

**VISTA HOUSING (REGD.)
F.Y. 2015-16**

AUDITOR'S REPORT

To,
The Partners of M/s Vista Housing (Regd.)

We have audited (for Income Tax purpose) the accompanying financial statements of M/s Vista Housing (Regd.), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit & Loss, Cash Flow Statement for the year ended on that date annexed thereto 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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that 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 are prepared, in all material aspects, 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 March 31, 2016; and
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- (c) in the case of the 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: 19th May, 2016

VISTA HOUSING (REGD.)

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Notes	AS AT 31.03.2016 ₹	AS AT 31.03.2015 ₹
SOURCES OF FUND			
Partners' Account	1		
a) Manglam Partners			
i) Capital Accounts		54,934,504	64,375,903
ii) Preferential Profit Account		(157,641,659)	(148,426,051)
		<u>(102,707,155)</u>	<u>(84,050,148)</u>
b) Ashiana Housing Ltd			
i) Capital Account		202,031,622	211,473,022
ii) Preferential Profit Account		(46,084,330)	(17,776,526)
		<u>155,947,292</u>	<u>193,696,497</u>
		53,240,137	109,646,349
Current Liabilities			
Advance from Customers	2	1,030,994,049	620,061,956
Trade Payables	3	18,247,915	12,758,907
Other Current Liabilities	4	<u>13,394,375</u>	<u>6,913,577</u>
			639,734,440
		<u>1,115,876,476</u>	<u>749,380,789</u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	5	34,573,033	37,066,707
Current Assets			
Inventories	6	943,480,612	557,322,644
Trade Receivables	7	1,622,318	1,711,374
Cash & Cash Equivalents	8	(24,076,434)	71,567,203
Short Term Loans & Advances	9	<u>160,276,948</u>	<u>81,712,861</u>
		1,081,303,443	712,314,082
		<u>1,115,876,476</u>	<u>749,380,789</u>

SIGNIFICANT ACCOUNTING POLICIES AND
OTHER NOTES ON ACCOUNTS 15

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

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Place: New Delhi
Date: 19th May, 2016



For **ASHIANA HOUSING LIMITED**

[Signature]

Ashiana Housing Ltd Director

For **Manglam Build Developers Ltd.**

MCS

[Signature]
Manglam Build Developers Ltd. Director

Partners

[Signature]

Ram Babu Agarwal

VISTA HOUSING (REGD.)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Notes	2015 - 2016	2014 - 2015
		₹	₹
INCOME			
Other Income	10	3,449,415	858,830
		<u>3,449,415</u>	<u>858,830</u>
EXPENDITURE			
Direct Cost:			
Purchases	11	-	8,646,096
Project Expenses	12	367,874,169	318,554,629
Change in Inventories	13	(367,874,169)	(327,200,725)
		<u>-</u>	<u>-</u>
PROFIT BEFORE TAX		3,449,415	858,830
Tax Expenses:	14		
Current Tax		1,113,776	279,000
PROFIT FOR THE YEAR		<u>2,335,639</u>	<u>579,830</u>

Appropriation of Profit (As per annexure)

Ram Babu Agarwal	160,575	39,864
Manglam Build Developers Ltd.	1,182,418	293,539
Ashiana Housing Ltd.	992,646	246,428
	<u>2,335,639</u>	<u>579,830</u>

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

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Place: New Delhi
Date: 19th May, 2016



For **ASHIANA HOUSING LIMITED**

Director

Director

Ashiana Housing Ltd.

For **Manglam Build Developers Ltd.**

Director

Director

Ram Babu Agarwal

VISTA HOUSING (REGD.)

ANNEXURE
APPROPRIATION OF PROFIT FOR THE YEAR ENDED 31ST MARCH 2016

	Preferential Profit [Ashiana]		Preferential Profit (Manglam Partners) upto		Balance Profit		Net Total
	15%	Taxation	30%	Taxation	55%	Taxation	
Ram Babu Agarwal	N/A	N/A	-	-	237,147	76,572	160,575
Manglam Build Developers Ltd.	N/A	N/A	1,034,825	334,133	711,442	229,716	1,182,418
Ashiana Housing Ltd.	517,412	167,066	N/A	N/A	948,589	306,289	992,646
Total	517,412	167,066	1,034,825	334,133	1,897,178	612,577	2,335,639

