106.86
Current Service Cost	**1.75**	**27.87**	20.24
Interest Cost	**0.15**	**11.74**	9.30
Actuarial (gain)/loss	**1.24**	**38.77**	13.94
Benefits (paid)	**(0.07)**	**(7.81)**	(5.38)
Defined Benefit obligation at year end	**3.07**	**215.53**	144.96
b. Reconciliation of fair value of assets and obligations			
Present value of obligation as at end of the year	**3.07**	**215.53**	144.96
Amount recognized in Balance Sheet	**3.07**	**215.53**	144.96
c. Expenses recognized during the year			
Current Service Cost	**1.75**	**27.87**	20.24
Interest Cost	**0.15**	**11.74**	9.30
Actuarial (gain) / loss	**1.24**	**38.77**	13.94
Net Cost	**3.14**	**78.38**	43.48
d. Actuarial assumptions			
Mortality Table (L.I.C.)	2006-08	2006-08	1994-96
Discount rate (per annum) compounded	9.10%	9.10%	8.10%
Rate of escalation in salary (per annum)	5.00%	5.00%	5.00%

*Since this is the First year of disclosure of Leave Pay under AS-15 previous year figures have not been given.

12) In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006, the Company has determined its business segment as Real Estate Business. Since there are no other business segments in which the Company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

13) Related parties and transactions with them as specified in the Accounting Standard 18 on "Related Parties Disclosures" prescribed under Companies (Accounting Standards) Rules, 2006 has been identified and given below on the basis of information available with the Company and the same has been relied upon by the auditors.

Related Parties & Relationship			2013-2014 ₹ in lakhs	2012-2013 ₹ in lakhs
			Transactions	
a) Enterprises that directly, or indirectly through one or more intermediaries, Control or are controlled by or are under common control with the Company (including holding companies, subsidiaries and fellow Subsidiaries)				
i)	Ashiana Maintenance Services Limited (Formerly Vatika Marketing Ltd.)	Sale of Flat	**Nil**	30.86
		Rent Received	**05.80**	16.80
		Hire Charges Received	**0.15**	1.80
		Maintenance charges paid	**99.16**	135.69
		Cafe Exp	**2.48**	0.99
		Referral Charges	**83.02**	Nil
		Year end Payable/ (Receivable)	**Nil**	Nil
		Security Deposit against Rent	**Nil**	100.00
		Management Deposit- Utsav	**(2.95)**	(3.54)
ii)	Latest Developers Advisory Ltd	Year end Payable/ (Receivable)	**(300.00)**	7.00
iii)	Topwell Projects Consultants Ltd.	Hire Charges Received	**Nil**	0.92
		Year end Payable/ (Receivable)	**Nil**	19.81
iv)	Neemrana Builders LLP	Year end Investment	**As per note 13**	As per note 13
v)	MG Homecraft LLP	Year end Investment	**As per note 13**	As per note 13
vi)	Ashiana Amar Developers	Year end Investment	**As per note 13**	As per note 13
vii)	Vista Housing	Year end Investment	**As per note 13**	As per note 13
		Recovery of Branch Office Expenses	**10.60**	Nil
		Interest Received	**1.03**	Nil
b) Associates and joint ventures				
i)	Ashiana Greenwood Developers	Hire charges received	**Nil**	Nil
		Year end Investment	**As per note 13**	As per note 13
ii)	Megha Colonizers	Management Fee Received	**800.66**	686.67
		Rent received	**Nil**	13.50
		Hire charges received	**Nil**	12.56
		Recovery of Branch Office Expenses	**387.80**	Nil
		Year end Investment	**As per note 13**	As per note 13
iii)	Ashiana Manglam Developers	Recovery of Branch Office Expenses	**34.35**	Nil
		Year end Investment	**As per note 13**	As per note 13
iv)	Ashiana Manglam Builders	Management Fee Received	**106.687**	Nil
		Recovery of Branch Office Expense	**164.56**	Nil
		Year end Investment	**As per note 13**	As per note 13
c) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them control or significant influence over the Company, and relatives of any such individual.			**Nil**	Nil
d) Key management personnel and their relatives & Independent Directors				
i)	Mr. Vishal Gupta, Managing Director	Remuneration	**48.00**	24.00
		Commission	**Nil**	17.16
		Purchase of Flat	**Nil**	44.20
		Year End Payable/(Receivable)	**(6.30)**	8.17
ii)	Mr. Ankur Gupta, Jt. Managing Director	Remuneration	**48.00**	24.00
		Commission	**Nil**	17.16
		Year End Payable/(Receivable)	**(8.30)**	8.17
iii)	Mr. Varun Gupta, Whole Time Director	Remuneration	**48.00**	24.00
		Commission	**Nil**	17.16
		Sale of Flat	**Nil**	67.66
		Year End Payable/(Receivable)	**(5.30)**	8.17
iv)	Mr. Ashok Mattoo, Independent Director	Commission	**10.46**	Nil
		Sitting Fees	**0.03**	0.04
		Year end Payable	**1.34**	0.04
v)	Mr. Hemant Kaul, Independent Director	Commission	**8.00**	Nil
		Sitting Fees	**0.04**	Nil
		Year end Payable	**4.20**	Nil
vi)	Mr. Abhishek Dalmia Independent Director	Sitting Fees	**0.02**	0.04
		Year end Payable	**0.02**	0.04
vii)	Mr. Lalit Kumar Chhawchharia Independent Director	Sitting Fees	**0.03**	0.03
		Year end Payable	**0.03**	0.03
viii)	Ms. Sonal Mattoo Independent Director	Sitting Fees	**0.03**	0.03
		Year end Payable	**0.03**	0.03
ix)	Ms. Hem Gupta (Proprietor of Coffee Quotient) Relative of Directors	Staff Welfare Expenses	**5.36**	6.01
		Year End Payable/(Receivable)	**0.49**	0.39
x)	Mr. Bhagwan Kumar Company Secretary	Salary and allowances	**17.82**	14.64
		Advance From Customers	**18.39**	1.46
xi)	Ms. Santwana Poddar Relative of Company Secretary	Salary and allowances	**5.46**	4.55
		Loans and Advances	**(5.00)**	(5.00)
e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence:				
i)	OPG Realtors Limited	Rent Paid	**80.16**	32.64
		Rental Received	**28.00**	Nil
		Advance from Customers	**104.94**	Nil
		Year End Payable/(Receivable)-Deposit	**(5.04)**	(5.04)
ii)	Karma Hospitality Limited	Management Fee Paid	**74.01**	64.74
		Year End Payable/(Receivable)	**5.40**	4.79
iii)	R G Woods Limited	Sale of Flat	**Nil**	20.66
		Rental Income	**5.00**	Nil
		Purchase of Construction Material	**99.69**	66.28
		Year end Payable/ (Receivable)	**8.83**	(0.38)
		Advance from Customers	**23.29**	2.59
iv)	B.G. Estates Private Limited	Year end Payable/ (Receivable)	**306.83**	187.26
		Advance from Customers		
v)	OPMG Investments Private Limited	Commission paid	**Nil**	8.51
vi)	PKS Nirmaan Private Limited	Advance from Customers	**43.85**	3.08
f) Amount Written off in respect of above parties			**Nil**	Nil

14) The earning per share has been calculated as specified in Accounting Standard 20 on "Earnings Per Share" prescribed by Companies (Accounting Standards) Rules, 2006 and related disclosures are as below :

	2013-2014	2012-2013
a) Amount used as numerator in calculating basic and diluted EPS: Profit after tax (₹ in lakhs)	**2,144.92**	3209.66
b) Weighted average number of equity shares used as the denominator in calculating EPS (Nos. in lakhs). Opening Balance	**930.50**	930.50
	930.50	930.50

15) These accounts have been prepared as per Guidance note on "Recognition of Revenue by Real Estate Developers" in respect of projects undertaken between 1st April, 2006 and 31st March, 2011, which have reached the level of construction as considered appropriate by the management within 31st March, 2011.

