

**VISTA HOUSING**

**F.Y.2014-15**

**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, 2015, 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, 2015 ;
- (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.

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



*Abhishek Gupta*  
Abhishek Gupta  
Partner

Membership No.: 529082

Place: New Delhi  
Date: 18<sup>th</sup> May, 2015

VISTA HOUSING (REGD.)

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Notes	AS AT		AS AT	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
		₹	₹	₹	₹
<b>SOURCES OF FUND</b>					
Partners' Account	1				
a) Manglam Partners					
i) Capital Accounts		64,375,903		55,570,354	
ii) Preferential Profit Account		<u>(148,426,051)</u>		<u>(86,600,000)</u>	
		<u>(84,050,148)</u>		<u>(31,029,646)</u>	
b) Ashiana Housing Ltd					
i) Capital Account		211,473,022		243,313,569	
ii) Preferential Profit Account		<u>(17,776,526)</u>			
		<u>193,696,497</u>	109,646,349	<u>243,313,569</u>	212,283,923
<b>Current Liabilities</b>					
Advance from Customers	2	620,061,956		38,477,910	
Trade Payables	3	12,758,907		6,336,796	
Other Current Liabilities	4	<u>6,913,577</u>	639,734,440	<u>1,447,738</u>	46,262,444
			<u>749,380,789</u>		<u>258,546,367</u>
<b>ASSETS</b>					
<b>Non-current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	5		37,066,707		1,424,293
<b>Current Assets</b>					
Inventories	6	557,322,644		221,911,474	
Trade Receivables	7	1,711,374		144,954	
Cash & Cash Equivalents	8	71,567,203		22,594,480	
Short Term Loans & Advances	9	<u>81,712,861</u>	712,314,082	<u>12,471,165</u>	257,122,074
			<u>749,380,789</u>		<u>258,546,367</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

*Abhishek Gupta*  
Abhishek Gupta  
Partner  
Membership No: 529082  
Place: New Delhi  
Date: 18th May, 2015

For ASHIANA HOUSING LIMITED

*[Signature]*  
Ashiana Housing Ltd

Director

*NKS*  
Manglam Build Developers Ltd.

Partners

*[Signature]*  
Ram Bebu Agarwal



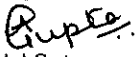
VISTA HOUSING (REGD.)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AT 31ST MARCH, 2015


Particulars	Notes	2014 - 2015	2013 - 2014				
		₹	₹				
<b>INCOME</b>							
Other Income	10	858,830	-				
		<u>858,830</u>	<u>-</u>				
<b>EXPENDITURE</b>							
Direct Cost:							
Purchases	11	8,646,096	54,099,666				
Project Expenses	12	318,554,629	27,282,985				
Change in Inventories	13	(927,200,725)	(81,382,651)				
		<u>-</u>	<u>-</u>				
<b>PROFIT BEFORE TAX</b>		858,830	-				
Tax Expenses:	14	279,000	-				
<b>PROFIT FOR THE YEAR</b>		<u>579,830</u>	<u>-</u>				
<b>Appropriation of Profit</b>							
	<u>Preferential Profit</u>	<u>Preferential Profit</u>	<u>Balance Profit</u>	<u>Net Total</u>			
	<u>{Ashiana}</u>	<u>{Manglam Partners} upto</u>					
		<u>Cumulative Rs. 8.66 Cr.</u>					
	<u>15%</u> <u>Taxation</u>	<u>30%</u> <u>Taxation</u>	<u>55%</u> <u>Taxation</u>				
Ram Babu Agarwal	N/A	N/A	12.50%	59,045	19,181	39,864	-
Manglam Build Developers Ltd.	N/A	N/A	37.50%	177,134	57,544	293,539	-
Ashiana Housing Ltd.	128,825	41,850	50.00%	236,178	76,725	246,428	-
	<u>128,825</u>	<u>41,850</u>		<u>472,357</u>	<u>153,450</u>	<u>579,830</u>	<u>-</u>

Cumulative Preferential Profit accrued 128,825 257,649  
 Gross Entitlement to Preferential Profit as on 31.03.2015 150,000,000 410,000,000


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  
  
 Abhishek Gupta  
 Partner  
 Membership No: 529082  
 Place: New Delhi  
 Date: 18th May, 2015


For ASHIANA HOUSING

  
 Ashiana Housing Ltd

Director

NKS  
  
 Manglam Build Developers Ltd.

