AUDITED ANNUAL ACCOUNTS

OF

HAPPY HOME CORPORATION

FOR THE YEAR ENDED 31-03-2015

ASSESSMENT YEAR 2015 - 16

DSI & CO.

Chartered Accountants

HAPPY HOME CORPORATION

Balance Sheet as at March 31, 2015

		Schedule		As at 31-03-2015 Amt. in Rs.	As at 31-03-2014 Amt. in Rs.
I	**SOURCES OF FUNDS**				
1	Partners Capital	1		[illegible]	[illegible]
2	Loan Funds				
(a)	Secured Loans	2		[illegible]	[illegible]
(b)	Unsecured Loans	3		[illegible]	[illegible]
				[illegible]	[illegible]
			TOTAL	[illegible]	[illegible]
II	**APPLICATION OF FUNDS**				
1	Fixed Assets	4		[illegible]	[illegible]
2	Investments				
3	Current Assets, Loans & Advances	5			
(a)	Inventories			[illegible]	[illegible]
(b)	Sundry Debtors				
(c)	Cash & Bank Balances			[illegible]	[illegible]
(d)	Deposits, Loans & Advances			[illegible]	[illegible]
				[illegible]	[illegible]
Less:	Current Liabilities & Provisions	6			
(a)	Current Liabilities			[illegible]	[illegible]
(b)	Provisions			-	-
				[illegible]	[illegible]
	Net Current Assets			[illegible]	[illegible]
			TOTAL	[illegible]	[illegible]

Notes forming part of Audited Annual Accounts 15

For & On behalf of
Happy Home Corporation

[illegible]
Partner

Place : Surat
Date : [illegible]

As per our report of even date
For DRS & Co.
Chartered Accountants
ICAI FRN [illegible]

[illegible]
Partner
Membership No. [illegible]

Place : Surat
Date : [illegible]

DRS & CO. Chartered Accountants SURAT

HAPPY HOME CORPORATION

Cash Flow Statement for the year ended March 31, 2015

		For the year ended 31-03-2015 Amt. in Rs.
A	**Cash Flow from Operating Activities**	
	Net Profit / (Loss) before Tax	24,75,01,499
	Add: Adjustments	
	Interest Expenses	68,55,16,368
	Depreciation	1,61,16,788
	Operating Profit / (Loss) before working capital changes	94,92,14,556
	Add: Adjustments for	
	Inventories	42,27,76,266
	Loans & Advances	13,91,39,167
	Current Liabilities & Provisions	(37,61,01,715)
	Net Cash generated from Operating Activities	1,13,60,82,272
B	**Cash Flow from Investing Activities**	
	Purchase of Fixed Assets	(9,22,66,058)
	Net Cash generated from (used in) Investing activities	(6,22,66,066)
C	**Cash Flow from Financing Activities**	
	Partners Capital	7,44,25,78,478
	Secured Loans	(1,11,25,02,770)
	Unsecured Loans	(1,16,26,69,772)
	Interest Expenses	(68,55,16,280)
	Net Cash used in Financing activities	(91,90,04,333)
	Net Increase / (Decrease) in Cash & Cash equivalents	15,47,91,885
	Cash and cash equivalents at beginning of the year	10,06,27,271
	Cash and cash equivalents at the end of the year	25,54,18,154

For & On behalf of
Happy Home Corporation

Nilesh Patel
Partner

Place : Surat
Date : 24-09-2015

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127726W

DSI & CO. Chartered Accountants SURAT

Purnal Bhagat
Partner
Membership No. 105588

Place : Surat
Date : 24-09-2015

HAPPY HOME CORPORATION

Profit & Loss Account for the year ended March 31, [illegible]