Since, in terms of provisions of the Income Tax Act, 1961 the income accrues upon delivery of physical possession/ deemed possession of constructed unit and as deduction u/s 80IB(10) is claimed by the Company after completion of construction, 'Net Profit' for computing Total Income under the said Act is as follows: -

	₹	₹
Net Profit as per Profit & Loss Account		212,397,474
Less:- Sales Real Estate- ongoing projects	(7,187,677)	
Less: Ongoing project expenses adjusted	1,769,456	(8,957,133)
		221,354,607
Add:- As per Income Tax Act:		
Sales Real Estate – ongoing projects completed		
(upon delivery of physical possession)	19,082,446	
Less: Cost of Sales	11,069,846	8,012,600
Net Profit for Income Tax Purpose		229,367,207

16) Unabsorbed MAT credit to be allowed in future years amounts to ₹ 259,668,593/- (₹ 259,668,593/-)

17) On the basis of physical verification of assets, as specified in Accounting Standard - 28 and cash generation capacity of those assets, in the management perception there is no impairment of such assets as appearing in the balance sheet as on 31st March, 2014.

18) During the year, the company has incurred ₹ 60.95 lakhs (P.Y. ₹ 79.00 lakhs) towards Corporate Social Responsibility which has been charged to the respective heads of accounts.

19) a) Previous year figures above are indicated in brackets.

b) Previous year figure have been regrouped/rearranged, wherever found necessary.

Signatures to Note 1 to 31

In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Varun Gupta
Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar
Company Secretary

Manojit Sengupta
General Manager - F&A

Cash Flow Statement

For the year ended 31st March, 2014

Particulars	2013-2014 ₹	2012-2013 ₹
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	223,315,308	374,991,830
Adjusted for :		
Depreciation	30,299,969	25,610,820
Interest Income (other than from customers)	(28,992,639)	(40,851,666)
Dividend Income	(15,016,183)	(8,598,997)
Income from Investments	(274,753,757)	(187,139,458)
Investments written off	-	31,333
Provision for Diminution in value of Investments	4,635,421	-
Interest Paid	18,292,841	30,254,620
Irrecoverable Balances Written off	3,291,786	216,887
(Profit) / Loss on sale of Fixed Assets	1,927,171	746,616
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(37,000,083)	195,261,986
Adjusted for :		
Trade and other receivables	(275,518,550)	(270,972,493)
Inventories	(1,877,876,867)	(1,097,312,270)
Trade Payables and advances from customers	1,947,823,951	529,728,423
CASH GENERATED FROM OPERATIONS	(242,571,549)	(643,294,354)
Direct Taxes paid / adjusted	(24,191,515)	(93,380,159)
Cash flow before extra ordinary items	(266,763,064)	(736,674,513)
Extra Ordinary items	(10,917,834)	-
Net cash from Operating activities (A)	(277,680,898)	(736,674,513)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(145,822,153)	(41,292,100)
Sale of Fixed Assets	3,384,500	306,306
Net change in Investments	438,934,576	1,008,240,874
Interest Income	28,992,639	40,851,666
Other Income from Investments	24,871,771	15,521,490
Net Cash from investing activities (B)	350,361,333	1,023,628,236
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term and other borrowings	(27,405,407)	(79,103,368)
Interest Paid	(18,292,841)	(30,254,620)
Dividend paid	(44,947,360)	(45,485,143)
Net Cash from Financing activities (C)	(90,645,609)	(154,843,130)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	(17,965,173)	132,110,592
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	494,119,722	362,009,130
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	476,154,549	494,119,722

1. Proceeds from long term and other borrowings are shown net of repayment.
2. Cash and Cash equivalents represent cash and bank balances only.

In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Varun Gupta
Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar
Company Secretary

Manojit Sengupta
General Manager - F&A

Statement pursuant to Section 212 of the Companies Act, 1956

Relating to Company's interest in the Subsidiary Companies

Particulars	Ashiana Maintenance Services Ltd.	Topwell Projects Consultant Ltd.	Latest Developers Advisory Ltd.
1. Financial Year of the Subsidiary Company ended on	31st March, 2014	31st March, 2014	31st March, 2014
2. a. No. of shares held by the holding co. (Holding Company) in the subsidiary at the end of the financial year of the subsidiary	50,000 Equity Shares of ₹ 10/- each	50,000 Equity Shares of ₹ 10/- each	50,000 Equity Shares of ₹ 10/- each
b. Extent of interest of Holding Company at the end of the financial year of the subsidiary :	100%	100%	100%
3. The net aggregate amount of subsidiary's profit/(Loss) not dealt with in the Company's accounts.			
a. for the financial year of the subsidiary (in ₹)	1,95,61,125	(1,27,704)	(1,16,723)
b. for the all previous financial years of the subsidiary since it became the Holding Company's subsidiary	81,39,104	12,65,530	4,71,433
4. The net aggregate amount of subsidiary's profit/(Loss) dealt with in the Company's accounts.			
a. for the financial year of the subsidiary (in ₹)	1,50,00,000	Nil	Nil
b. for the all previous financial years of the subsidiary since it became the Holding Company's subsidiary	1,45,00,000	Nil	Nil
5. Changes in the Holding Company's interest, in the Subsidiary between the end of the Financial Year of the Subsidiary and the end of the Holding Company's Financial Year.	N. A.	N. A.	N. A.
6. Material Changes between the end of the Financial Year of the Subsidiary and the end of the Holding Company's financial year in respect of			
a. the subsidiary's fixed assets	N. A.	N. A.	N. A.
b. its investments	N. A.	N. A.	N. A.
c. the money lent by it, and	N. A.	N. A.	N. A.
d. the money borrowed by it for any purpose other than that of meeting current liabilities.	N. A.	N. A.	N. A.

Vishal Gupta
(Managing Director)

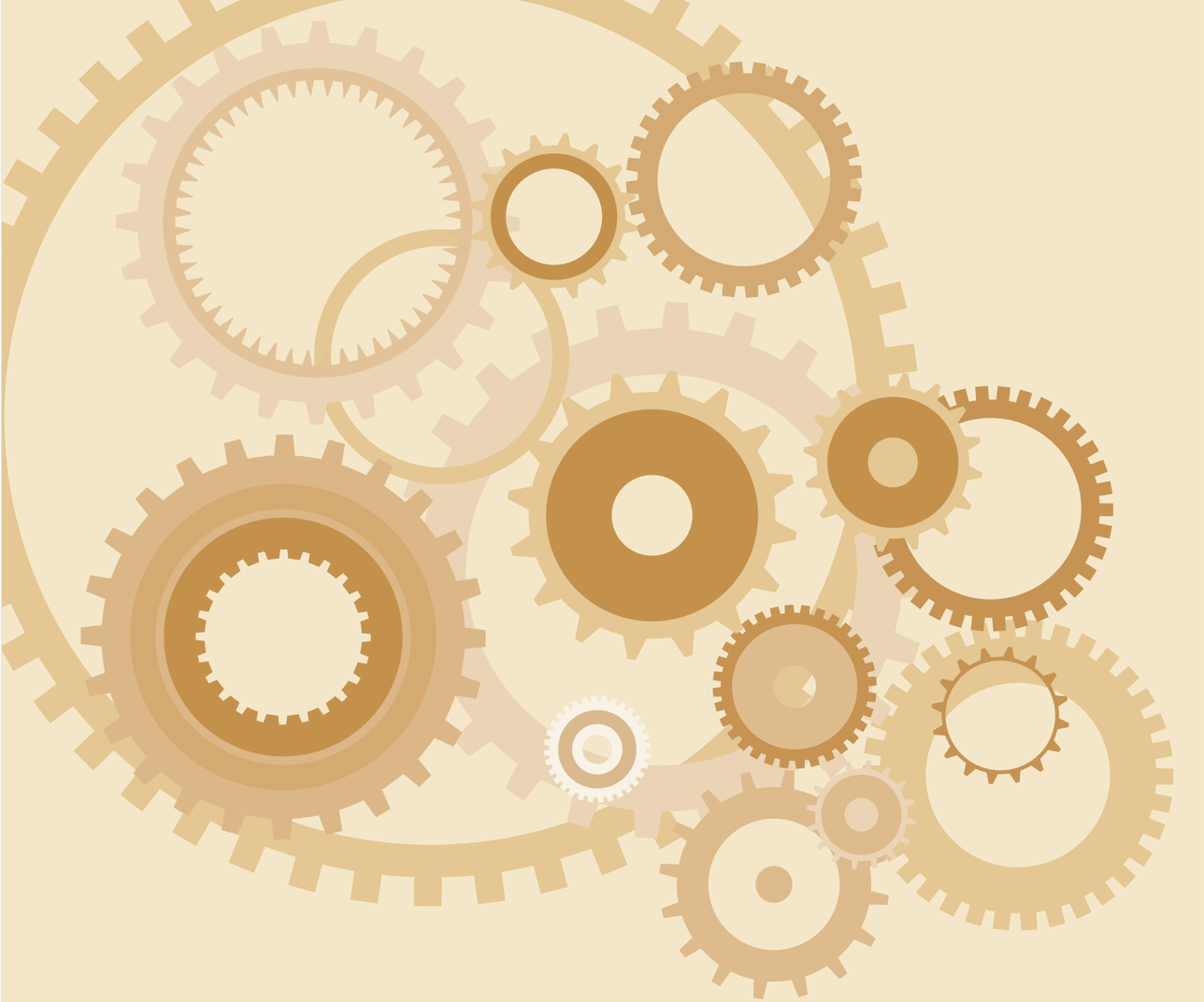
Varun Gupta
(Whole Time Director)