Partners

  
 Ram Babu Agarwal



**NOTES TO THE ACCOUNTS**

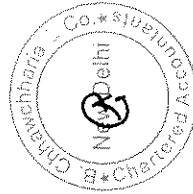
	As at 31.03.2015		As at 31.03.2014	
	₹		₹	
<b>1 PARTNERS' ACCOUNT</b>				
<b>a) MANGLAM PARTNERS</b>				
<b>i) Capital Accounts</b>				
Rambabu Agarwal				
Opening Balance	17,340,840		-	
Net (Dr.)/ Cr. during the period	-		17,340,840	
Add: Share of Profit	39,864	17,380,704	-	17,340,840
	<u>17,380,704</u>		<u>17,340,840</u>	
Manglam Build Developers Ltd				
Opening Balance	38,229,514		4,695,542	
Net (Dr.)/ Cr. during the period	8,646,096		33,533,972	
Add: Share of Profit	119,590	46,995,200	-	38,229,514
	<u>47,095,300</u>		<u>38,229,514</u>	
		<u>64,375,903</u>		<u>55,570,354</u>
<b>ii) Preferential Profit Account</b>				
Rambabu Agarwal				
Opening Balance	-		-	
Net (Dr.)/ Cr. during the period	(19,000,000)		-	
Add: Share of Preferential Profit	-	(19,000,000)	-	
	<u>(19,000,000)</u>		<u>-</u>	
Manglam Build Developers Ltd				
Opening Balance	(86,600,000)		(18,995,200)	
Net (Dr.)/ Cr. during the period	(43,000,000)		(67,604,800)	
Add: Share of Preferential Profit	173,949	(129,426,051)	-	(86,600,000)
	<u>(118,656,051)</u>		<u>(67,604,800)</u>	
		<u>(148,426,051)</u>		<u>(86,600,000)</u>
		<u>(84,050,148)</u>		<u>(31,029,646)</u>
<b>b) ASHIANA</b>				
<b>i) Capital Account</b>				
Ashiana Housing Ltd				
Opening Balance	243,313,569		148,342,785	
Net (Dr.)/ Cr. during the period	(32,000,000)		94,970,784	
Add: Share of Profit	159,453	211,473,022	-	243,313,569
	<u>211,473,022</u>		<u>148,342,785</u>	
		<u>193,696,497</u>		<u>243,313,569</u>
		<u>109,646,349</u>		<u>212,283,923</u>
<b>2 ADVANCE FROM CUSTOMERS</b>				
Customer Advance		620,061,956		38,477,910
		<u>620,061,956</u>		<u>38,477,910</u>
<b>3 TRADE PAYABLES</b>				
Sundry Creditors		12,758,907		6,336,796
		<u>12,758,907</u>		<u>6,336,796</u>
<b>4 OTHER CURRENT LIABILITIES</b>				
Security deposits		1,673,977		139,878
Other liabilities		5,239,600		1,307,860
		<u>6,913,577</u>		<u>1,447,738</u>



**NOTES TO THE ACCOUNTS**

**5 FIXED ASSETS**

PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK		
	As at 01.04.2014 ₹	Additions ₹	As at 31.03.2015 ₹	Upto 31.03.2014 ₹	For the Year ₹	Up to 31.03.2015 ₹	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>TANGIBLE ASSETS</b>								
PLANT & MACHINERY	768,039	39,061,129	39,829,168	57,603	3,954,426	4,052,029	35,777,139	710,436
OFFICE FACILITIES & EQUIPMENTS	188,947	207,500	396,447	14,171	57,341	71,512	324,935	174,776
FURNITURE & FIXTURES	264,073	619,003	883,076	13,204	77,496	90,700	792,376	250,869
COMPUTERS	411,731	142,430	554,161	123,519	238,385	381,904	172,257	288,212
<b>TOTAL</b>	<b>1,632,790</b>	<b>40,030,062</b>	<b>41,662,852</b>	<b>208,497</b>	<b>4,367,648</b>	<b>4,596,145</b>	<b>37,066,707</b>	<b>-</b>
<b>PREVIOUS YEAR FIGURES</b>	<b>-</b>	<b>1,632,790</b>	<b>1,632,790</b>	<b>-</b>	<b>208,497</b>	<b>208,497</b>	<b>-</b>	<b>1,424,293</b>



