Arihant
Foundations & Housing Ltd

20th October, 2016

To,

National Stock Exchange Limited,
Manager_ Listing *022-26598237*

Bombay Stock Exchange Limited,
General Manager- DCS *022-22723121*

Dear Sir/Madam,

Sub: 23rd Annual General Meeting (AGM) and Annual Report

In continuation to our letter dated September 16, 2016 on 23rd Annual General Meeting of the Company held on September 30, 2016 and the voting results, we have attached the 3) Annual Report for the financial year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

However, we are submitting the same again in the respective column in the NEAPS portal to ensure due compliance.

This is for your information and records.

Thanking you,

For **ARIHANT FOUNDATIONS & HOUSING LIMITED**

Meenakshi
Company Secretary

CORPORATE STRUCTURE

BOARD OF DIRECTORS

Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	CFO and Whole time Director
Mr. Bharatkumar Jain	Whole time Director
Mr. A Damodaran	Director
Mr. A.L Jayabhanu	Director
Mr. Ravikant Choudhary	Director
Mr. Harish Trivedi*	Director
Mr. Karan Bhasin	Director
Mrs. Ann Gonsalvez**	Director

*Resigned from the Board with effect from 25.03.2015
**Appointed on 25.03.2015

COMPANY SECRETARY

Mrs. J. Meenakshi — Company Secretary

AUDITORS

M/s. B.P Jain & Co., Chartered Accountants
No.2, Gee Gee Minar, 23, College Road,Chennai- 600006

BANKERS

HDFC Limited
ICICI Bank Ltd
Kotak Mahindra Bank
Standard Chartered Bank
Vijaya Bank

LEGAL ADVISOR

K Venkatasubramanian
Old No. 23, New No. 36, 2nd Floor, Thambaiah Reddy Street Extn.,
West Mambalam, Chennai.

REGISTERED OFFICE

271, (Old no.182), Poonamallee High Road,
"Ankur Manor", 1st Floor, Off. McNichols Road, Kilpauk, Chennai- 600010

CORPORATE OFFICE

No.3, Ganapathy Colony, Off. Cenotaph Road, Teynampet, Chennai- 600018

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited
V Floor, Subramanian Building,
No.1, Club House Road,
Anna Salai, Chennai- 600002

INTERENAL AUDITORS

M/s. Ernst & Young LLP

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NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Shareholders of Arihant Foundations and Housing Limited will be held on Friday the 30th day of September, 2016 at "Arihant Escapade", Devaraj Nagar, No. 48, Okkiyum, Thoraipakkam, Chennai- 600097 at 9.30 A.M. to transact with or without modifications, as may be permissible the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the standalone Financial Statements for the period ended 31.03.2016 and the consolidated financial statements for the period ended 31.03.2016 together with the Directors' Report and the Auditor' Report.

2. To appoint a Director in place of Mr. Bharatkumar Jain (DIN: 00083236), who retires by rotation and being eligible, offers himself for reappointment.

3. To ratify the appointment of M/s. B.P. Jain & Co., Chartered Accountants, Chennai as Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of 24th Annual General Meeting and to authorise the Directors to fix their remuneration by passing the following resolution as a Ordinary Resolution.

   "**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules/orders framed there under, as amended from time to time, the appointment of M/s. B.P. Jain & Co., Chartered Accountants, (Firm Regn No. 050105S) Chennai, as Statutory Auditors of the Company for the Financial year ending on 31st March 2017 be and is hereby ratified to hold office till the conclusion of the 24th Annual General Meeting, at remuneration and reimbursement of out of pocket expenses to be decided by the Board of Directors."

SPECIAL BUSINESS:

4. To consider, and if thought fit, pass with or without modification, the following resolution as on Ordinary Resolution.

   "RESOLVED THAT pursuant to Section 20(2) of the Companies Act, 2013 authority be and is hereby granted to anyone of the Directors of the Company to charge the actual cost incurred by the Company as fee from any share holder for delivery of any document required to be served on him by any preferred mode of delivery."

5. **Re-appointment of Mr Kamal Lunawath as Managing Director and to fix the remuneration**

   To consider, and if thought fit, pass with or without modification, the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and all the applicable Rules or any statutory modification(s) or re enactment thereof approval of the Share holders be and is hereby granted for re-appointment of Mr. Kamal Lunawath (DIN: 00087324) as the Managing Director of the Company for a period of five years with effect from 01-11-2015 as per the terms and conditions recommended by the Nomination and Remuneration Committee of Directors (NRC) and the Board of Directors

   RESOLVED FURTHER THAT Mr. Kamal Lunawath shall not retire by rotation in terms of article 146 of the Articles of Association of the company, while he continues as Managing Director;

   RESOLVED FURTHER that as per the recommendations of the NRC and the Board of Directors of the Company, the approval of the shareholders be and is hereby accorded under Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and the applicable Rules or any statutory modification(s) or re enactment thereof, for payment of remuneration to Mr. Kamal Lunawath, Managing Director of the Company, by way of salary, perquisites and allowances totalling up to a maximum of Rs.1,00,000/- (Rupees One lakh only) per month for a period of three years from 01-11-2015 to 31-10-2018, with an authority to the Board of Directors to decide on the quantum of remuneration payable under each head, viz., salary, allowances and perquisites as may be agreed mutually between the Board of Directors and Mr Kamal Lunawath, Managing Director.

REMUNERATION DETAILS:

Salary/Special Allowance	Not to exceed Rs.1,00,000/- per month for the period of three years (i.e., 01-11-2015 to 31-10-2018)

RESOLVED FURTHER that Mr. Kamal Lunawath, Managing Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- Provision of car with driver for business use.
- Provision of telephone at residence and mobile phone for business use
- Reimbursement of entertainment expenses and travelling expenses actually incurred for the conduct of the business of the Company, subject to a reasonable ceiling as may be fixed by the Board from time to time.
- Other expenses incurred by him in relation to the discharge of his duties in relation to the business of the Company .

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration payable to Mr. Kamal Lunawath (DIN: 00087324).

6. **Re-appointment of Mr Vimal Lunawath as Whole Time Director and to fix the remuneration**

To consider, and if thought fit, pass with or without modification, the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and all the applicable Rules or any statutory modification(s) or re enactment thereof approval of the Share Holders be and is hereby granted for re-appointment of Mr. Vimal Lunawath (DIN: 00586269) as the Whole-Time Director of the Company for a period of five years with effect from 01-11-2015 as per the terms and conditions recommended by the Nomination and Remuneration Committee of Directors (NRC) and the Board of Directors."

RESOLVED FURTHER that as per the recommendations of the NRC and the Board of Directors of the Company, the approval of the shareholders be and is hereby accorded under Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and the applicable Rules or any statutory modification(s) or re enactment thereof, for payment of remuneration to Mr. Vimal Lunawath, Whole-Time Director of the Company, by way of salary, perquisites and allowances totalling up to a maximum of Rs.1,00,000/- (Rupees One lakh only) per month for a period of three years from 01-11-2015 to 31-10-2018, with an authority to the Board of Directors to decide on the quantum of remuneration payable under each head, viz., salary, allowances and perquisites as may be agreed mutually between the Board of Directors and Mr Vimal Lunawath, Whole-Time Director.

REMUNERATION DETAILS:

Salary/Special	Not to exceed Rs.1,00,000/- per month for the period of three years (i.e., 01-11-2015 to 31-10-2018)

RESOLVED FURTHER that Mr. Vimal Lunawath, Whole-Time Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- Provision of car with driver for business use.
- Provision of telephone at residence and mobile phone for business use.
- Reimbursement of entertainment expenses and travelling expenses actually incurred for the conduct of the business of the Company, subject to a reasonable ceiling as may be fixed by the Board from time to time.
- Other expenses incurred by him in relation to the discharge of his duties in relation to the business of the Company

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration payable to Mr. Vimal Lunawath (DIN: 00586269).