Cumulative Preferential Profit accrued as on 31.03.2016 646,237

1,292,474

410,000,000

Gross Entitlement to Preferential Profit as on 31.03.2016 150,000,000



NOTES TO THE ACCOUNTS

	As at 31.03.2016	As at 31.03.2015
	₹	₹
1 PARTNERS' ACCOUNT		
a) MANGLAM PARTNERS		
i) Capital Accounts		
Rambabu Agarwal		
Opening Balance	17,380,704	17,340,840
Net (Dr.)/ Cr. during the period		
Add: Share of Profit	160,575	39,864
	<u>17,541,279</u>	<u>17,380,704</u>
Manglam Build Developers Ltd		
Opening Balance	46,995,200	38,229,514
Net (Dr.)/ Cr. during the period	(10,083,700)	8,646,096
Add: Share of Profit	481,726	119,590
	<u>37,393,226</u>	<u>46,995,200</u>
	<u>54,934,504</u>	<u>64,375,903</u>
ii) Preferential Profit Account		
Rambabu Agarwal		
Opening Balance	(19,000,000)	
Net (Dr.)/ Cr. during the period	(2,500,000)	(19,000,000)
Add: Share of Preferential Profit		
	<u>(21,500,000)</u>	<u>(19,000,000)</u>
Manglam Build Developers Ltd		
Opening Balance	(129,426,051)	(86,600,000)
Net (Dr.)/ Cr. during the period	(7,416,300)	(43,000,000)
Add: Share of Preferential Profit	700,692	173,949
	<u>(136,141,659)</u>	<u>(129,426,051)</u>
	<u>(157,641,659)</u>	<u>(148,426,051)</u>
	<u>(102,707,155)</u>	<u>(84,050,148)</u>
b) ASHIANA		
i) Capital Account		
Ashiana Housing Ltd		
Opening Balance	211,473,022	243,313,569
Net (Dr.)/ Cr. during the period	(10,083,700)	(32,000,000)
Add: Share of Profit	642,300	159,453
	<u>202,031,622</u>	<u>211,473,022</u>
ii) Preferential Profit Account		
Ashiana Housing Ltd		
Opening Balance	(17,776,526)	
Net (Dr.)/ Cr. during the period	(28,658,150)	(17,863,500)
Add: Share of Preferential Profit	350,346	86,975
	<u>(46,084,330)</u>	<u>(17,776,526)</u>
	<u>155,947,292</u>	<u>193,696,497</u>
	<u>53,240,137</u>	<u>109,646,349</u>
2 ADVANCE FROM CUSTOMERS		
Customer Advance	1,030,994,049	620,061,956
	<u>1,030,994,049</u>	<u>620,061,956</u>
3 TRADE PAYABLES		
Sundry Creditors	18,247,915	12,758,907
	<u>18,247,915</u>	<u>12,758,907</u>
4 OTHER CURRENT LIABILITIES		
Security deposits	4,298,996	1,673,977
Other liabilities	9,095,379	5,239,600
	<u>13,394,375</u>	<u>6,913,577</u>



NOTES TO THE ACCOUNTS

5 FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As at 01.04.2015 ₹	Additions ₹	As at 31.03.2016 ₹	Upto 31.03.2015 ₹	For the Year ₹	Up to 31.03.2016 ₹	As at 31.03.2016 ₹	As at 31.03.2015 ₹
TANGIBLE ASSETS								
PLANT & MACHINERY	39,829,168	3,395,961	43,225,129	4,052,029	5,827,786	9,879,815	33,345,314	35,777,139
OFFICE FACILITIES & EQUIPMENTS	396,447	-	396,447	71,512	48,740	120,252	276,195	324,935
FURNITURE & FIXTURES	883,076	97,326	980,402	90,700	88,970	179,670	800,732	792,376
COMPUTERS	554,161	172,830	726,991	381,904	194,295	576,199	150,792	172,257
TOTAL	41,662,852	3,666,117	45,328,969	4,596,145	6,159,791	10,755,936	34,573,033	-
PREVIOUS YEAR FIGURES	1,632,790	40,030,062	41,662,852	208,497	4,387,648	4,596,145	-	37,066,707