Place : New Delhi
Date : 30th May, 2014

Statement of Subsidiaries' Financials

Particulars	Ashiana Maintenance Services Ltd. ₹	Topwell Projects Consultants Ltd. ₹	Latest Developers Advisory Ltd. ₹	Neemrana Builders LLP* ₹	MG Homecraft LLP* ₹	Ashiana Amar Developers* ₹	Vista Housing* ₹
Capital	500,000	500,000	500,000	3,642,481	551,826	13,905,445	212,283,923
Reserves	11,220,736	1,137,826	354,710	N. A.	N. A.	N. A.	N. A.
Total Assets	253,863,731	1,626,519	30,877,348	13,670,571	783,139	21,834,808	258,546,367
Total Liabilities	242,142,995	(11,307)	30,022,638	10,028,090	231,313	7,929,363	46,262,444
Investments (except investment in subsidiaries)	108,562,951	Nil	Nil	Nil	Nil	Nil	Nil
Turnover/Total Income	178,302,114	Nil	Nil	Nil	712,095#	254,068,297	Nil
Profit/ Loss before taxation	27,524,233	(127,704)	(116,723)	(63,119)	653,926	101,028,709	Nil
Provision for taxation	7,720,000	Nil	Nil	Nil	202,100	34,340,000	Nil
Profit after taxation	19,561,125	(127,704)	(116,723)	(63,119)	451,826	66,600,226	Nil
Proposed dividend	14,000,000	Nil	Nil	Nil	Nil	Nil	Nil
# Includes extraordinary income					712,095		

* Since the subsidiaries also includes partnership firms/ limited liability firms, capital represents both initial capital as well as reserves over the period.



Ashiana Housing Ltd.
Consolidated

Auditors' Report

To the Board of Directors of ASHIANA HOUSING LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ASHIANA HOUSING LIMITED and its subsidiaries, which comprises the consolidated Balance Sheet as at 31st March, 2014, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 and to the best of our information and according to the explanations given to us, the consolidated financial statements 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 Company as at 31st March, 2014;
(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For B. Chhawchharia & Co.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No: 529082

Place: New Delhi
Date: 30th May, 2014

Balance Sheet

as at 31st March, 2014

Particulars	Notes	As at 31.03.2014 ₹	As at 31.03.2013 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	186,099,550	186,099,550
Reserves & Surplus	2	2,658,457,614	2,494,579,308
		2,844,557,164	2,680,678,858
Non-current Liabilities			
Long Term Borrowings	3	91,284,084	110,502,784
Deferred Tax Liabilities (Net)	4	34,418,000	36,667,000
Other Long Term Liabilities	5	206,609,590	185,069,870
Long Term Provisions	6	25,670,265	17,813,377
		357,981,939	350,053,031
Current Liabilities			
Short Term Borrowings	7	-	223,384
Advance from Customers	8	2,630,048,484	836,732,846
Trade Payables	9	115,808,766	84,114,895
Other Current Liabilities	10	155,462,855	132,828,715
Short-term Provisions	11	54,431,793	48,665,149
		2,955,751,898	1,102,564,989
Minority Interest		(30,966,733)	(13,756,404)
		6,127,324,268	4,119,540,474
ASSETS			
Non-current Assets			
Fixed Assets:	12		
Tangible Assets		544,463,606	442,259,661
Intangible Assets		12,977,732	15,100,085
Intangible Assets under development		-	1,266,000
Capital Work in Progress		12,820,622	-
		570,261,960	458,625,746
Non-Current Investments	13	(232,504,584)	165,340,439
		337,757,376	623,966,185
Current Assets			
Current Investments	14	565,693,861	382,986,827
Inventories	15	3,779,931,132	1,992,305,333
Trade Receivables	16	95,687,026	122,155,667
Cash & Cash Equivalents	17	572,312,841	576,373,532
Short Term Loans & Advances	18	775,927,856	421,724,578
Other Current Assets	19	14,176	28,352
		5,789,566,892	3,495,574,289
		6,127,324,268	4,119,540,474
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS	33		

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Varun Gupta
Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar
Company Secretary

Manojit Sengupta
General Manager - F&A

Optimizing EXECUTION

Profit & Loss Account

for the year ended 31st March, 2014

Particulars	Notes	2013 - 2014 ₹	2012 - 2013 ₹
INCOME			
Revenue from Operations	20	864,335,789	1,344,010,261
Income from Partnership	21	242,180,790	142,540,792
Other Income	22	121,450,991	127,635,895
		1,227,967,569	1,614,186,948
EXPENSES			
Direct Costs:			
Purchases	23	716,309,873	617,874,519
Project Expenses	24	1,384,599,046	868,645,027
Ongoing Project Expenses Adjusted		1,769,456	26,470,721
Changes in Inventories	25	(1,714,957,291)	(780,886,501)
Hotel and Club Expenses	26	67,354,543	57,883,460
Real Estate Support Operations Expenses	27	79,822,060	61,807,152
		534,897,688	851,794,378
Employee Benefits Expense	28	185,600,625	144,210,775
Advertisement & Business Promotion		46,601,776	38,802,819
Finance Costs	29	18,331,411	30,301,156
Other Expenses	30	142,020,077	102,682,653
Depreciation & Amortization expenses		30,457,200	26,004,622
		957,908,777	1,193,796,403
Profit Before extraordinary items and tax		270,058,792	420,390,545
Extraordinary Item	31	10,917,834	-
		259,140,958	420,390,545
Tax Expenses :	32		
i) Current Tax		42,748,248	83,361,879
ii) Deferred Tax		(2,249,000)	5,557,000
Total Tax Expense		40,499,248	88,918,879
Less : Minority Interest		5,830	(1,415)
Profit for the Year after tax		218,635,880	331,473,081
Earning Per Share (On Shares of nominal value of ₹ 2/- each) Basic and Diluted		2.35	3.56

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Varun Gupta
Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar
Company Secretary

Manojit Sengupta
General Manager - F&A

Notes to the Accounts

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
1 SHARE CAPITAL		
Authorised :		
175000000 (P.Y. 35000000) Equity shares of ₹ 2/- (PY ₹ 10) each	350,000,000	350,000,000
Issued, Subscribed and Paid up :		
93049775 (P.Y.18609955) Equity shares of ₹ 2/- (PY ₹ 10) each fully paid up	186,099,550	186,099,550
	186,099,550	186,099,550
2 RESERVES & SURPLUS		
Capital Reserve	1,518,000	1,518,000
	1,518,000	1,518,000
Securities Premium Reserve		
As per Last Account	14,400,000	14,400,000
	14,400,000	14,400,000
General Reserve		
As per last Account	2,257,600,000	2,020,600,000
Add: Transfer from Consolidated Surplus in Profit & Loss Account	152,000,000	237,000,000
	2,409,600,000	2,257,600,000
Surplus/(Deficit) in the statement of Profit and Loss		
As per last Account	221,061,308	175,253,375
Profit for the Year	218,635,880	331,473,082
Less: Appropriations		
Proposed dividend	(46,524,888)	(41,872,399)
Tax on dividend	(8,232,687)	(6,792,750)
Transfer to General Reserve	(152,000,000)	(237,000,000)
Net Surplus in the statement of Profit and Loss	232,939,614	221,061,308
	2,658,457,614	2,494,579,308
3 LONG -TERM BORROWINGS:		
SECURED LOANS		
Term Loan		
a) From Bank		
Corporate Loan -From AXIS Bank Limited	108,333,340	133,333,336
Secured by exclusive mortgage on "TreeHouse" Hotel with 101 rooms and retail mall of 38,687 sq. ft. at Village Centre, Vasundhara Colony, Bhiwadi Dist. Alwar		
Terms of Repayment : 72 equal monthly installments commencing from 31.08.2012		
Vehicle Loan		
a) From Banks:		
HDFC Bank Limited	14,478,995	4,576,028
b) From Others:		
Tata Capital Ltd	325,921	945,502
Secured against hypothecation of vehicles financed by them.		
Terms of Repayment:		
₹ 1,40,18,874/- Under 36 EMI Scheme		
₹ 7,86,042/- Under 60 EMI Scheme		
	123,138,257	138,854,866
Less : Current Maturity (Refer Note No. 10)	31,854,173	28,352,082
	91,284,084	110,502,784