7. Approval for making Investments in Securities

To consider, and if thought fit, pass with or without modification, the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 186 of the Act and other applicable provisions, if any, the consent of the share holders of the company be and is hereby granted to make further investments of a sum not exceeding Rs. 100 Crores by way of subscription and/or purchase of securities either in Wholly owned subsidiaries, Joint Ventures, Associates and or any other company as may be required for the purpose of the business of the Company, notwithstanding that such investment or such investment together with the company's existing loans and investment in all other bodies corporate shall be in excess of the limits prescribed under section 186 of the Act.

RESOLVED FURTHER THAT the Board of directors of the company or any other committee duly constituted for this purpose be and is hereby authorized to do all such acts, deeds, matters and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of directors to be in the interest of the company."

8. Approval of Material Related Party Transactions

To consider, and if thought fit, pass with or without modification, the following resolution as an ordinary Resolution:

"**RESOLVED THAT** approval be and is hereby accorded pursuant to Regulation 23 of SEBI (Listing Regulations and Disclosure Requirements) Regulation, 2015 and applicable provisions of Companies Act, 2013 if any, for the transactions entered into by the Company with the related parties during the period ended 31st March 2016 and for the period ended August 2016, as mentioned below, and considered material under the said Regulation,:-

Name of the Related Party	Nature of Transactions as per the Listing Agreement / the Companies Act, 2013	Amount (Rs . in crores)	Nature of relationship
Varenya Constructions Limited	Sale / Purchase of goods, services and availing and rendering services / availing of loan/ providing Guarantee	45.84 crs	Wholly-owned subsidiary
Escapade Real Estate Private Limited	Sale/Unsecured Loan	23.63 crs	Joint Venture
Arihant Unitech Realty Projects Limited	Guarantee given & services rendered	61.53 crs	Joint Venture
Northtown Estates Private Limited	Guarantee given	110.67 crs	Joint Venture
Mr.Kamal Lunawath	Loan Provided to company/Loan repaid & Remuneration	8.27 crs	Managing Director
Mr.Vimal Lunawath	Loan Provided to company/Loan repaid & Remuneration	3.69 crs	CFO & Whole-Time Director

By Order of the Board
For Arihant Foundations & Housing Limited

Sd/-
(J Meenakshi)
Company Secretary

Place: Chennai
Date: 26.05.2016

I. Notes:

1. The explanatory statements pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business under item No. 4 to 8 as set out above are annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

3. Proxy to valid should be deposited with the company not later than forty eight hours before the time for holding the meeting. No Person can act as a Proxy on behalf of a member not exceeding fifty and holding in the aggregate not more than the 10% of the total Share Capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such proxy shall not be act as a proxy for any other person or shareholder.

4. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature on the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 30.09.2016 (Both days inclusive).

6. Members holding shares in physical form are requested to intimate immediately, changes, if any, in their registered addresses, Bank Mandate and Status, quoting their Folio Numbers, to the Share Transfer Agents of the Company M/s Cameo Corporate Services Limited, "Subramanian Building", No.1, Club House Road, Chennai – 600 002.

7. Details under Reg. 36(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.

8. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained and The Register of Contracts or Arrangements in which Directors are interested maintained will be available for inspection of the members at the Annual General Meeting.

9. Members are requested to bring their copies of Annual Report to the meeting. The Attendance slips duly completed should be handed over at the entrance of the meeting hall.

10. Electronic copy of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website www.arihantfoundations.com for their download.

11. Members desiring any clarification on Accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.

12. Pursuant to the provisions of sections 107 and 108, read with Companies(Management and Administration) Rules 2014, and in accordance with the requirements of listing agreement the company is pleased to offer e –voting facility to all the members of the company. The company has entered into an agreement with Central Depository services Limited(CDSL) for facilitating e –voting. The Board of Directors has appointed Mrs. G. Subhasree, Practising Company Secretary, Chennai, as the Scrutinizer for conducting the e-voting process for the Twenty Third Annual General Meeting in a fair and transparent manner

• The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

• The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again

• The voting period begins on 27th September, 2016 at 9 AM and ends on 29th September, 2016 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

13. The Procedure and instructions for members for voting through electronic means are as under:

i) The shareholders should log on to the e-voting website www.evotingindia.com.

ii) Click on Shareholders.

iii) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

vii) After entering these details appropriately, click on "SUBMIT" tab.

viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x) Click on the EVSN: 160830082 or the relevant ARIHANT FOUNDATIONS AND HOUSING LIMITED on which you choose to vote.

xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile

xvii) Note for Non – Individual Shareholders and Custodians

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

• After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

• The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

• A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

xix) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than Forty Eight hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xx) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.arihantfoundations.com and on the website of CSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

II. DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER Regulation 36(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015:

a) Brief Resume
Mr. Bharatkumar Jain, 40 is an undergraduate and associated with the Company for the past 10 years.

b) Nature of expertise
He specializes in Project execution. He possess 14 years of experience in execution of Township Project, large residential complex and industrial projects

c) Listed cos' directorship and committee membership
Mr. Bharatkumar Jain does not hold any Directorship or committee membership in any other listed Company.

d) Relationship between the directors interse Mr. Bharatkumar Jain is not related to any of the Directors.

e) Re-appointment of retiring Director: (item no. 2)
Mr. Bharatkumar Jain is a Whole Time Director. He holds 16300 shares in the Company.

Except Mr. Bharatkumar Jain, none of the Directors and the Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise in the resolution set out at Item no. 2.

By Order of the Board
For Arihant Foundations & Housing Limited
Sd/-
(J Meenakshi)
Company Secretary

Place: Chennai
Date: 26.05.2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4
As per the proviso to Section 20(2) of the Companies Act, 2013, a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting. The Company shall charge the actual cost incurred for delivery of document to be served on a member through a preferred mode.

The Board recommends the ordinary resolution seeking consent of the members as set out in ITEM NO.4 of the notice for approving the delivery of any document through preferred mode by charging actual cost incurred

ITEM NO. 5
Mr. Kamal Lunawath was appointed as the Managing Director of the Company in the year 2005 and reappointed in the year 2010.

In terms of Schedule V of the Companies Act, 2013, payment of remuneration to a managerial person during the financial year when the Company has inadequate profits in excess of the limits specified in the said Schedule requires the approvals of the Nomination and Remuneration Committee, the Board of Directors and shareholders.

Considering the role and the important contributions made by Mr. Kamal Lunawath over the last ten years for the growth of the Company and also taking into account similar sized industries in India, the Nomination and Remuneration Committee and the Board of Directors unanimously approved payment of minimum remuneration as Rs.1,00,000/- per month (the said minimum remuneration) for a period of three years from 01-11-2015 to 31-10-2018 as detailed in the resolution.

The terms of remuneration contained in the resolution may also be treated as an Abstract/compliance under Section 196,197, 203 of the Companies Act, 2013.

Nature of concern/interest: - (as per Section 102 of the Companies Act, 2013)

PERSON	NATURE OF INTEREST IN THE TRANSACTIONS
Directors	Not interested, except Mr. Kamal Lunawath & Vimal Lunawath
Key Managerial Personnel	Not interested, except Mr. Kamal Lunawath and Mr. Vimal Lunawath, Whole-time Director
Relatives of Directors/Key Managerial Personnel	None

Statement containing required information as per the Schedule V (Part II) of the Companies Act, 2013 for Item No.5.