NOTES TO THE ACCOUNTS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
6 INVENTORIES		
<i>Stock</i> (As taken, valued and certified by the management)		
Land	196,441,304	196,441,304
Work-in-Progress	717,088,063	349,213,894
Construction Materials	29,951,245	11,667,446
	<u>943,480,612</u>	<u>557,322,644</u>
7 TRADE RECEIVABLES		
(Unsecured, considered Good)		
Due for more than Six months	23,387	-
Others	1,598,931	1,711,374
	<u>1,622,318</u>	<u>1,711,374</u>
8 CASH AND CASH EQUIVALENTS		
Cash-in-hand	320,395	205,669
Balances with Scheduled Banks :		
In Current Account	(24,396,829)	61,361,534
In Fixed Deposit	-	10,000,000
	<u>(24,076,434)</u>	<u>71,567,203</u>
9 SHORT TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Advance against purchase of EWS/LIG units	83,255,069	46,049,297
Advances Recoverable in Cash or in Kind or for value to be Received	23,182,835	822,508
Unaccrued Selling Expenses	50,370,803	31,755,303
Deposits	2,907,695	2,923,695
Taxation Advances (Net of Provisions)	560,546	162,058
	<u>160,276,948</u>	<u>81,712,861</u>



NOTES TO THE ACCOUNTS

	2015 - 2016		2014 - 2015	
	₹		₹	
10 OTHER INCOME				
Interest : on Fixed Deposits (Includes TDS Rs. 219018/- P.Y.Rs. 302957/-)		2,165,904		302,957
Others		1,226,507		538,936
Liabilities Written Back		7,004		6,937
Miscellaneous Income		50,000		10,000
		<u>3,449,415</u>		<u>858,830</u>
11 PURCHASES				
Land		-		8,646,096
		-		<u>8,646,096</u>
12 PROJECT EXPENSES				
Consumption of construction materials (Indigenous)		208,875,148		200,201,758
Wages		22,725,295		10,919,015
PRW charges		47,471,621		31,054,214
Power & Fuel		5,532,418		2,110,113
Architects' Fee and Consultancy Charges		4,198,242		3,398,470
Other Direct Construction Expenses		25,404,412		14,710,782
Statutory Levies and Taxes		6,079,921		6,957,764
Approvals		619,680		22,901,625
Personnel Cost		12,152,026		6,819,724
Establishment Charges		12,076,965		10,324,123
Financial Cost		-		-
- To a Partner		-		1,091,869
- Loan Processing Fee and Other Financial Charges		2,933,676		132,009
Auditors' Remuneration:				
For Audit		400,000		300,000
For Internal Audit		120,000		90,000
For Other services		30,000		35,500
Travelling & conveyance		822,737		542,147
Rent		467,250		154,333
Legal and Professional Fees		279,512		89,364
Repair & Maintenance				
To Machineries		392,407		677,734
To Building		137,160		-
To Others		97,698		55,013
Project Insurance		280,989		255,609
Telephone, Telex & Fax		343,427		290,306
Printing & Stationery		344,788		420,490
Social Responsibility Expenses		9,659,040		449,966
Miscellaneous Expenses		269,966		185,052
Depreciation		6,159,791		4,387,648
		<u>367,874,169</u>		<u>318,554,629</u>
13 CHANGES IN INVENTORIES				
<u>Opening Stock</u>				
Land	196,441,304		187,795,208	
Work-in-Progress	<u>349,213,894</u>	545,655,198	<u>30,659,265</u>	218,454,473
<u>Less: Closing Stock</u>				
Land	196,441,304		196,441,304	
Work-in-Progress	<u>717,088,063</u>	913,529,367	<u>349,213,894</u>	545,655,198
		<u>(367,874,169)</u>		<u>(327,200,725)</u>
14 TAX EXPENSES				
Income Tax		1,114,000		279,000
Tax Adjustment		(224)		-
		<u>1,113,776</u>		<u>279,000</u>



15 **SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS**

1 **SIGNIFICANT ACCOUNTING POLICIES**

SYSTEM OF ACCOUNTING :

The firm adopts accrual basis of accounting in the preparation of accounts.

FIXED ASSETS AND DEPRECIATION:

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on reducing balance method at the rates given in the Income Tax Rules, 1962.

INVENTORIES :

Inventories are valued as follows:

Construction Material

At Lower of cost and net realizable value. However, materials and other items are not written down below cost if the constructed units in which they are used are expected to be sold at or above cost. Cost is determined on FIFO basis.