		Schedule		For the Year Ended [illegible] Amt. in Rs.	For the Year Ended [illegible] Amt. in Rs.
I	**INCOME**				
	Sales / Income from Operations	7		[illegible]	[illegible]
	Closing Stock	8		[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]
	[illegible] in Stock	9		[illegible]	
	Other Income	10		[illegible]	[illegible]
			Total	[illegible]	[illegible]
II	**EXPENDITURE**				
	Opening Stock	11		[illegible]	[illegible]
	[illegible] & Development [illegible]			[illegible]	[illegible]
	[illegible]			[illegible]	-
	[illegible]	12		[illegible]	[illegible]
	[illegible] Expenses	13		[illegible]	[illegible]
	Financial Expenses	14		[illegible]	[illegible]
	Depreciation			[illegible]	[illegible]
			Total	[illegible]	[illegible]
	Net Profit Before Appropriation & Tax			[illegible]	[illegible]
	Less: Appropriation				
	Remuneration to Partners			[illegible]	[illegible]
	Interest on Partners Capital			[illegible]	-
				[illegible]	[illegible]
	Net Profit transferred to Partner's Capital Account			[illegible]	[illegible]
	Notes forming part of Audited Annual Accounts	15			

For & On behalf of
Happy Home Corporation

[illegible]
Partner

Place : Surat
Date : [illegible]

As per our report of even date
For [illegible] & Co.
Chartered Accountants
[illegible]

[illegible]
Partner
Membership No. [illegible]

Place : Surat
Date : [illegible]

Schedule

1

PARTNER'S CAPITAL

Sr. No.	Name of Partners	Balance as on 01-04-2014	Addition / (Drawings) during year	Return to Partner	Interest on Capital	Net Profit for the year	Amt. in Rs. Balance as on 31-03-2015
1	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]
2	[illegible]	40,15,[illegible]	[illegible]	-	4,57,21,584	[illegible]	1,[illegible],28,06,673
3	[illegible]	22,72,[illegible]	([illegible])	3,00,000	-	17,23,[illegible]	[illegible]
4	[illegible]	[illegible]	27,32,[illegible]	[illegible]		[illegible]	88,15,706
5	[illegible] G. Panchal	3,65,[illegible]	[illegible]	6,00,000	-	22,49,[illegible]	[illegible]
6	[illegible]	[illegible]	3,00,[illegible]	6,00,000	-	[illegible]	93,67,[illegible]
7	[illegible]	29,[illegible]	[illegible]	-		[illegible]	1,51,64,886
	Total	77,05,82,750	[illegible]	18,00,000	[illegible]	24,75,01,408	[illegible]
	Previous Year	[illegible]	47,29,28,76[illegible]	15,00,000	-	[illegible]	77,[illegible]

[illegible] CORPORATION

Schedules forming part of the Audited Annual Accounts

	Schedule	As at 31-03-2015 Amt. in Rs.	As at 31-03-2014 Amt. in Rs.
SECURED LOANS	2		
[illegible]		[illegible]	[illegible]
[illegible]		-	[illegible]
Bank of India		[illegible]	[illegible]
Central Bank of India		[illegible]	[illegible]
[illegible]		-	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		-	[illegible]
State Bank of India		[illegible]	
Syndicate Bank		[illegible]	[illegible]
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]			
Vehicle Loans		[illegible]	[illegible]
[illegible]			
Total		[illegible]	[illegible]
UNSECURED LOANS	3		
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
Total		[illegible]	[illegible]
CURRENT ASSETS, LOANS & ADVANCES	4		
(a) Inventories			
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	-
		[illegible]	[illegible]
(b) Sundry Debtors			
(c) Cash & Bank Balances			
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
		[illegible]	[illegible]
(d) Deposits, Loans & Advances			
[illegible]		[illegible]	[illegible]
Deposits		[illegible]	[illegible]
[illegible]		-	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
		[illegible]	[illegible]
Total		[illegible]	[illegible]