1. GENERAL INFORMATION: (i) Nature of Industry
Construction: The Company is engaged in the Business of Construction and Providing Infrastructure Facility

(ii) Date of commencement
March 6, 1992

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Not applicable

iv) Financial performance based on given indicators (Rs. In lakhs)

Particulars	2011-12	2012-13	2013-14
Total Revenue	14392.54	6912.859	7341.98
Profit before tax	275.224	227.128	158.047
Profit after tax	213.253	167.128	128.855
Networth	16418.28	16585.41	16714.26
Dividend on Equity %	Nil	Nil	Nil

(v) Foreign investments or collaborators, if any: Not Applicable.

II. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details : Mr. Kamal Lunawath, 44 is commerce graduate and associated with the Company from past 12 years.

(b) Past Remuneration : Mr. Kamal Lunawath was paid Rs.12 Lakhs as annual remuneration for the financial years 2013-14 and 2014-15 respectively.

(c) Recognition or Awards : Nil.

(d) Job Profile and his Suitability : Mr. Kamal Lunawath specializes in Strategic Planning and Management. He possesses commendable experience of 23 years in real estate and construction industry. He was appointed as Managing Director for a period of 5 years with effect from 01.11.2010. The terms of appointment was approved by the shareholders at the Annual General Meeting held on 31.03.2011. The tenure of his office expired on 01st November, 2015 and has been appointed by the board.

During his tenure he has performed in various areas including Projects, fund Management and planning etc.

(e) Remuneration Proposed: The remuneration proposed is detailed in the resolution.

(f) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person

The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

Mr. Kamal Lunawath has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his remuneration &certain other related party transactions which are disclosed elsewhere in this report in the capacity of a Managing Director. As on date he holds 7,49,100 shares in the Company in his personal capacity.

III.OTHER INFORMATION:

(a) Reasons of loss or inadequate profits

During the year your Company has filed a joint compromise memo with the DRAT contesting the disputed interest and settled the interest payable to HUDCO as a full and final settlement further to the settlement of principle amount made during the last financial year on the long pending claim filed against the Company by HUDCO before the Debt Recovery Tribunal (DRT), whereby the DRT vide its order dated 26/08/2011 ordered for payment of interest of 9% p.a. on Rs. 15,48,54,845/- with interest pendent lite and future thereon from 1.7.2004. This has significantly brought down the profits of your Company. Other reasons for losses are;

- General Economy slowdown of the country;
- Slack in demand due to economical situation around the country;
- Pressure on pricing;
- High Interest rates.

(b) Steps taken or proposed to be taken for improvement. The Company has taken several initiatives including Strategic Planning to reduce the break even point and to Enhance performance. The Company has also outsourced certain functions in order reduce the cost and to avail specialized skills,. These measures are expected to result in substantial improvement in the functioning of the Company.

(c) Expected increase in productivity and profit in measurable terms. Though the Infrastructure Industry is following a downturn, in anticipation of revival of the market in the near future ,the above steps taken/proposed to be taken by the Company are expected to increase the productivity and profits of the Company.

IV. DISCLOSURES:

(a) The shareholders of the Company shall be informed of the remuneration package of the managerial person:
Details furnished in the resolution.

(b) Other Disclosures:
Not Applicable.

The special resolution as set out against item no. 5 was approved by the Nomination & Remuneration Committee and the Board at their respective meetings held on October 19, 2015.

ITEM NO. 6

Mr. Vimal Lunawth was appointed as the Whole Time Director of the Company in the year 2005.

In terms of Schedule V of the Companies Act, 2013, payment of remuneration to a managerial person during the financial year when the Company has inadequate profits in excess of the limits specified in the said Schedule requires the approvals of the Nomination and Remuneration Committee, the Board of Directors and shareholders.

Considering the role and the important contributions made by Mr. Vimal Lunawath over the last ten years for the growth of the Company and also taking into account similar sized industries in India, the Nomination and Remuneration Committee and the Board of Directors unanimously approved payment of minimum remuneration as Rs.1,00,000/- per month (the said minimum remuneration) for a period of three years from 01-11-2015 to 31-10-2018 as detailed in the resolution.

The terms of remuneration contained in the resolution may also be treated as an Abstract/compliance under Section 196,197, 203 of the Companies Act, 2013.

Nature of concern/interest: - (as per Section 102 of the Companies Act, 2013)

PERSON	NATURE OF INTEREST IN THE TRANSACTIONS
Directors	Not interested, except Mr. Vimal Lunawath and Mr. Kamal Lunawath
Key Managerial Personnel	Not interested, except Mr. Kamal Lunawath and Mr. Vimal Lunawath, Whole-time Director
Relatives of Directors/Key Managerial Personnel	None

Statement containing required information as per the Schedule V (Part II) of the Companies Act, 2013 for Item No.6.

1. GENERAL INFORMATION:

(i) Nature of Industry
Construction: The Company is engaged in the Business of Construction and Providing Infrastructure Facility

(ii) Date of commencement
March 6, 1992

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Not applicable

(iv) Financial performance based on given indicators (Rs. In lakhs)

Particulars	2011-12	2012-13	2013-14
Total Revenue	14392.54	6912.859	7341.98
Profit before tax	275.224	227.128	158.047
Profit after tax	213.253	167.128	128.855
Networth	16418.28	16585.41	16714.26
Dividend on Equity %	Nil	Nil	Nil

(v) Foreign investments or collaborators, if any:
Not Applicable.

II. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details
Mr. Vimal Lunawath, 43 is commerce graduate and associated with the Company for the past 12 years.

(b) Past Remuneration
Mr. Vimal Lunawath was paid Rs.12 Lakhs as annual remuneration for the financial years 2013-14 and 2014-15 respectively.

(c) Recognition or Awards
Nil.

(d) Job Profile and his Suitability
Mr. Vimal Lunawath has extensive experience in Project Management. He possesses 20 years of commendable experience in real estate and construction industry. He was appointed as Whole-Time Director for a period of 5 years with effect from 01.11.2010. The terms of appointment was approved by the shareholders at the Annual General Meeting held on 31.03.2011. The tenure of his office expired on 01st November, 2015 and has been appointed by the board. During his tenure he has performed in various areas including Projects, fund Management and planning etc.

(e) Remuneration Proposed:
The remuneration proposed is detailed in the resolution.

(f) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person.

The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

Mr. Vimal Lunawath has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his remuneration in the capacity of a Managing Director. As on date he holds 6,96,400 shares in the Company in his personal capacity.

III. OTHER INFORMATION:

(a) Reasons of loss or inadequate profits
During the year your Company has filed a joint compromise memo with the DRAT contesting the disputed interest and settled the interest payable to HUDCO as a full and final settlement further to the settlement of principle amount made during the last financial year on the long pending claim filed against the Company by HUDCO before the Debt Recovery Tribunal (DRT), whereby the DRT vide its order dated 26/08/2011 ordered for payment of interest of 9% p.a. on Rs. 15,48,54,845/- with interest pendent lite and future thereon from 1.7.2004. This has significantly brought down the profits of your Company. Other reasons for losses are;

- General Economy slowdown of the country;
- Slack in demand due to economical situation around the country;
- Pressure on pricing;
- High Interest rates.

(b) Steps taken or proposed to be taken for improvement
The Company has taken several initiatives including Strategic Planning to reduce the break even point and to Enhance performance. The Company has also outsourced certain functions in order reduce the cost and to avail specialized skills,. These measures are expected to result in substantial improvement in the functioning of the Company.

(c) Expected increase in productivity and profit in measurable terms.
Though the Infrastructure Industry is following a downturn, in anticipation of revival of the market in the near future ,the above steps taken/proposed to be taken by the Company are expected to increase the productivity and profits of the Company.

IV. DISCLOSURES:

(a) The shareholders of the Company shall be informed of the remuneration package of the managerial person:
Details furnished in the resolution.

(b) Other Disclosures:
Not Applicable.