Land

At Lower of cost and net realizable value.

Completed Construction and Work in Progress

At Lower of cost and net realizable value. Cost includes direct materials, labour, Project specific direct and indirect expenses and pro-rata unrealised cost from development of EWS/LIG units.

REAL ESTATE PROJECTS

- a) Revenue in respect of the projects 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, as considered appropriate by the management based on circumstantial status of the project.
- b) Selling Expenses related to projects are charged to Profit & Loss Account in the year in which corresponding revenue is recognised based on (a) above.

OTHER INCOME

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

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates/ assumptions 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 recognised in the period in which the results are known/ materialised.

- 2 In accordance with Accounting Standard 17 "Segment Reporting" as issued by ICAI, the Firm has determined its business segment as Real Estate Business. Since there are no other business segments in which the Firm 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.



3 Related parties and transactions with them as specified in the Accounting Standard 18 on "Related Parties, Disclosures" issued by ICAI 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

		<u>Transactions</u>	
		<u>2015-2016</u>	<u>2014-2015</u>
		₹	₹
a) Enterprises that directly, or indirectly through one or more intermediaries, Control or are controlled by or are under common control with the Firm (including holding companies, subsidiaries and fellow Subsidiaries) :			
i) Ashiana Housing Limited (Holding Company)	Establishment Charges	12,076,965	10,324,123
	Personnal Cost	10,434,785	7,903,952
	Interest Paid	-	1,091,869
	Year end Payable/(Receivable)	Nil	Nil
ii) Ashiana Maintanace Services Limited (Fellow Subsidiary)	Referral Fees Paid	1,487,500	1,485,000
	Maintenance Charges Paid	137,160	-
	Year end Payable/(Receivable)	Nil	Nil
b) Enterprises over which any individual owning directly or indirectly, an interest in the capital of the firm is able to exercise significant influence:			
i) Megha Colonizers	Fixed Assets Purchases	2,730,731	24,400,637
	Year end Payable/(Receivable)	Nil	Nil

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

Signatures to Notes 1 to 15

In terms of our report of even date attached herewith

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

Abhishek Gupta

Abhishek Gupta
Partner
Membership No: 529082
Place: New Delhi
Date: 19th May, 2016



For **ASHIANA HOUSING LIMITED**

[Signature]
Ashiana Housing Ltd Director

For **Manglam Build Developers Ltd.**

[Signature]
Manglam Build Developers Ltd. Partners
Director

[Signature]
Ram Babu Agarwal

VISTA HOUSING (REGD.)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-2016	2014-2015
	₹	₹
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	3,449,415	858,830
Adjusted for :		
Depreciation	6,159,791	4,387,648
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>9,609,206</u>	<u>5,246,478</u>
Adjusted for :		
Trade and other receivables	(78,076,543)	(70,646,058)
Inventories	(386,157,968)	(335,411,170)
Trade Payables and other current liabilities	422,901,899	593,471,996
CASH GENERATED FROM OPERATIONS	<u>(31,723,406)</u>	<u>192,661,246</u>
Direct Taxes paid / adjusted	(1,512,264)	(441,058)
Cash flow before extra ordinary items	(33,235,670)	192,220,188
Extra Ordinary items	-	-
Net cash from Operating activities (A)	<u><u>(33,235,670)</u></u>	<u><u>192,220,188</u></u>
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(3,666,117)	(40,030,062)
Net Cash from investing activities (B)	<u><u>(3,666,117)</u></u>	<u><u>(40,030,062)</u></u>
CASH FLOW FROM FINANCING ACTIVITIES :		
Contribution/(withdrawals) from partners	(58,741,849)	(103,217,403)
Net Cash from Financing activities (C)	<u><u>(58,741,849)</u></u>	<u><u>(103,217,403)</u></u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	<u><u>(95,643,637)</u></u>	<u><u>48,972,723</u></u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>71,567,203</u>	<u>22,594,480</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>(24,076,434)</u></u>	<u><u>71,567,203</u></u>

01. 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

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Place: New Delhi
Date: 19th May, 2016



For ASHIANA HOUSING LIMITED

Director

Director

Ashiana Housing Ltd

For Manglam Build Developers Ltd.

NRG

Manglam Build Developers Ltd.

Director

Partners

Ram Babu

Ram Babu Agarwal