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on Fiscal allowance of fixed assets	50,911,000	42,512,000
Less: Deferred Tax Assets on		
- Fiscal allowance of unabsorbed losses	6,589,000	-
- Employee Benefits	8,329,000	5,779,000
- Provision for Diminution in value of Investments	1,575,000	66,000
	34,418,000	36,667,000
5 OTHER LONG TERM LIABILITIES		
Security Deposit from Treehouse Members	21,935,986	23,412,895
Lease Rent Deposit	23,076,091	23,287,980
Deposit from Customers	161,597,513	138,368,995
	206,609,590	185,069,870
6 LONG TERM PROVISIONS		
Provision for Employee Benefits		
- Gratuity	25,362,972	17,813,377
- Leave Pay	307,293	-
	25,670,265	17,813,377
7 SHORT-TERM BORROWINGS		
SECURED LOANS		
Loan Repayable on Demand		
From HDFC Bank Limited - Bank Overdraft	-	223,384
(Secured against pledge of Fixed Deposit Receipts)		
	-	223,384
8 ADVANCE FROM CUSTOMERS		
Customer Advance	2,669,270,344	902,224,829
Less: Ongoing Projects Adjustment Account	39,221,860	65,491,983
	2,630,048,484	836,732,846
9 TRADE PAYABLES		
Sundry Creditors	115,808,766	84,114,895
	115,808,766	84,114,895
10 OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer Note No. 3)	31,854,173	28,352,082
Interest accrued but not due on borrowings	93,398	36,454
Interest accrued and due on borrowings	1,265,240	1,523,145
(Auto debited on 02.04.2014)		
Unclaimed Dividends	10,071,525	8,579,523
Security deposits	17,426,079	14,764,694
Other liabilities	86,958,768	71,818,566
Maintenance Fund	7,793,672	7,754,250
	155,462,855	132,828,715
11 SHORT-TERM PROVISIONS		
For Proposed Dividend	46,524,888	41,872,399
For Tax on Dividend	7,906,905	6,792,750
	54,431,793	48,665,149

12 FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	As at 01.04.2013 ₹	Additions/ (Deductions) ₹	**As at 31.03.2014 ₹**	Up to Last year ₹	For the year ₹	**Up to 31.03.2014 ₹**	**As at 31.03.2014 ₹**	As at 31.03.2013 ₹
TANGIBLE ASSETS								
BUILDING	233,070,684	238,640	**233,309,324**	30,375,276	6,663,143	**37,038,419**	**196,270,905**	202,695,408
PLANT & MACHINERY	176,373,875	108,246,806	**280,820,154**	36,701,188	9,837,225	**44,710,888**	**236,109,266**	139,672,687
		(3,800,527)			(1,827,525)			
FURNITURE & FIXTURES	48,260,859	3,349,884	**50,909,787**	14,826,663	3,073,781	**17,598,548**	**33,311,239**	33,434,196
		(700,956)			(301,896)			
ELECTRICAL INSTALLATIONS	14,189,355	171,999	**14,237,920**	3,458,324	653,111	**4,058,160**	**10,179,760**	10,731,031
		(123,434)			(53,275)			
EQUIPMENTS AND FACILITIES	30,862,373	2,874,927	**33,313,683**	5,724,400	1,522,068	**7,044,970**	**26,268,713**	25,137,973
		(423,617)			(201,498)			
COMPUTERS	24,958,333	3,943,357	**27,693,994**	13,640,130	3,221,489	**15,752,286**	**11,941,708**	11,318,203
		(1,207,696)		-	(1,109,333)			
VEHICLES	26,894,463	19,755,485	**37,747,412**	7,624,300	3,170,562	**7,365,397**	**30,382,015**	19,270,163
		(8,902,536)			(3,429,465)			
TOTAL	554,609,942	138,581,098	**678,032,274**	112,350,281	28,141,379	**133,568,668**	**544,463,606**	442,259,661
	-	(15,158,766)			(6,922,992)			
INTANGIBLE ASSETS								
TRADEMARK AND LOGO	11,143,152	-	**11,143,152**	195,387	1,114,315	**1,309,702**	**9,833,450**	10,947,765
GOODWILL ON CONSOLIDATION	21,124	-	**21,124**	-	-	**-**	**21,124**	21,124
SOFTWARE	7,026,238	410,789	**7,381,877**	2,895,042	1,410,003	**4,258,719**	**3,123,158**	4,131,196
		(55,150)			(46,326)			
TOTAL	18,190,514	410,789	**18,546,153**	3,090,429	2,524,318	**5,568,421**	**12,977,732**	15,100,085
		(55,150)			(46,326)			
INTANGIBLE ASSETS UNDER DEVELOPMENT	1,266,000	720,000	-	-	-	-	-	1,266,000
		(1,986,000)						
CAPITAL WORK IN PROGRESS	-	12,820,622	**12,820,622**	-	-	-	**12,820,622**	-
GRAND TOTAL	**574,066,456**	**152,532,509**	**709,399,049**	**115,440,710**	**30,665,697***	**139,137,089**	**570,261,960**	**-**
		(17,199,916)			**(6,969,318)**			
PREVIOUS YEAR FIGURES	529,363,406	46,332,367	**574,066,456**	89,431,055	26,586,050	**115,440,710**	**-**	458,625,746
		(1,629,317)			(576,395)			

*Includes ₹ 208,497/- (P.Y. ₹ 581,428/-) Charged to Project Expenses.

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
13 NON-CURRENT INVESTMENTS		
In Immovable Properties:		
Retail space at Village Centre, Bhiwadi	**88,515,920**	88,515,920
Building at W-177, Greater Kailash - II, New Delhi	**32,939,879**	32,939,879
Land at RIICO Industrial Area, Bhiwadi, Rajasthan	**3,613,539**	3,613,539
Building at Ashiana Plaza, Patna	**1,616,571**	1,616,571
Roof rights, Ashiana Trade Centre, Jamshedpur	**1,500,000**	1,500,000
Bageecha office, Bhiwadi	**313,042**	313,042
Flats at Utsav, Bhiwadi	**7,432,216**	7,432,216
Shops, Ashiana Trade Centre, Jamshedpur	**-**	313,186
21 nos. single room flats in Rangoli-II at Bhiwadi	**93,500**	93,500
	136,024,667	**136,337,853**

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
In Capital of Partnership Firms:		
Ashiana Manglam Developers	**49,891,180**	115,626,694
Ashiana Green Wood Developers	**8,922,799**	13,544,648
Megha Colonizers - Rangoli Division	**(480,215,278)**	(188,708,742)
Ashiana Manglam Builders	**51,824,891**	87,522,829
	(369,576,408)	27,985,429
(A)	**(233,551,741)**	**164,323,282**

Particulars	Face Value per share Units ₹	No. of Shares/Units	As at 31.03.2014 ₹	No. of Shares/Units	As at 31.03.2013 ₹
In Fully paid up Equity Shares:					
Quoted					
IFGL Refractories Ltd	10	10,224	**790,939**	10,224	790,939
Elite Leasings Ltd.	10	3,750	**6,218**	3,750	6,218
Unquoted					
Adityapur Toll Bridge Company Ltd.	10	20,000	**200,000**	20,000	200,000
In Government Securities					
National Saving Certificate			**50,000**		20,000
(B)			**1,047,157**		**1,017,157**
Total (A) + (B)			**(232,504,584)**		**165,340,439**
Aggregate amount of Quoted Investments			**797,157**		797,157
Aggregate amount of Unquoted Investments			**(233,301,741)**		164,543,282
Market Value of Quoted Investments			**638,061**		322,140