The special resolution as set out against item no. 6 was approved by the Nomination & Remuneration Committee and the Board at their respective meetings held on October 19, 2015

ITEM NO.7

The Company being in infrastructure business, the provisions of Section 186 are not applicable to loans granted/guarantee given/ securities offered. The provisions Sec.186 are applicable only in respect of acquisition of securities in bodies corporate excepting in wholly owned subsidiaries. As on date the aggregate amount of the investments in shares/debentures, loans and guarantee(s)/security(ies) made, given, or

provided by the company to other bodies corporate are within the limits provided in Section 186 of the Companies Act, 2013.

Taking into account, the nature of real estate business, the Board proposes to take an approval for investment in securities of bodies corporate in excess of the prescribed limit specified in Section 186 of the Act, from the shareholders of the company. The Board of Directors in its meeting held on August 12,2016 proposed to recommend the special resolution as set out in the notice for approval of the shareholders.

None of the directors save are concerned or interested in this resolution.

ITEM NO.8

All material related party transactions under the SEBI (Listing Regulations and Disclosure Requirements) Regulation, 2015 shall require approval of the shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to a particular transaction or not. Material Related Party Transactions means the transactions to be entered with related parties either individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

The following transactions are material in nature as per Listing Agreement and require the approval of shareholders of the Company by an ordinary resolution and the details of the transactions are given hereunder:

Name of the Related Party	Nature of Transactions as per the Listing Agreement / the Companies Act, 2013	Amount (Rs . in crores)	Nature of relationship
Varenya Constructions Limited	Sale / Purchase of goods, services and availing and rendering services / availing of loan/ providing Guarantee	45.84 crs	Wholly-owned subsidiary
Escapade Real Estate Private Limited	Sale/Unsecured Loan	23.63 crs	Joint Venture
Arihant Unitech Realty Projects Limited	Guarantee given & services rendered	61.53 crs	Joint Venture
Northtown Estates Private Limited	Guarantee given	110.67 crs	Joint Venture
Mr.Kamal Lunawath	Loan Provided to company/Loan repaid & Remuneration	8.27 crs	Managing Director
Mr.Vimal Lunawath	Loan Provided to company/Loan repaid & Remuneration	3.69 crs	CFO & Whole-Time Director

The above contracts / arrangements / transactions were approved by the Audit Committee and by the Board of Directors as required under the Company's Policy on Related Party Transactions. All related parties are requested to abstain from voting as per the LODR.

The Board recommends the ordinary resolution seeking consent of the Members as set out at Item No. 8 of the Notice for approving the transactions entered into by the Company with RPTS during the financial year 2015-16.

Memorandum of Interest

Except Mr Kamal Lunawath & Mr Vimal Lunawath, none of the Directors, Key Managerial Personnel and their Relatives of the Company is interested in this Resolution.

DIRECTORS' REPORT

Your Directors are pleased to present the Directors' Report of your Company together with the Audited Financial Statements and the Auditors' Report for the period ended 31st March, 2016. The summarized financial results for the Financial Year are as under:

WORKING RESULTS:

FINANCIAL PERFORMANCE:

During the year under review, company has Revenue from operation of Rs. 7181.66 Lakhs (Previous Year: Rs. 6608.21 Lakhs) and Other Income of Rs.1183.20 Lakhs (Previous Year: Rs.733.77 Lakhs), and the Gross Profit/ loss of the Company amounted to Rs.(792.55) Lakhs (Previous Year: Rs.158.04 Lakhs). After providing for Interest & Finance charges, and Depreciation, the Profit/Loss after Tax is Rs.(521.63) Lakhs (Previous Year: Rs.128.85 Lakhs).

(Rs. In Lakhs)

S. No.	Particulars	1st January 2015 to 31st March, 2016 (15 Months)	1st October 2013 to 31st December 2014 (15 Months)
I.	**Total Revenue**	8364.860	7341.986
II.	**Total Expenses**	9157.407	7183.938
III	**Profit before exceptional and extraordinary items and tax (I-II)**	(792.546)	158.047
IV	Exceptional items	-	-
V	**Profit before extraordinary items and tax (III -IV)**	(792.546)	158.047
VI	Tax expense:		
	(1) Current tax	47.805	37.000
	(2) Deferred tax	(318.72)	7.807
VII	**Profit (Loss) for the period from continuing operations**	**(521.632)**	**128.855**
VIII	Transfer to Capital Redemption Reserve	**-**	**-**
IX	**Profit (Loss) for the period (VII- VIII)**	**(521.632)**	**128.855**

DIVIDEND

Your directors do not recommend any Dividend for the financial year ended 31st March 2016 as the company had incurred a loss during the current year. Hence, transfer to general reserves is not applicable.

DEPOSITS

During the year under review, the company didn't raise funds by way of fixed deposits from Public.

Subsidiaries & Joint Ventures/Associates

There are four subsidiaries, four joint ventures, one associate of your Company as on 31st March, 2016. M/s Arihant Griha Limited, Vaikunt Housing Limited, Varenya Constructions Limited and Transperent Heights Real Estate Limited are the wholly-owned subsidiaries of your Company. M/s. Arihant Unitech Realty Projects Limited, North Town Estates Private Limited, Mangalagiri Realty Private Limited (formerly known as Arihant Indo-African Infra Developers and Builders Private Limited) and Escapade Real Estate

Private Limited are Joint Venture entities of your Company. M/s. Heirloom Real Estate Private Limited is an Associate Company with 25% stake. Your Company does not have any material non-listed Indian Subsidiary Company. No Company ceases to be Subsidiary and no Company has been made Subsidiary during the year under review. Details of financial statements of subsidiaries is given in AoC-1 as **Annexure 1.**

Performance, Plans and Prospects of your Company

Your Company's current year Projects:

During the year under review, the Company has executed and handed over 3 residential projects covering an area of 4.55 Lakh square feet. The Company's Project managers are guided by policy and principle in the successful implementation and completion of various projects.

ONGOING PROJECTS

Project name	Location	Area (Sqft)
Arihant - Esta (Residential Complex)	Mugappair, Chennai	1,94,145
Arihant Tiara (Residential Complex)	Nandambakkam, Chennai	1,49,568
TOTAL		3,43,713

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments made during the year are given in the notes to the Financial Statements.

DIRECTORS:

Your Directors have played a very important role in the improvement of the Company's Business Performance, Controls, Finances and Accounts, Compliances and Systems. Their active involvement and their critical and supportive monitoring have been of great value. They have brought in a breadth of experience and expertise coupled with commitment to the Company.

A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, the Board has appointed Mrs. Ann Amelia Gonsalvez as an independent woman Director of the Company In terms of section 149 read with section 152 of the Companies Act 2013, earlier in a meeting of the Board and later in the last AGM of the Company; being an Independent Director she is not liable to retire by rotation.

Mr.Harish Trivedi, Director of the Company resigned from the Board on 25.03.2015.

Mr.Ravikant Chaudry, Mr.Damodaran Arumugam and Mr.Karan Bhasin who were earlier Directors of the Company were appointed as independent directors for a period of 5 years from the date of last AGM pursuant to the provisions of Section 149 of the Companies Act, 2013.

In compliance of provisions of section 203 of the Companies Act, 2013 following persons have been designated as Key Managerial Personnel (KMP) of the company.

S. No.	Name	Designation	Designated w.e.f.
1	Kamal Lunawath	Managing Director	04/11/2005
2	Vimal Lunawath	Chief Financial Officer	04/11/2005
3	J. Meenakshi	Company Secretary	23/08/2013

B) DECLARATION BY INDEPENDENT DIRECTORS

A declaration by the Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 was taken on record by the Board in their meeting held on January 7, 2015. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company http://www.arihantfoundations.com/investors-details/code-of-conduct/

The Company has also disclosed the Directors' familiarization programme on its website http://www.arihantfoundations.com/investors-details/code-of-conduct/

The independent directors had met on 19.10.2015 and reviewed the performance of non-executive directors, chairman and executive directors and analyzed the flow of information to the Board. All the Independent directors were present at the meeting.