**NOTES TO THE ACCOUNTS**

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>6 INVENTORIES</b>		
<b>Stock</b> (As taken, valued and certified by the management)		
Land	196,441,304	187,795,208
Work-in-Progress	349,213,894	30,659,265
Construction Materials	11,667,446	3,457,001
	<u>557,322,644</u>	<u>221,911,474</u>
<b>7 TRADE RECEIVABLES</b>		
(Unsecured, considered Good)		
Due for Less than six months	1,711,374	144,954
	<u>1,711,374</u>	<u>144,954</u>
<b>8 CASH AND CASH EQUIVALENTS</b>		
Cash-in-hand	205,669	242,285
Cheques-in-hand	-	14,000,000
Balances with Scheduled Banks :		
In Current Account	61,361,534	8,352,195
In Fixed Deposit	10,000,000	-
	<u>71,567,203</u>	<u>22,594,480</u>
<b>9 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered Good)		
Advance against purchase of EVWS/LIG units	46,049,297	5,100,000
Advances Recoverable in Cash or in Kind or for value to be Received	822,508	2,956,283
Unaccrued Selling Expenses	31,755,303	2,327,337
Deposits	2,923,695	2,087,545
Taxation Advances (Net of Provisions)	162,058	-
	<u>81,712,861</u>	<u>12,471,165</u>
	<u>2014-2015</u> ₹	<u>2013-2014</u> ₹
<b>10 OTHER INCOME</b>		
Interest : on Fixed Deposits (Includes TDS Rs. 30,295/-, P.Y. Nil)	302,957	-
Others	538,936	-
Liabilities Written Back	6,937	-
Miscellaneous Income	10,000	-
	<u>858,830</u>	<u>-</u>
<b>11 PURCHASES</b>		
Land	8,646,096	54,099,666
	<u>8,646,096</u>	<u>54,099,666</u>
<b>12 PROJECT EXPENSES</b>		
Consumption of construction materials (Indigenous)	200,201,758	6,236,364
Wages	10,919,015	1,209,679
PRW charges	31,054,214	1,774,824
Power & Fuel	2,110,113	78,270
Architects' Fee and Consultancy Charges	3,398,470	1,721,542
Other Direct Construction Expenses	15,160,748	12,990,893
Statutory Levies and Taxes	6,957,764	222,305
Approvals	22,901,625	871,192
Personnel Cost	6,819,724	745,347
Establishment Charges	10,324,123	442,070
Interest		
- To a Partner	1,091,869	103,236
- Others	132,009	7,388
Auditors' Remuneration:		
For Audit	300,000	100,000
For Internal Audit	90,000	-
For Other services	35,500	18,000
Travelling & conveyance	542,147	250,596
Rent	154,333	-
Legal and Professional Fees	89,364	105,500
Repair & Maintenance		
To Machineries	677,734	-
To Others	55,013	15,280
Project Insurance	255,609	-
Telephone, Telex & Fax	290,306	46,985
Printing & Stationery	420,490	107,860
Miscellaneous Expenses	185,052	27,158
Depreciation	4,387,648	208,497
	<u>318,554,629</u>	<u>27,282,985</u>



**NOTES TO THE ACCOUNTS**

	<u>2014-2015</u>		<u>2013-2014</u>	
	₹		₹	
<b>13 CHANGES IN INVENTORIES</b>				
<u>Opening Stock</u>				
Land	187,795,208		133,695,542	
Work-in-Progress	<u>30,659,265</u>	218,454,473	<u>3,376,280</u>	137,071,822
<u>Less: Closing 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>(327,200,725)</u>		<u>(81,382,651)</u>
<b>14 TAX EXPENSES</b>				
Income Tax		<u>279,000</u>		<u>-</u>
		<u>279,000</u>		<u>-</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.
Unsold 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 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**

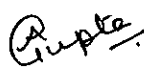
		<u>Transactions</u>	
		<u>2014-2015</u>	<u>2013-2014</u>
		₹	₹
a) Enterprises that directly, or indirectly through one or more intermediaries, Control or are controlled by or are under common control with the Firm (including holding companies, subsidiaries and fellow Subsidiaries) :			
i) Ashiana Housing Limited (Holding Company)			
	Establishment Charges	10,324,123	442,070
	Personal Cost	7,903,952	618,034
	Interest Paid	1,091,869	103,036
	Year end Payable/(Receivable)	Nil	Nil
ii) Ashiana Maintenance Services Limited (Fellow Subsidiary)			
	Referral Fees Paid	1,485,000	375,000
	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	24,400,637	Nil
	Year end Payable/(Receivable)	Nil	Nil

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

Signatures to Notes 1 to 15

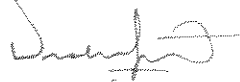
In terms of our report of even date attached herewith

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


  
Abhishek Gupta  
Partner  
Membership No: 529082  
Place: New Delhi  
Date: 18th May, 2015



FOR ASHIANA HOUSING LIMITED

  
\_\_\_\_\_  
Ashiana Housing Ltd Director

  
\_\_\_\_\_  
Manglam Build Developers Ltd. Partners

  
\_\_\_\_\_  
Ram Babu Agarwal