14 CURRENT INVESTMENTS

In Mutual Funds (Unquoted)					
Reliance Income Fund Growth Plan	10	2,958,069.367	**120,000,000**	-	-
SBI Magnum Income Fund - Regular Plan - Growth	10	2,609,028.744	**79,600,000**	-	-
DSP Black Rock Income Opportunity - IP- Growth	1000	-	**-**	89,372.371	141,696,873
HSBC Flexi Debt Fund- Growth	10	-	**-**	3,027,919.731	47,000,000
SBI Dynamic Bond Fund- Regular Plan - Growth	10	5,621,055.050	**77,800,000**	5,621,055.050	77,800,000
UTI Treasury Advantage Fund - IP - Growth	1000	-	**-**	2,531.232	4,000,000
UTI Treasury Advantage Fund - IP -DP- Growth	1000	-	**-**	21,526.024	34,000,000
Birla Sun Life Cash Plus	1000	2,502.608	**500,000**	-	-
JM High Liquidity Fund - Growth Option	10	232,057.597	**8,000,000**	-	-
UTI Liquid Cash Plan	1000	11,755.957	**24,525,966**	-	-
Birla Sun Life Short Term Opportunities Fund - Growth Regular Plan	10	246,500.919	**5,000,000**		-
Morgan Stanley Liquid Fund- Daily Dividend	1000	1,600.047	**1,600,847**		-
DSP Black Rock Liquidity Fund-DP-Growth	10	-	**-**	4,801.994	8,006,627
Dsp blackrock Income Opportunity Fund-RP-Growth	10	969,655.634	**17,490,620**	1,764,606.109	31,535,798
DSP BlackRock Micro Cap Fund - Regular - Growth	10	-	**-**	154,960.296	2,500,000
HDFC Mid- Cap Opportunities-G	10	230,506.390	**3,499,700**	230,506.388	3,499,700
HDFC Top 200 Fund- Growth Option	10	21,315.000	**4,386,900**	13,147.155	4,386,900
HDFC Top 200 Fund- Growth Option	10	28,740.920	**5,938,813**	17,934.928	3,553,813
Kotak Floter Short Term Fund	10	9,162.047	**18,009,227**	-	-
Morgan Stanley Short Term Bond Fund	10	22,126.320	**226,223**	20,969.547	214,326
Morgan Stanley Multi Assets Fund-QD	10	784,846.800	**7,867,763**	714,904.298	7,604,411

Particulars	Face Value per share Units ₹	No. of Shares/Units	As at 31.03.2014 ₹	No. of Shares/Units	As at 31.03.2013 ₹
Morgan Stanley Multi Assets Plan A-G	10	329,939.670	**3,500,000**	329,939.670	3,500,000
IDFC Money Manager Investment Reg-DM Dividend	10	193,362.240	**1,975,551**	159,540.000	1,595,400
UTI Liquid Fund Cash Plan	1000	6,847.566	**14,000,000**	-	-
Sbi Magnum Income Regular-Gr	10	327,553.113	**10,000,000**	-	-
Sbi Dynamic Bond Fund-Reg Growth	10	857,270.310	**12,296,000**	857,270.310	12,296,000
In Bonds/Debentures (Quoted)					
9.85% APSFC BONDS 28.03.2024	1000000	29	**29,000,000**	-	-
9.80% GSPC NCD Series 2 22.03.2073	1000000	50	**51,260,000**	-	-
10.45% GSPC NCD 28.09.2072	1000000	23	**24,386,900**	-	-
9.03% GSPC NCD 22.03.2028	1000000	19	**18,551,600**	-	-
9.75% IFCI LTD PP 60 BONDS 26.04.2028	1000000	3	**3,019,500**	-	-
11.15% WELSPUN CORP LTD BONDS 28.08.2019	1000000	28	**28,112,000**	-	-
			570,547,610		383,189,848
Less: Provision for diminution in value of Investments			**4,853,749**		203,021
			565,693,861		**382,986,827**
Aggregate amount of Quoted Investments			**154,330,000**		-
Aggregate amount of Unquoted Investments			**416,217,610**		383,189,848
Repurchase Price of units of mutual funds			**428,046,011**		402,044,485
Market Value of Quoted Investments			**154,384,800**		-

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
15 INVENTORIES		
Stock (As taken, valued and certified by the management)		
Land :		
Projects Launched	**900,261,245**	441,851,063
Others	**930,619,804**	741,869,401
Unsold completed constructions	**157,746,777**	127,161,728
Work-in-progress	**1,680,443,521**	645,001,320
Construction materials	**108,097,925**	34,443,161
Other Consumables	**2,761,860**	1,978,660
	3,779,931,132	**1,992,305,333**
16 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Due for more than six months	**43,949,210**	15,782,937
Other Debts	**51,737,816**	106,372,730
	95,687,026	**122,155,667**
17 CASH AND CASH EQUIVALENTS		
Cash-in-hand	**4,179,642**	3,105,613
Cheques-in-hand	**17,636,678**	1,402,382
Balances with Scheduled Banks :		
In Current Account	**212,671,767**	147,402,298
In Unclaimed Dividend Account	**10,071,525**	8,579,523
In Fixed Deposit Account*	**301,893,095**	393,095,449
Fixed Deposit with Others *	**25,860,134**	22,788,267
	572,312,841	**576,373,532**
* Pledged	**166,376,540**	158,926,019
* Maturing after 12 months from close of the year	**34,093,346**	141,778,942

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
18 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advance/Deposit against land/development rights		
Projects Launched	**100,366,291**	51,505,820
Others	**350,450,111**	168,715,804
Advance against purchase of EWS/LIG units	**5,100,000**	-
Advances recoverable in cash or in kind or for value to be received	**149,387,814**	148,144,591
Loan to Other	**-**	1,600,000
Unaccrued Selling Expenses	**121,018,769**	44,132,557
Taxation Advances and Refundable (Net of Provisions)	**36,363,348**	(270,741)
Deposits	**13,241,523**	7,896,547
	775,927,856	**421,724,578**
19 OTHER CURRENT ASSETS		
Preliminary Expenses	**14,176**	28,352
(To the extent not written off or adjusted)		
	14,176	**28,352**
	2013-2014 ₹	2012-2013 ₹
20 REVENUE FROM OPERATIONS		
Real Estate:		
a) Completed Projects (on Possession)	**576,596,024**	990,006,736
b) Ongoing Projects	**(7,187,677)**	45,757,604
c) Sale of Land	**-**	75,000,663
Real Estate Support Operations	**153,594,181**	117,648,556
Hotel & club:		
Rooms, Restaurant, Banquets and other services	**141,333,261**	115,596,702
	864,335,789	**1,344,010,261**
21 INCOME FROM PARTNERSHIP		
Share of profit	**151,445,999**	73,866,592
Project Management Fees	**90,734,791**	68,674,200
	242,180,790	**142,540,792**
22 OTHER INCOME		
Interest	**47,417,706**	54,474,214
Income from Investments:		
Interest on Bonds/Debentures	**4,745,836**	-
Rent	**9,746,872**	5,437,718
Dividend	**359,984**	909,405
Profit on sale of investments	**47,110,256**	46,741,447
Fee and Subscription	**1,688,388**	1,490,778
Rent and Hire charges	**3,061,624**	3,353,641
Miscellaneous Income	**6,234,998**	12,975,680
Liabilities Written Back	**951,565**	1,334,004
Items relating to Previous Year	**133,761**	-
Provision for Diminution in Value of Investment written back	**-**	919,008
	121,450,991	**127,635,895**
23 PURCHASES		
Land / Development Rights	**716,309,873**	613,454,519
Flats/ Bungalow/ Shops	**-**	4,420,000
	716,309,873	**617,874,519**
24 PROJECT EXPENSES*		
Consumption of construction materials (Indigenous)	**836,663,867**	470,084,491
Wages	**92,481,894**	91,979,201
PRW Charges	**140,152,977**	81,384,633
Other Direct Construction Expenses	**93,377,359**	75,280,051