Chartered Accountants
SURAT

HAPPY HOME CORPORATION

Schedules Forming part of the Audited Annual Accounts

FIXED ASSETS

Sr. No.	Particulars	Balance as on 01-04-2014	Addition upto 30-09-2014	Addition after 30-09-2014	Deletion during the year	Depreciation during the year	Amt. in Rs. Balance as on 31-03-2015
1	Land	[illegible]	-	-	-	-	[illegible]
2	Office Building		5,53,40,511	-	-	55,24,552	4,98,15,959
3	Plant & Machinery	[illegible]	-	[illegible]	-	[illegible]	[illegible]
4	Office Equipments	22,31,335	74,46,290	4,77,200	-	10,52,537	96,04,946
5	Vehicles	[illegible]	-	[illegible]	-	[illegible]	[illegible]
6	Furniture & Fixtures	[illegible]	[illegible]	-	-	[illegible]	2,20,14,712
7	Computer System	3,44,016	12,24,930	2,05,790		10,02,554	7,70,914
8	Capital Work in Progress	[illegible]	[illegible]	[illegible]	-	-	[illegible]
	Total	30,12,18,473	3,48,60,478	3,73,05,570	-	1,61,16,780	24,73,58,731
	Previous year	4,27,52,752	11,25,555	16,40,55,824		22,57,555	30,12,18,473

	Schedule	As at 31-03-2015 Amt. in Rs.	As at 31-03-2014 Amt. in Rs.
CURRENT LIABILITIES & PROVISIONS	6		
(a) Current Liabilities			
Sundry Creditors		[illegible]	[illegible]
Advance From Customers		74,40,44,216	[illegible]
[illegible]		[illegible]	[illegible]
[illegible] Tax Collection Account		[illegible]	[illegible]
TDS Payable		[illegible]	[illegible]
VAT Payable		[illegible]	[illegible]
		[illegible]	[illegible]
(b) Provisions		-	
	Total	[illegible]	[illegible]

	Schedule	For the Year Ended 31-03-2015 Amt. in Rs.	For the Year Ended 31-03-2014 Amt. in Rs.
SALES/INCOME FROM OPERATIONS	7		
Sales of Flats / Shops		[illegible]	[illegible]
Sales of Land		[illegible]	[illegible]
	Total	[illegible]	[illegible]
CLOSING STOCK	8		
Land		[illegible]	[illegible]
Construction WIP - Flats / Shops		[illegible]	[illegible]
	Total	[illegible]	[illegible]
INCREASE (DECREASE) IN STOCK OF	9		
Finished Goods			
Closing Stock		[illegible]	
Less : Opening Stock		-	-
	Total	[illegible]	
OTHER INCOME	10		
Interest on Bank FD		[illegible]	[illegible]
Interest on Electricity Deposit		[illegible]	[illegible]
	Total	[illegible]	[illegible]
OPENING STOCK			
Land		[illegible]	[illegible]
Construction WIP - Flats / Shops		[illegible]	[illegible]
	Total	[illegible]	[illegible]

	Schedule	For the Year Ended [illegible] Amt. In Rs.	For the Year Ended 31-03-2011 Amt. In Rs.
CONSTRUCTION EXPENSES	12		
Purchase of Building Material		1,33,39,85,380	[illegible]
Labour Charges		46,89,37,404	[illegible]
Civil / Plumbing / Electrical Expenses		90,35,395	[illegible]
Site Electricity Expenses		1,55,30,995	[illegible]
Site / Guard Expenses		9,39,34,577	[illegible]
Security Expenses		90,15,305	[illegible]
Site Salary Expenses		3,37,33,881	[illegible]
Consultancy Charges		1,35,99,790	[illegible]
Selling & Administrative Expenses		4,08,81,835	[illegible]
Financial Expenses		29,35,39,532	[illegible]
Total		2,38,83,75,435	[illegible]
SELLING & ADMINISTRATIVE EXPENSES	13		
Audit Fees		3,35,000	[illegible]
Advertisement Expenses		87,19,477	[illegible]
Brokerage Expenses		3,30,000	
Conveyance Expenses		20,45,570	[illegible]
Donation		1,89,99,000	[illegible]
[illegible]		30,00,000	-
Office Electricity Expenses		17,40,010	[illegible]
Insurance Expenses		19,39,883	[illegible]
Legal & Professional Charges		46,00,002	[illegible]
Mess Expenses		10,45,995	[illegible]
Office Expenses		19,77,083	[illegible]
Office Rent Expenses		-	[illegible]
Rates & Taxes		1,31,99,214	[illegible]
Salary Expenses		2,02,49,940	[illegible]
Telephone & Mobile Phone Expenses		4,59,160	[illegible]
		8,09,33,718	[illegible]
Less : Considered in Construction Expenses		4,03,91,[illegible]	[illegible]
Total		4,05,81,115	[illegible]
FINANCIAL EXPENSES	14		
Bank Charges & Commission		3,05,228	[illegible]
Interest On Bank Loan		29,99,21,745	[illegible]
Interest On Car Loan		7,23,208	[illegible]
Interest On Unsecured Loan		25,75,00,264	[illegible]
		55,74,47,408	[illegible]
Less : Considered in Construction Expenses		[illegible]	[illegible]
		[illegible]	[illegible]

15 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 Basis of Accounting

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India. Accounting policies have been followed consistently [illegible].