The Board also evaluated its own performance and that of its committees & Independent Directors.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year, 13(thirteen) Board Meetings and 5 (five) Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE:

The Audit Committee had a number of meetings, both formal and internal interactions with the management team in reviewing Accounts, Finances, Compliances and Risks, and in ensuring improved internal reporting, analyses and financial performances. Given the increasing complexities presented by the new Companies Act and other Laws, the Audit Committee has also focused on Compliance and Governance to meet the needs of the present and the future. When necessary, external consultants have been brought in to support the Committee and the Management team.

We are happy to report to you that governance of your Company is of a high order as a result. Further improvements are being implemented.

Nomination and Remuneration Committee has been active in its role as stipulated in Section 178 of the Companies act 2013. The policy of remuneration of the Directors, KMPs and employees are stated elsewhere in the report.

FINANCE

All taxes and statutory dues have been paid. Payment of interest and instalments to the Financial Institutions and Banks are being made as per schedule. Your Company had not collected any Fixed Deposits during the Financial Year.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on consolidated financial statements read with Accounting Standard AS-23 on investment in associates, AS-27 on financial reporting of interest in Joint Venture, Auditors Report on the consolidated financial statements are provided in the Annual Report.

REPORT ON CORPORATE GOVERNANCE

Your Company ensures good corporate governance by implementing and complying with the policies, standards set out by Securities and Exchange Board of India and other regulatory authorities. The requisite certificate issued by Mrs. G. Subhasree, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, is attached to this Report as **Annexure 2** .

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

The necessary details are furnished in Notes to Financial statements no. 34.

PARTICULARS OF EMPLOYEES:

Details of employees covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure 3 to this annual report. Employees at all levels have performed well.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up by your Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under

this policy. The number of complaints filed during the year was Nil.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties (as defined under the Companies Act, 2013) during the financial year were in the ordinary course of business and on an Arm's length pricing basis, and do not attract the provisions of Section 188 of the Companies Act, 2013 and within the ambit of Reg. 23 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. Approval of shareholders is being sought in the current AGM for material related party transactions. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. http://www.arihantfoundations.com/investors-details/code-of-conduct.

Details of transactions with related parties are given in Form AOC - 2 which is attached to this report as **Annexure 4**.

REMUNERATION POLICY OF THE COMPANY

The objective of the remuneration policy of the Company is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

iii) the directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

iv) the directors have prepared the annual accounts on a going concern basis.

v) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

BUSINESS RISK MANAGEMENT

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks. Pursuant to the requirement of Reg. 17(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Business Risk Management.

Committee and the details of the Committee are as under:

S. No.	Name of the member	Category
1.	Mr. Ravikant Choudhry	Chairman, Non executive, Independent
2.	Mr. A. Damodaran	Member, Non executive, Independent
3.	Mr. Bharatkumar Jain	Member, Executive, Non Independent Director

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Obligation to incur expenses Corporate Social Responsibility are not applicable to your Company for the current year. A CSR committee of the Board however has been constituted and a policy on Corporate Social Responsibility Policy has been uploaded on the Company's website http://www.arihantfoundations.com/investors-details/code-of-conduct/

STATEMENT PURSUANT TO LISTING AGREEMENT

Your Company's shares are listed with the National Stock Exchange of India Ltd and the BSE Ltd. We have paid the respective annual listing fees and there are no arrears.

REPORT ON CORPORATE GOVERNANCE

A Report on Corporate governance is annexed herewith as **Annexure 5.** An extract of Annual Return is attached as **Annexure 6**.

AUDITORS

The Company has appointed M/s B.P Jain & Co., Chartered Accountants (Firm Registration no. 050105S) in the 22nd Annual General Meeting held on 30th June, 2015 on such remuneration as may be fixed by the Board of Directors subject to ratification by the members every year. The ratification of the auditors is proposed during the current year taking into account the provisions of the Act read with Removal of difficulties Third Order dated 30th June 2016. The Auditors have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

INTERNAL AUDITORS

The Internal Auditors M/s. Ernst & Young LLP have played an important role in strengthening the Systems and internal Controls within the Company.

SECRETARIAL AUDIT

The Board appointed Mrs. G.Subhasree, Practising Company Secretary, Chennai to conduct Secretarial Audit for the Financial Year 2015-16. The Secretarial Audit Report for the Financial Year ended March 31, 2016 is attached to this Report as **Annexure 7**.

PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES OF THE COMPANIES ACT, 2013:

a) The ratio of the remuneration of each Director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

S. No.	Name of the Director	Ratio
1.	Mr. Kamal Lunawath	2.275
2.	Mr. Vimal Lunawath	2.275
3.	Mr. Bharatkumar Jain	3.034

b) The median remuneration for the period from January 2015 to March 2016 Rs. 6,59,168/-

c) The percentage increase in remuneration of the Managing Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Mr. Kamal Lunawath – (Managing Director) : N.A.
Mr. Vimal Lunawath – (Chief Financial Officer) : N.A.
Mrs. J.Meenakshi – (Company Secretary) : N.A.

d) The percentage increase in the median remuneration of employees in the financial year: Nil

e) The number of permanent employees on the rolls of company: 29

f) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Increase in remuneration is based on remuneration policy of the Company.

g) If remuneration is as per the remuneration policy of the company: Yes

PERSONNEL

The Board wishes to place on record its appreciation of all employees of the Company, for their wholehearted efforts and contribution to the performance and growth of the Company.

ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the support and co- operation received from CMDA, Corporation of Chennai, Banks and Financial Institutions, Customers, Suppliers and Shareholders and for their continued support. The Board also wish to place its sincere appreciation to the dedicated and committed team of employees.

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

Sd/-	Sd/-
(KAMAL LUNAWATH)	(VIMAL LUNAWATH)
Managing Director	Whole time Director
DIN: 00087324	DIN: 00586269

Place: Chennai
Date: 26.05.2016

Form AOC-1- ANNEXURE -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details			
1.	Name of the subsidiary	**Arihant Griha Ltd**	**Varenya Constructions Ltd**	**Vaikunt Housing Ltd**	**Transparent Heights Real Estate Ltd**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2016	31-03-2016	31-03-2016	31-03-2016
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of	INR	INR	INR	INR
4.	Share capital	500,000	500,000	500,000	500,000
5.	Reserves & surplus	(615,492)	(97,901,189)	(3,249,791)	(5,536,310)
6.	Total assets	80,989,563	308,615,843	12,151,057	4,016,910
7.	Total Liabilities	81,105,055	406,017,032	14,900,848	9,053,220
8.	Investments	0	0	0	0
9.	Turnover	395,055	37,868,618	295,464	577,172
10.	Profit before taxation	(355,808)	(9,465,875)	45,709	68,287
11.	Provision for taxation	0	0	8,996	14,085
12.	Profit after taxation	(355,808)	(9,465,875)	36,713	54,202
13.	Proposed Dividend	0	0	0	0
14.	% of shareholding	100	100	100	100