Particulars	2013-2014 ₹	2012-2013 ₹
Power & Fuel	14,592,077	9,137,339
Architects' Fee & Consultancy Charges	21,665,797	15,218,002
Employee Benefit Expenses	65,247,818	56,212,197
Rent	737,532	338,975
Insurance	1,327,430	453,786
Repair & Maintenance		
To Machineries	3,325,222	1,485,317
To Building	121,228	-
To Others	3,288,386	1,736,976
Financial Cost	4,325,480	9,687,812
Miscellaneous project expenses	107,083,483	79,050,538
Depreciation	208,497	581,428
	1,384,599,046	892,630,746
Less: Ongoing Project Adjustment	-	23,985,719
	1,384,599,046	868,645,027
* Includes Project Post - Completion Expenses	37,831,878	4,770,671
25 CHANGES IN INVENTORIES		
Opening Stock :		
Land/Development Rights		
Projects Launched *	442,047,642	92,591,040
Others	741,869,401	605,760,437
	1,183,917,043	698,351,477
Unsold completed construction	125,195,693	132,345,370
Work-in-progress	645,001,320	344,300,165
	1,954,114,056	1,174,997,012
Less: Closing Stock:		
Land/Development Rights		
Projects Launched	900,261,245	441,851,063
Others	930,619,804	741,869,401
Unsold completed construction	157,746,777	127,161,728
Work-in-progress	1,680,443,521	645,001,320
	3,669,071,347	1,955,883,512
	(1,714,957,291)	(780,886,501)
*Net of ongoing project adjustment	1,769,456	2,485,002
26 HOTEL & CLUB EXPENSES		
Consumables (indigenous)	21,295,993	18,168,462
Personnel	11,207,031	12,993,958
Management Fee	7,736,041	6,473,590
Power & fuel	13,175,050	11,260,232
Other running expenses	13,940,428	8,987,217
	67,354,543	57,883,460
27 REAL ESTATE SUPPORT OPERATIONS EXPENSES		
Consumption of Maintenance Materials (Indigenous)	9,642,978	6,856,772
Work Charges	30,705,200	24,714,413
Power & Fuel (net)	5,490,377	4,971,017
Repairs and Maintenance - To Machineries	7,863,767	5,259,209
Security charges	19,653,109	15,530,698
Other Maintenance Expenses	6,466,629	4,475,043
	79,822,060	61,807,152
28 EMPLOYEE BENEFIT EXPENSE		
Salary and allowances	140,749,249	103,470,615
Directors' Remuneration	16,245,923	12,348,724
Contribution to Provident & Other Funds	3,211,330	2,876,869
Staff & Labor welfare expenses	25,394,123	25,514,567
	185,600,625	144,210,775
29 FINANCE COSTS		
Interest		
- On Term Loan	16,329,534	27,690,600
- Others	1,997,052	1,767,856

Particulars	2013-2014 ₹	2012-2013 ₹
Loan Processing & Other Financial Charges	4,825	842,700
	18,331,411	30,301,156
30 OTHER EXPENSES		
Rent	16,990,241	12,764,029
Rates and Taxes	3,751,835	2,402,407
Insurance	804,744	588,350
Travelling and Conveyance	23,132,939	16,242,997
Legal and Professional expenses	10,307,823	11,715,652
Commission	778,993	1,647,559
Repairs and Maintenance :		
To Machineries	1,631,411	1,324,053
To Building	7,073,820	3,989,601
To Others	14,816,354	9,674,071
Directors' Fees	28,000	29,000
Miscellaneous expenses	52,617,360	41,251,972
Irrecoverable Balances Written off	3,430,482	219,304
Investment written off	-	31,333
Loss on Sale of fixed assets	1,927,171	746,616
Items relating to previous year (Net)	64,000	41,533
Preliminary Expenses written off	14,176	14,176
Provision for Diminution in value of current Investment	4,650,728	-
	142,020,077	102,682,653
31 EXTRAORDINARY ITEM		
Short Provision of Employee Benefits upto 31.03.2013		
- Gratuity	2,279,268	-
- Leave Pay	160,760	-
Service Tax paid under VCES	8,477,806	-
	10,917,834	-
32 TAX EXPENSES		
Current tax		
Income Tax	42,262,100	81,284,500
Wealth Tax	766,000	597,000
Income tax Adjustments	(279,852)	1,480,379
	42,748,248	83,361,879
Deferred Tax		
Deferred Tax	(2,249,000)	5,557,000
	40,499,248	88,918,879

NOTES TO THE ACCOUNTS

33 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS

1) SIGNIFICANT ACCOUNTING POLICIES

a) PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements include the financial statements of Ashiana Housing Limited and its subsidiaries. The Consolidated Financial Statements of the Group have been prepared in accordance with Accounting Standard AS – 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India ('ICAI') and notified pursuant to the Companies (Accounting Standards) Rules, 2006. The Consolidated Financial Statements are prepared on the following basis:

a) Consolidated Financial Statements normally include consolidated Balance Sheet, consolidated statement of Profit & Loss, consolidated statement of Cash flows and notes to the Consolidated Financial Statements and explanatory statements that form an integral part thereof. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for standalone financial statements.

b) The Consolidated Financial Statements include the financial statements of the Company and all its subsidiaries.

c) The Consolidated Financial Statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating inter-group balances / transactions and resulting elimination of unreleased profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent Company and its share in the post-acquisition increase in the relevant reserves of the entity to be consolidated.

d) Minority interest represents the amount of equity attributable to minority shareholders / partners at the date on which investment in a subsidiary is made and its share of movements in equity since that date.

e) Notes to the Consolidated Financial Statements represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the Consolidated Financial Statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and / or a parent having no bearing on the true and fair view of the Consolidated Financial Statements have not been disclosed in the Consolidated Financial Statements.

f) Partnership firms, being Company's jointly controlled entities, consolidation whereof is not feasible in view of nature of their capital structure and respective partnership arrangements, are not considered in these Financial Statements.

b) BASIS OF ACCOUNTING

The Financial Statements are prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2006 and the relevant applicable provisions of the Companies Act, 1956 and the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current, wherever applicable, as per the normal operating cycle of the Company as set out in the Schedule VI to the Companies Act, 1956.

c) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates/ exemptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

d) FIXED ASSETS

i) Fixed assets are valued at cost less depreciation/amortization.

ii) Capital work-in-progress is valued at cost.

iii) Intangible Assets under Development is valued at cost.

Cost includes purchase price and all other attributable cost of bringing the assets to working condition for intended use.

e) DEPRECIATION AND AMORTIZATION

1 Depreciation on tangible asset is provided on straight line basis in accordance with the provision of Schedule XIV of Companies Act, 1956 except that depreciation on the Fixed Assets held by Subsidiary Partnership Firms and Limited Liability Partnership firms, is provided at the rate as specified in Income Tax Rules, 1962.

2 Intangible assets are amortized over the period of useful life of the assets as estimated by the management except that depreciation on intangible assets held by Subsidiary Partnership Firms and Limited Liability Partnership firms, is provided at the rate as specified as Income Tax Rule, 1962.

f) INVENTORIES

Inventories are valued as follows:

Construction Material and Other consumables	At Lower of cost and net realizable value. However, materials and other items are not written down below cost if the constructed units/food, beverages etc. in which they are used are expected to be sold at or above cost. Cost is determined on FIFO basis.
Leasehold and Freehold Land	At Lower of cost and net realizable value.
Unsold Completed Construction and Work in Progress	At Lower of cost and net realizable value. Cost includes direct materials labor and project specific direct and indirect expenses and pro-rata unrealized cost from development of EWS/LIG units, except in subsidiary partnership firms wherein all expenses are included in such cost.

g) REAL ESTATE PROJECTS AND SALES

a) Revenue in respect of the projects undertaken on or after 1st April, 2011 and the projects undertaken between 1st April, 2006 and 31st March, 2011, which did not reach the level of completion as considered appropriate by the management within 31st March, 2011, as discussed in (b) below, is accounted for (i) on delivery of absolute physical possession of the respective units on completion, or (ii) on deemed possession of the respective units on completion or (iii) on physical possession for fit-out, as considered appropriate by the management based on circumstantial status of the project.

b) Revenue in respect of projects undertaken between1st April, 2006 and 31st March, 2011, which did not reach the level of construction as considered appropriate by the management within 31st March, 2011 is recognized on the "Percentage of Completion Method" (POC) of accounting and represents value of units contracted to be sold to the extent of actual work done against total estimated cost of execution. The corresponding cumulative amount at the close of the year appears under 'Current Liabilities' as deduction from "Advance from customers'.