2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3 Fixed Assets

Fixed Assets other than Land and Capital Work-in-progress are stated at cost less depreciation.

4 Depreciation

Depreciation has been provided as per Written Down Value Method at the rates as specified in Income Tax Act, 1961.

5 Inventories

Closing stock of Land, Construction WIP and Finished goods is valued at cost.

6 Revenue Recognition

The firm is engaged in the activity of developing and building of various residential & commercial projects.

The firm is recognizing the revenue in accordance with Accounting Standard 9 (AS-9) [illegible] possession of the Flats / shops [illegible].

In case of the projects, under progress as at the year end and where there is no sale or booking [illegible] during the year, the entire cost i.e. the [illegible] expenses, administrative & selling expenses, interest expenses and depreciation on fixed assets pertaining to the project [illegible] to the Construction work in progress account.

7 The balances of unsecured loans, sundry creditors, advance from customers and loans & advances are subject to confirmation. However, the partners have confirmed the respective balances.

8 Figures have been rounded off to the nearest rupee.

9 Previous Year's Figures

Previous years figures have been regrouped, reworked and rearranged wherever considered necessary to make them comparable with the current year's figures.

10 Retirement Benefits to Employees

Contribution to employee's benefit fund in respect of statutory obligation is charged [illegible] liability for gratuity [illegible]. Gratuity payable will be [illegible].

30. Borrowing Cost

The total borrowing cost on the [illegible] said fixed assets have been put-to-use, has been capitalized in the respective fixed assets and the cost for the period after the said fixed assets have been put to use has been debited to the Profit & Loss Account.

31. Segment Reporting

The [illegible] has only one business segment and geographical segment. Therefore there is no separate [illegible] AS 17.

32. [illegible]

The firm [illegible]

33. [illegible] as required by AS 18 "Related Party Disclosure" are as under:

(i) List of related parties and nature of relationship

Sr. No.	Nature of Relationship	Name of the Related Party
1	Key Management Personnel	[illegible] B. [illegible] [illegible] R. [illegible] [illegible] K. [illegible] [illegible] P. [illegible] [illegible] G. Panchal [illegible]
2	Relatives of Key Management Personnel	[illegible] B. [illegible] (HUF) [illegible] R. [illegible] (HUF)

(ii) Transactions with Related parties

Sr. No.	Particulars	Nature of Transaction	[illegible]-2018 Amt. in Lacs
1	[illegible] B. [illegible]	Interest on Partner's Capital	[illegible]
2	[illegible] R. [illegible]	Interest on Partner's Capital	[illegible]
3	[illegible] K. [illegible]	Partners Remuneration	6.00
4	[illegible] P. [illegible]	Partners Remuneration	6.00
5	[illegible] G. Panchal	Partners Remuneration	6.00
6	[illegible]	Partners Remuneration	6.00
7	[illegible] B. [illegible] (HUF)	[illegible]	6.00
8	[illegible] R. [illegible] (HUF)	[illegible]	6.00

34. Micro, Small and Medium Enterprises

The firm is not in position to identify [illegible] due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) in absence of [illegible] from suppliers regarding their status.

[illegible] These financial statements are the responsibility of the partners. The auditor's responsibility is to express an opinion on these financial statements based on their audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by partners, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

For & On behalf of
Happy Home Corporation

[illegible]
Partner

Place : Surat
Date : [illegible]

As per our report of even date
For DSI & Co.
Chartered Accountants
[illegible] FRN [illegible]

[illegible]
Partner
Membership No. [illegible]

DSI & CO.
Chartered Accountants
SURAT

Place : Surat
Date : [illegible]