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations NIL
2. Names of subsidiaries which have been liquidated or sold during the year. NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	**Heirloom Real Estate Private Limited**	**North Town Estates Private Limited (Joint Venture)**	**Escapade Real Estates Private Limited (Joint Venture)**	**Arihant Unitech Realty Projects Limited (Joint Venture)**	**Managalagiri Realty Private Limited (Joint Venture)**
1. Latest audited Balance Sheet Date	31-03-2016	31-03-2016	31-03-2016	31-03-2016	31-03-2016
2. Shares of Associate/Joint Ventures held by the company on the year end					
No. Of shares	2500	25,000	11,00,000	5,00,000	9,42,784
Amount of Investment in Associates/Joint Venture	25,000	2,50,000	11,000,000	5,000,000	91,577,840
Extend of Holding%	25%	50%	66.67%	50%	17%
3. Description of how there is significant influence	Control of over 20%	Control of over 50%	Control of over 50%	Control over 50%	Control of Business decisions under Joint Venture Agreement
4. Reason why the associate/ joint venture is not consolidated	Not considered for consolidation, since carrying amount is Nil, as per AS-23	NA	NA	NA	Not considered for consolidation, since carrying amount is Nil, as per AS-23
5. Net worth attributable to shareholding as per latest audited Balance Sheet	(81,667)	(248,205,870)	140,672,090	248,746,174	61,949,776
6. Profit/Loss for the year					
i. Considered in Consolidation	Nil	(17,662,204)	(18,428,370)	11,756,879	Nil
ii.Not Considered in Consolidation	(21,131)	Nil	Nil	Nil	(4,952,770)

1. Names of associates or joint ventures which are yet to commence operations. NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year. NIL

ANNEXURE 2

REPORT ON CORPORATE GOVERNANCE
(as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

A good Corporate Governance creates values through entrepreneurism, innovation, developments, exploration and provides accountability, transparency and meets its shareholders aspirations and social expectations.

ARIHANT endeavors to achieve highest level of transparency, accountability towards its shareholders. The Company is constantly engaged in improving more value creation to its stakeholders, namely shareholders, customers, employees, lenders, Government, suppliers and the society.

2. BOARD OF DIRECTORS

(I) COMPOSITION OF BOARD

The Board of Directors of Arihant Foundations & Housing Limited constituted three Executive Directors and five non Executive Directors as on 31.03.2016.

The breakup of the total composition of the Board as on 31.03.2016 is as follows:

Sl. No.	Name of the Directors	Designation	Executive/ Non-Executive / Independent
1.	Mr. Kamal Lunawath*	Managing Director	Executive
2.	Mr. Vimal Lunawath*	Whole time Director & Chief Financial Officer	Executive
3.	Mr. Bharatkumar Jain	Whole time Director	Executive
4.	Mr. A L Jayabhanu	Director	Non- Executive
5.	Sri. A. Damodaran	Director	Non-Executive & Independent
6.	Mr.Ravikant M Choudhary	Director	Non-Executive & Independent
7.	Mr. Karan Bhasin	Director	Non-Executive & Independent
8.	Mrs. Ann Amelia Gonsalvez	Director	Non-Executive & Independent

(II) ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST AGM AND DETAILS OF OTHER DIRECTORSHIPS AS ON 31.03.2016.

Sl. No.	Name of the Directors	Attendance at		No. of Directorship held in other Public Limited Companies	Board Sub-Committees including in ARIHANT (Audit Committee and Relationship Committee) Stakeholders	
		No. of Board Meetings Attended	Whether Attended last A.G.M		Membership	Chairmanship
1.	Kamal Lunawath	11	Yes	4	1	--
2.	Vimal Lunawath	10	No	4	--	--
3.	Col. A.L Jayabhanu	10	Yes	--	--	--
4.	A .Damodaran	11	Yes	1	3	2
5.	Bharatkumar Jain	9	Yes	--	--	--

6.	Ann Gonsalvez	6	Yes	--	2	--
7.	Ravikant Choudhary	9	Yes	2	3	1
8.	Karan Bhasin	2	No	--	--	--
9.	*Harish Trivedi	1	No	--	--	--

*Harish Trivedi resigned from the Board as on 25.03.2015.

(III) NUMBER OF BOARD MEETINGS HELD, DATES ON WHICH HELD

During the Financial Year 2015 to 2016 (from 01.01.2015 to 31.03.2016), 13 (Thirteen) Board meetings were held on 07.01.2015, 09.01.2015, 27.02.2015, 25.03.2015, 13.04.2015, 27.04.2015, 14.05.2015, 06.06.2015, 13.08.2015, 19.10.2015, 14.11.2015, 14.02.2016 and 26.03.2016.

(IV) REMUNERATION OF DIRECTORS

The remuneration paid to the Managing Director/ Whole-time Directors is within the ceiling as per the resolution approved by the shareholders/prescribed under the Schedule V to the Companies Act, 2013 and their terms of appointment are displayed at the company's website http://www.arihantfoundations.com/investors-details/code-of-conduct/

Details of remuneration paid to the Managing Director/ Whole-time Directors during the year ended 31/03/2016 are:

Name	Position	Monthly Salary Rs.	Commission Rs.	Contribution to P.F. and other Fund Rs.	Perquisites Rs.	Incentives & Bonus In Rs.
Kamal Lunawath	Managing Director	1,00,000	Nil	Nil	Nil	Nil
Vimal Lunawath	Whole Time Director	1,00,000	Nil	Nil	Nil	Nil
Bharatkumar Jain	Whole Time Director	1,50,000	Nil	Nil	Nil	Nil

Sitting fees is payable to the Non-Executive Directors for attending Board / eligible Committee meetings. The sitting fees paid to the Non-Executive Directors are as under:

Name of the Director	Sitting Fees Paid (Rs.)
Col. A.L Jayabhanu	24,000
A .Damodaran	48,000
Ann Gonsalvez	28,000
Ravikant Choudhary	44,000
Karan Bhasin	4000
Harish Trivedi	2000

(V) Details of Shares held by Non-Executive Directors:

Name of the Director	Number of Shares held
Col. A.L Jayabhanu	Nil
A .Damodaran	Nil
Ann Gonsalvez	Nil
Ravikant Choudhary	5,111
Karan Bhasin	Nil

No remuneration was paid to Non – executive and Independent Directors except sitting fees.

Notes: (i) There are no stock options and severance fees.
(ii) No Notice period is specified for Directors' resignation/termination

3. AUDIT COMMITTEE

(I) Composition:

The Audit Committee composition under provisions of section 177 of the Act and as required under Reg. 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is depicted below:

Mr. Ravikant Choudhary,
Chairman of the Committee –I & NE
Mr. A Damodaran, Member of the Committee- I & NE
Mr. Kamal Lunawath, Managing Director, Member of the Committee NI &E

Ms. Meenakshi is the Secretary of the Committee.
Note: I- Independent, NE- Non Executive, E- Executive

(II) No. of meetings and attendance:

There were (5) five meetings held during the year 2015-16 (from 01.01.2015 to 31.03.2016) on 27.02.2015, 14.05.2015, 13.08.2015, 14.11.2015 and 14.02.2016. All five meetings were attended by the members.

(III) Brief description of terms of reference:

The Audit committee acts in accordance with the duties specified under section 177(4) of the Act and as required under Reg. 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee consists of Mr. A. Damodaran, Independent Director being the Chairman, Mr. Ravikant Choudhary, Independent Director and Mrs. Ann Amelia Gonsalvez, Independent Director. The Company Secretary of the Company Ms. Meenakshi acts as the Secretary to the Committee.

The Committee is formed in accordance with Section 178 of the Companies Act, 2013 . The Nomination and Remuneration Committee has coined a Remuneration Policy as under Reg. 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of determining the Remuneration to the Directors.

During the financial year 2015-16 (from 01.01.2015 to 31.03.2016), 2 (two) meetings of Nomination and Remuneration Committee were held on 15.03.2015 and 19.10.2015. The said meetings were attended by all the members.

5. STAKEHOLDER GRIEVANCE COMMITTEE/ STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Grievance committee comprises of Mr. A. Damodaran, Independent Director Chairman of the Committee, Mr. Ravikant Choudhary, Independent Director and Mrs. Ann Gonsalvez, Independent Director. The Company Secretary of the Company Ms. Meenakshi acts as the Secretary to the Committee.

The Committee is formed in accordance with Section 178 of the Companies Act, 2013 to consider and resolve the grievances of security holders of the company.