The estimates of saleable area and Construction cost are reviewed periodically by the management and effect of any change in estimates is recognized in the period such changes are determined.

c) Selling Expenses related to specific projects/units are being charged to Profit and Loss account in the year in which sale thereof is offered for taxation.

d) Revenue from rooms, food and beverages, club and other allied services, is recognized upon rendering of the services.

e) Project maintenance charges and Other income is accounted for on accrual basis except where the receipt of income is uncertain.

f) Interest on delayed payments and other charges are accounted for on certainty of realization.

h) OTHER INCOME

Other income is accounted on accrual basis except where the receipt of income is uncertain.

i) TAXES ON INCOME

a) Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

b) Deferred Tax is recognized, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax in respect of differential income due to accounting of sales on percentage completion basis, being not determinate, is not recognized.

j) INVESTMENTS

a) Long term investments are carried at acquisition cost. Provision for diminution, if any, in the value of long term investments is made to recognize a decline, other than of a temporary nature.

b) Investments intended to be held for less than one year are classified as current investments and are carried at lower of cost and market value.

c) Value of Intangible capital rights created in favor of the Company in the process of Real Estate activities, being not determinate, are not shown in the books of accounts.

k) FOREIGN CURRENCY TRANSACTIONS

Income and Expenditure in foreign currency is converted into rupee at the rate of exchange prevailing on the date of the transactions. All payables and receivables related to foreign currency transactions outstanding at the year end are translated at exchange rates prevailing at the year end. The resultant translation differences are recognized in the Profit & Loss Account.

l) EMPLOYEE BENEFITS

(a) Short term employee benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Such short term employee benefits are recognized at actual amounts due in the period in which the employee renders the related service.

(b) Post-employment benefits:

i) Defined Contribution Plans:

Payments made to defined contribution plans such as Provident Fund are charged as an expense as they fall due.

ii) Defined Benefit Plans:

Provision for Gratuity and Leave Pay is determined on the actuarial valuation carried out at the balance sheet date in accordance with the provisions of Accounting Standard 15. Actuarial gains and losses are recognized in the Statement of Profit & Loss.

m) IMPAIRMENT OF ASSETS

Impairment Loss in the value of assets, as specified in Accounting Standard -28 is recognized whenever carrying value of such assets exceeds the market value or value in use , whichever is higher.

n) PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past results and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

2) Contingent Liability, not provided for, in respect of:

a) Claims not acknowledged as debts

Cess - Sonari land	₹ 54.28 lakhs	(₹ 45.91 lakhs)
Service Tax	₹ 95.92 lakhs	(₹ 6.92 lakhs)
Bank Guarantee	₹ 1375.00 lakhs	(₹ 0.25 lakhs)
Entry Tax	₹ 9.35 lakhs	(₹ 9.35 lakhs)
Income Tax	₹ 51.59 lakhs	(₹ 12.45 lakhs)

b) Contested claim of the Government of Rajasthan for refund of State Capital Subsidy including interest ₹ 55.79 lakhs (₹ 55.79 lakhs) against which the Company has deposited ₹ 55.79 lakhs (₹55.79 lakhs) under protest.

c) Contested claim of Secretary, UIT, Bhiwadi for payment of Completion Certificate Charges amounting to ₹ 12.53 lakhs (₹12.53 lakhs) against which the Company has deposited ₹ 12.53 lakhs (₹ 12.53 lakhs) under protest.

d) Contested claim of a customer pursuant to the order of the District Consumer Forum ₹ 10 lakhs (₹ 2.66 lakhs) against which the Company has deposited ₹ 2.66 lakhs (₹ 2.66 lakhs) under protest.

e) Contested claim of Employee State Insurance Corporation ₹ 4.28 lakhs (Nil) against which the Company has deposited ₹ 1.07 lakhs (Nil) under protest.

f) Contested demand of Entry Tax ₹ 9.35 lakhs (₹ 9.35 lakhs), against which Company has deposited ₹ 2.00 lakhs (₹ 2.00 lakhs) under protest.

3) Company's land at Milakpur Gujar, Alwar (Rajasthan) admeasuring 15.02 hectares, appearing in these accounts at book value of ₹ 338.97 lakhs, is under acquisition, 12.834 hectares for residential purposes and 2.186 hectares for development of road, by the Government of Rajasthan. Company's writ petition is pending before the Hon'ble High Court of Rajasthan against acquisition of 12.834 hectares. A compensation of ₹ 3597.88 lakhs has been declared by the Government which and interest thereon shall be considered in the accounts on finality and receipt.

4) Construction work in Company's commercial project 'Marine Plaza' on land at Sonari, Jamshedpur, sub-leased by Tata Steel Ltd., was stopped by the Jamshedpur Notified Area Committee (JNAC) along with works in approx. fifty other projects in Jamshedpur. In response to Company's writ petition, the Hon'ble High Court of Jharkhand, by its interim order, has permitted the Company to carry out further construction subject to the condition that the Company shall not create any third party right in the project. A sum of ₹ 1845.57 lakhs has been incurred by the Company on this project till the close of this year. The Company, however, is not carrying out any construction in the project and the matter is subjudice.

5) Company's projects Ashiana Anantara, Jamshedpur, Ashiana Navrang, Halol, and Ashiana Dwarka, Jodhpur are being developed under Development Agreement with respective land owners on revenue sharing/area sharing basis.

6) Estimated amount of contract remaining to be executed on capital account and not provided for amounts to ₹ 12.64 lakhs (₹182.86 lakhs) against which the Company has given advance of ₹ 4.68 lakhs (₹ 15.10 lakhs).

7) In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006, the Company has determined its business segment as Real Estate Business. Since there are no other business segments in which the Company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

8) Related parties and transactions with them as specified in the Accounting Standard 18 on "Related Parties Disclosures" prescribed under Companies (Accounting Standards) Rules, 2006 has been identified and given below on the basis of information available with the Company and the same has been relied upon by the auditors.

Related Parties & Relationship	Transactions	2013-2014 ₹ Lakhs	2012-2013 ₹ Lakhs
a) Associates and joint ventures			
i) Ashiana Greenwood Developers	Maintenance charges received	**0.87**	1.98
	Referral Fees	**Nil**	1.75
	Year end Investment	**89.23**	135.45
ii) Megha Colonizers	Management Fee Received	**800.66**	686.67
	Rent received	**Nil**	13.50
	Hire charges received	**5.80**	12.56
	Referral Fees	**33.75**	48.36
	Year end Investment	**(4,802.15)**	(1,887.09)
iii) Ashiana Manglam Developers	Maintenance charges received	**23.58**	33.34
	Referral Fees	**10.00**	10.25
	Year end Investment	**498.91**	1,156.27
iv) Ashiana Manglam Builders	Year end Investment	**516.54**	875.29
b) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them control or significant influence over the Company, and relatives of any such individual.		**Nil**	Nil
c) Key management personnel and their relatives			
i) Mr. Vishal Gupta, Managing Director	Remuneration	**48.00**	24.00
	Commission	**Nil**	17.17
	Purchase of Flat	**Nil**	44.20
	Year End Payable/(Receivable)	**(6.30)**	8.17
ii) Mr. Ankur Gupta, Jt. Managing Director	Remuneration	**48.00**	24.00
	Commission	**Nil**	17.17
	Year End Payable/(Receivable)	**(8.30)**	8.17
iii) Mr. Varun Gupta, Whole Time Director	Remuneration	**48.00**	30.00
	Commission	**Nil**	17.17
	Rent Paid	**3.00**	Nil
	Sale of Flat	**Nil**	67.66
	Year End Payable/(Receivable)	**(5.90)**	8.17
iv) Mr. Ashok Mattoo Independent Director	Commission	**10.46**	Nil
	Directors Sitting Fees	**0.03**	0.04
	Year end Payable	**1.34**	Nil
v) Mr. Hemant Kaul Independent Director	Commission	**8.00**	Nil
	Directors Sitting Fees	**0.04**	Nil
	Year end Payable	**4.20**	Nil
vi) Mr. Abhishek Dalmia Independent Director	Sitting Fees	**0.02**	0.04
	Year end Payable	**0.02**	0.04
vii) Mr. Lalit Kumar Chhawchharia Independent Director	Sitting Fees	**0.03**	0.03
	Year end Payable	**0.03**	0.03
viii) Ms. Sonal Mattoo Independent Director	Sitting Fees	**0.03**	0.03
	Year end Payable	**0.03**	0.03
ix) Ms. Hem Gupta (Proprietor of Coffee Quotient) Relative of Directors	Remuneration	**6.00**	6.00
	Staff Welfare Expenses	**5.36**	6.01
	Year End Payable/(Receivable)	**0.49**	0.39
x) Mr. Bhagwan Kumar Company Secretary	Salary and Allowances	**17.82**	14.64
	Advance from Customers	**18.39**	1.46
xi) Ms. Santwana Poddar Relative of Company Secretary	Salary and Allowances	**5.46**	4.55
	Loans and Advances	**(5.00)**	(5.00)
d) Enterprises over which any person described in (b) or (c) is able to exercise significant influence :			
i) OPG Realtors Limited	Rent Paid	**80.16**	32.64
	Rental Received	**28.00**	Nil
	Advance From Customers	**104.94**	Nil
	Year End Payable/(Receivable) - Deposit	**(5.04)**	(5.04)
ii) Karma Hospitality Limited	Management Fee Paid	**74.01**	64.74
	Year End Payable/(Receivable)	**5.40**	4.79
iii) R G Woods Limited	Sale of Flat	**Nil**	20.66
	Rental Received	**5.00**	Nil
	Purchase of Construction Material	**99.69**	66.28
	Year end Payable/ (Receivable)	**8.83**	(0.38)
	Advance from Customers	**23.29**	2.59
iv) B.G. Estates Private Limited	Advance from Customers	**306.83**	187.26
v) PKS Nirmaan Private Limited	Advance from Customers	**43.85**	3.08
vi) OPMG Investments Private Limited	Commission paid	**Nil**	8.51
e) Amount Written off in respect of above parties		**Nil**	Nil

9) The earning per share has been calculated as specified in Accounting Standard 20 on "Earnings Per Share" issued by ICAI and related disclosures are as below :

	2013-2014	2012-2013
a) Amount used as numerator in calculating basic and diluted EPS		
Profit after tax (₹ in lakhs)	2,186.36	3,314.73
b) Weighted average number of equity shares used as the denominator in calculating EPS (Nos. in lakhs).		
Opening Balance	930.50	930.50
	930.50	930.50

10) On the basis of physical verification of assets, as specified in Accounting Standard - 28 and cash generation capacity of those assets, in the management perception there is no impairment of such assets as appearing in the balance sheet as on 31st March, 2014.

11) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements" issued by The Institute of Chartered Accountants of India. The subsidiaries (which along with Ashiana Housing Ltd., the parent, constitute the Group) considered in the preparation of these consolidated financial statements are:

Name	Country of Incorporation/ Formation	Percentage of voting power/Profit sharing as at 31st March, 2014	Percentage of voting power/Profit sharing as at 31st March, 2013
Ashiana Maintenance Services Limited (Formerly Vatika Marketing Ltd.)	India	100%	100%
Latest Developers Advisory Ltd	India	100%	100%
Topwell Projects Consultants Ltd.	India	100%	100%
Neemrana Builders LLP	India	98.50%	98.50%
MG Homecraft LLP	India	98.50%	98.50%
Ashiana Amar Developers	India	100%*	100%*
Vista Housing	India	50%**	50%**

* 5% Held by Ashiana Maintenance Services Limited (Formerly Vatika Marketing Ltd.), a wholly owned Subsidiary Company.
** Ashiana Housing Limited controls the composition of the Governing Body.

	2013-2014 ₹	2012-2013 ₹
12) Payment to Auditors:		
For Statutory Audit	2,252,248	1,652,922
For Internal Audit	979,954	736,815
For Tax Audit	366,854	240,000
For Other Services	590,122	1,180,458

13) During the year, the Company has incurred ₹ 60.95 lakhs (₹ 79.00 lakhs) towards Corporate Social Responsibility which has been charged to the respective heads of accounts.

14) a) Previous year figures above are indicated in brackets.
b) Previous year figure have been regrouped/rearranged, wherever found necessary.

Signature to Notes "1 to 33"

In terms of our report of even date attached herewith

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Varun Gupta
Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

Bhagwan Kumar
Company Secretary

Manojit Sengupta
General Manager - F&A

Cash Flow Statement

For the year ended 31st March, 2014

Particulars	2013-2014 ₹	2012-2013 ₹
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	270,058,792	420,390,545
Adjusted for :		
Depreciation	30,457,200	26,004,622
Depreciation charged to Project Expenses	208,497	581,428
Interest Income (other than from customers)	(32,730,707)	(45,785,820)
Income from Investments	(208,303,127)	(126,955,162)
Provision for Diminution in value of Investments/ (written back)	4,650,728	(919,008)
Interest Paid	18,331,411	30,301,156
Preliminary Expenses written off	14,176	14,176
Investment written off	-	31,333
Minority Interest	(5,830)	1,415
Provision for Employee Benefits	7,856,888	5,116,327
(Profit) / Loss on sale of Fixed Assets	3,934,571	746,616
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	94,472,599	309,527,628
Adjusted for :		
Trade and other receivables	(291,100,548)	(277,658,029)
Inventories	(1,787,625,798)	(752,735,835)
Trade Payables and advances from customers	1,842,649,556	618,828,134
CASH GENERATED FROM OPERATIONS	(141,604,191)	(102,038,102)
Direct Taxes paid / adjusted	(79,382,337)	(117,708,017)
Cash flow before extra ordinary items	(220,986,528)	(219,746,119)
Extra Ordinary items	(10,917,834)	-
Net cash from Operating activities (A)	(231,904,362)	(219,746,119)
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(152,532,509)	(46,332,367)
Sale of Fixed Assets	6,296,027	306,306
Net change in Investments	409,043,516	486,284,174
Interest Income	32,730,707	45,785,820
Other Income from Investments	9,746,872	6,347,123
Net Cash from investing activities (B)	305,284,613	492,391,056
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term and other borrowings	5,599,727	(40,229,174)
Interest Paid	(18,331,411)	(30,301,156)
Dividend paid	(47,498,929)	(46,864,056)
Change in Minority Interest	(17,210,329)	(14,301,074)
Net Cash used in Financing activities (C)	(77,440,942)	(131,695,460)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	(4,060,691)	140,949,477
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	576,373,532	435,424,055
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	572,312,841	576,373,532

01. Proceeds from long term and other borrowings are shown net of repayment.
02. Cash and Cash equivalents represent cash and bank balances only.

In terms of our report of even date attached herewith

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Vishal Gupta
Managing Director

Ankur Gupta
Jt. Managing Director

Varun Gupta
Wholetime Director

Abhishek Gupta
Partner
Membership No. 529082
Place: New Delhi
Date: 30th May, 2014

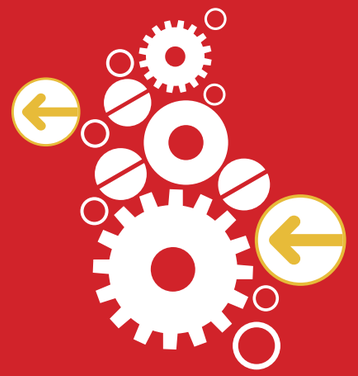
Bhagwan Kumar
Company Secretary

Manojit Sengupta
General Manager - F&A

Om Prakash Gupta
1947 - 2013
Founder - Ashiana Housing Limited

As a visionary, you enhanced the quality of life for everyone. You gave middle income housing a unique stature in India; Pioneered retirement housing that went beyond security and comfort; Created free training centres for unskilled and semi-skilled workers. Your concern and affection for customers, residents, vendors and staff members was always evident in your perceptive, queries and insightful actions.

You will continue to inspire us with your vision, mission & principles. We pledge to build upon what you started.



ashiana™
you are in safe hands

Disclaimer: Some of the statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include changes in industry structures, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labor relations.