During the financial year 2015-16 (from 01.01.2015 to 31.03.2016, 5 (Five) meetings of Share transfer and Shareholders/Investors Grievance Committee were held on 27.02.2015, 14.05.2015, 13.08.2015, 14.11.2015 and 14.02.2016. The said meetings were attended by all the members.

a) Ms. Meenakshi, Company Secretary is the Compliance Officer.

b)	No. of shareholders' complaints received during the period 01.01.2015 to 31.03.2016	Nil
c)	No. of complaints not solved to the satisfaction of the Shareholders	Nil
d)	No. of pending complaints as on 31.03.2016	Nil

6. FAMILIARIZATION PROGRAMMES FOR DIRECTORS

A familiarization program is made available to Directors through various reports, codes and internal policies with a view to update them on the company's policies and procedures on a regular basis. The details of the familiarization program carried out for the financial year 2015-16 have been hosted in the website http://www.arihantfoundations.com/investors-details/code-of-conduct/

7. POLICY ON MATERIAL SUBSIDIARY

The details of the policy have been disclosed on the company's website http://www.arihantfoundations.com/investors-details/code-of-conduct/

8. POLICY ON RELATED PARTY TRANSACTIONS & POLICY ON DETERMINATION OF MATERIALITY OF AN EVENT

The policies have been disclosed on the company's website http://www.arihantfoundations.com/investors-details/code-of-conduct/

9. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter. http://www.arihantfoundations.com/investors-details/code-of-conduct/

10 . VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

Employees are asked to report any practices or actions believed to be inappropriate and against the interests of the Company or its code of conduct adopted or any other illegal acts to their immediate Manager. Report of violation may also be made directly to the Chief Executive Officer. Where appropriate, complaints may be made on a confidential basis to the Chairman of the Audit Committee / Board. The contact details are made available at the Company's website / Notice Board. All complaints received will be properly investigated by the recipients and report the outcome to the Audit Committee in sealed cover for appropriate action. The Company prohibits retaliation against any employee for such complaints made in good faith, while it also protects the rights of the incriminated person. No complaint has been registered during 2015-16. No personnel have been denied access to the Committee/ Mechanism. The policy of the Company can be found at the weblink http://www.arihantfoundations.com/investors-details/code-of-conduct/

11. GENERAL BODY MEETINGS

a) Location and time where last three Annual General Meeting (AGMs) were held:

A.G.M	Date	Time	Venue
20th AGM	30.03.2013	9.30 A.M	Arihant Escapade Devaraj Nagar 48, Okkium Thoraipakkam, Chennai - 600 097
21st AGM	28.03.2014	9.30 A.M	Arihant Escapade Devaraj Nagar 48, Okkium Thoraipakkam, Chennai - 600 097
22nd AGM	30.06.2015	9.30 A.M	Arihant Escapade Devaraj Nagar 48, Okkium Thoraipakkam, Chennai - 600 097

b) Whether any special resolutions passed in the previous 3 AGMs : Yes

c) Whether any special resolutions passed last year through postal ballot : No

d) No resolution is proposed to be conducted through postal ballot

12. DISCLOSURES

a) The Company's internal Audit is done by a firm of Chartered Accountants. The reports submitted by the Internal Auditors on the operations and financial transactions and the Action Taken Report on the same are placed before the Audit Committee, apart from the Statutory Auditors and the Senior Management of the Company. The Board has the policy of reviewing the non compliance reported, if any.

b) During the year, the material significant transactions with the Directors or their relatives or the other related parties did not have any potential conflict with the interests of the Company. All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

c) There were no instances of material non compliance and no penalties or strictures on the Company imposed by Stock Exchanges, SEBI or statutory authorities on any matter related to Capital Market during last three years / period.

d) The Company has devised Whistle Blower mechanism and the same is available in the Company's website. It is hereby affirmed that, that no personnel has been denied access to the audit committee.

13 . MEANS OF COMMUNICATION

The Company has promptly reported all material information including quarterly results and press releases to the Stock Exchanges where the Company's securities are listed. The quarterly results were communicated to the shareholders by way of advertisement in an English National Newspaper, normally in The Business Standard and in a vernacular language newspaper, normally in the Maalai sudar, Tamil edition. The results and other updates are displayed on the company's website http://www.arihantfoundations.com

14. CODE OF CONDUCT:

The Company has laid down the Code of Conduct for all Board members and senior management of the Company, which is available on the Company's Website http://www.arihantfoundations.com/investors-details/code-of-conduct/

All Board members and Senior Management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2016. The Managing Director has also confirmed and certified the same. The certification is annexed as Annexure 1-CG at the end of this Report.

15. RISK MANAGEMENT:

The Company has well laid down procedures to inform Board members about the risk assessment and adopted suitable forex policy including hedging to contain foreign exchange risk.

16. CEO /CFO CERTIFICATION:

Appropriate certification as required under Reg. 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Kamal Lunawath, Managing Director and Mr. Vimal Lunawath, Chief Financial Officer have certified to the Board regarding Financial Statements for the year ended 31st March, 2016 which is attached as Annexure 2 to CG.

17. DETAILS OF TRANSFER OF UNPAID DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Financial Year	Date of declaration of dividend	Unpaid dividend Amount as on 31.03.2016	Due date for transfer to IEPF
2007-08	20-03-2009	64470.00	18-04-2016*yet to be deposited as forms are not available.
2008-09	26-03-2010	1,44,244.00	24-04-2017
2010-11	30-03-2012	65,606.00	28-04-2019

18. AFFIRMATION:

The provisions of Reg. 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Reg. 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable to the company, are fully complied with. All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are disclosed in this report.

Further the company adopted the following discretionary requirements under Reg. 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. The Board

No separate office is maintained by the present Chairman - cum - Managing Director.

B. Shareholder Rights

The company has not circulated a half-yearly declaration of financial performance/summary of significant events in the last six-months.

C. Modified opinion(s) in audit report

Not applicable since there is no qualification in the audit reports.

D. Separate Posts of Chairperson and Chief Executive Officer

Separate persons occupied the position of Chairperson and Managing Director during the financial year.

E. Reporting of internal auditor

The Internal Auditors directly report to the Audit Committee

19. GENERAL SHAREHOLDER INFORMATION

i. Number of Annual General Meeting	:	23rd Annual General Meeting
Date & Time	:	30.09.2016, 9.30 a.m
Venue	:	"Arihant Escapade", Devaraj Nagar, 48, Okkiyum,Thoraipakkam,Chennai- 97
ii. Financial Calendar	:	January 2015 to March 2016
iii. Book Closure date	:	24.09.2016 to 30.09.2016 (both the days inclusive)
iv. Listing on Stock Exchanges	:	BSE Ltd Phiroze Jeejeebhoy Towers, Dalal Street,Mumbai-400001 Website:- www.bseindia.com National Stock exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 Website: www.nseindia.com
v. Listing Fees	:	Paid as per the Listing agreement
vi. Stock code/ Symbol	:	531381
BSE Limited	:	arihant found
National Stock Exchange of India Ltd	:	ARIHANT
ISIN for dematerialised shares	:	INE413D01011
vii. Registrar & Share Transfer Agent	:	Cameo Corporate Services Ltd "Subramanian Building", No. 1 Club House Road, Chennai- 600 002
viii. Compliance Officer	:	Mrs. Meenakshi Jayaraman, Company Secretary ARIHANT FOUNDATIONS& HOUSING LIMITED No. 3 Ganapathy Colony, 3rd Street, Teynampet Chennai- 600 018
ix. Share Transfer System	:	The Company's shares are traded in the Stock Exchanges which are compulsorily in demat mode. Shares sent for physical transfer are registered promptly within 15 days from the date of receipt of completed and validly executed documents
x. Dematerialisation of Shares and liquidity	:	The dematerialisation facility exists with both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the convenience of shareholders. As on 31.12.2014, 69,01,720 shares have been dematerialised, representing 80.25% of the Subscribed capital. The Company's shares are actively traded shares on BSE & NSE
xi. Plant Location :	:	Since the nature of business of the Company is construction the Company has site and projects at various places in urban and sub-urban areas

xii. Stock market price data for the year 2015-2016 : The details of month wise high/low price of the company's share in the Stock Exchanges, where it is listed, along with the comparable indices of the Stock Exchanges for the financial year are tabled below:

Indices :S&P BSE SENSEX opening 26,117.54 closing 25,597.02 Indices : NIFTY 50 opening 8,483.70 closing 7,738.40:

Month	BSE Ltd			National Stock Exchange Ltd		
	High	Low	No. of Shares	High	Low	No. of Shares
January 2015	65.00	52.55	4,558	72.05	51.00	33,555
February 2015	64.70	51.15	6,551	69.35	48.00	43,877
March 2015	64.70	43.15	3,536	68.90	38.90	1,05,439
April 2015	52.50	40.35	22,051	50.00	38.10	12,200
May 2015	55.00	37.75	67,238	47.55	36.05	28,295
June 2015	48.95	32.90	6,074	51.50	34.70	42,359
July 2015	47.80	38.10	11,100	48.90	36.00	27,583
August 2015	46.00	36.10	6,631	47.50	36.00	24,944
September 2015	42.80	32.55	3,661	41.95	32.50	9,848
October 2015	42.90	31.00	5,798	38.80	32.15	17,013
November 2015	43.25	32.00	5,049	41.65	30.50	13,363
December 2015	52.00	40.00	13,262	51.35	39.00	35,973
January 2016	59.75	41.05	18,096	60.25	40.75	15,252
February 2016	53.80	39.55	4,337	53.00	37.10	28,496
March 2016	43.85	34.00	1,505	51.80	33.40	18,406

xiii . Distribution of Shareholding as on 31.03.2016

Range of Shares	No. of Shareholders Number	Amount of Shares Percentage	Amount (Rs.)	Percentage
10 to 5000	1721	82.7006	1,691,590	1.9669
5001 to 10000	92	4.2909	736,310	0.8561
10001 to 20000	78	3.7481	1,212,210	1.4095
20001 to 30000	49	2.3546	1,262,490	1.4680
30001 to 40000	19	0.9130	684,170	0.7955
40001 to 50000	21	1.0091	1,029,240	1.1967
50001 to 100000	42	2.0182	3,444,800	4.0055
100001and above	59	2.8351	75,939,190	88.3013
Total	**2081**	**100.00**	**8,600,000**	**100.00**

xiv. Shareholding pattern as on 31.03.2016.

Sl. No.	Category	No. of Shares	% of Paid up Capital
1.	Indian Promoter's (including Person acting in concert).	36,55,700	42.51
2.	Bodies Corporate	13,33,734	15.51
3.	FPI's	9,88,856	11.50
4	Others	26,21,710	30.48
	Total	86,00,000	100.00

xv. Reconciliation of Share Capital Audit Report

As stipulated by the Securities and Exchange Board of India, a qualified Practicing Company Secretary carries out the share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (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 Board of Directors. The audit, interalia, 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, CDSL and total number of shares in physical form.

xvi. Outstanding GDR s / ADR s/ warrants or any convertible instruments, conversion date and likely impact on equity. Nil

xvii. Address for correspondence
For matters relating to Company's shares:

Cameo Corporate Services Limited.
Subramanian Building, No.1, Club House Road,
Anna Salai, Chennai-2.
Ph: 28460390.

For other matters:
Registered office:
271 (Old 182), Poonamallee High Road, " Ankur Manor"
1st Floor, Off.McNichols Road, Kilpauk, Chennai-10.
Website:- www.arihantfoundations.com

Corporate Office:
New No.3 (Old No.25), Ganapathy Colony, 3rd Street
Off. Cenotaph Road, Teynampet, Chennai- 600018
Email: investors@arihants.co.in

ANNEXURE 1 TO CG

DECLARATION BY THE CEO UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Reg. 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2016.

For Arihant Foundations & Housing Limited

Sd/-
Kamal Lunawath
Managing Director
DIN: 00087324

Date: 26.05.2016
Place: Chennai

ANNEXURE 2 TO CG

DECLARATION BY THE CEO UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY MD/CFO REGARDING COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS.

CERTIFICATION BY MD AND CHIEF FINANCIAL OFFICER TO THE BOARD

We, Managing Director (Kamal Lunawath) and (Vimal Lunawath) Chief Financial Officer of ARIHANT FOUNDATIONS & HOUSING LIMITED, certify that:

A. We have reviewed the financial statements and the cash flow statement for the period ended 31.03.2016 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including 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 overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Statutory Auditors and Audit Committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.

D. We have indicated to the Auditors, the Audit Committee and to the Practising Company Secretary:

(1) that there are no significant changes in internal control over financial reporting during the year;

(2) that there are no significant changes in accounting policies during the year;

(3) that there are no instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

	Sd/-	Sd/-
	(KAMAL LUNAWATH)	(VIMAL LUNAWATH)
Place: Chennai	Managing Director	Whole time Director
Date: 26.05.2016	DIN: 00087324	DIN: 00586269

Annexure – 3 to CG

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Review

India's economy picked up in Q4 FY 2015, driving growth for the full fiscal year to accelerate to a six year high. However, the economy remains hampered by falling exports and shrinking fixed investment, and concerns over the methodology of the GDP series have led many of our panelists to believe that growth is being overestimated. High-frequency data continue to paint a more subdued picture of growth: the manufacturing PMI picked up in June, while the services PMI fell. On a bright note, both rural and urban consumption are set to receive a boost after recent developments. A pickup in monsoon rains should support rural households in the second half of the year, while the government approved a once-in-a-decade increase to public sector wages and pensions.

Real Estate Overview

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The Indian real estate market has become one of the most preferred destinations in the Asia Pacific as overseas funds accounted for Private Equity (PE) investments from foreign funds in the Indian realty market increased at a Compound Annual Growth Rate (CAGR) of 33 per cent to US$2,220 million in year ending December 2015.

The real estate market has been amongst the sectors worst hit by the economic downturn. The residential space continues to face headwinds in the form of muted sales and subdued consumer demand. Furthermore, the sector has been challenged by frequent delays in project completion and a complex approval process. This has resulted in developers curtailing new project launches and focusing on executing existing projects to deliver within the committed timeframe. Real estate is currently the fourth-largest sector in the country in terms of Foreign Direct Investment (FDI) inflows.

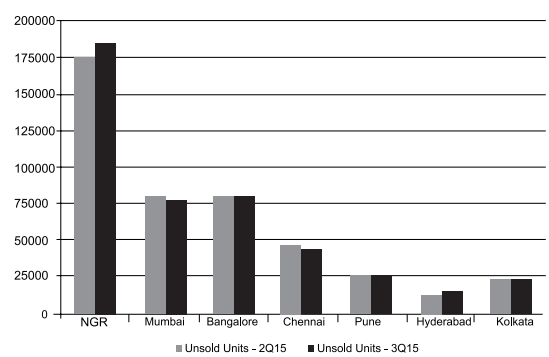
The Real Estate Regulation and Development Act is a landmark reform for the real estate sector which has the potential to address long standing issues which have plagued the growth of the sector. Further, policy announcements and reforms to revive the real estate space, including the relaxation of Foreign Direct Investment FDI norms, introduction of 100 smart cities, direct and indirect tax benefits for affordable housing projects, Real Estate Investment Trusts REITs etc. have helped in generating a positive outlook for the real estate market.

Opportunities

The financial year 2015-16 did not bring in the Growth hoped-for. However, the silver lining is that the bad days seem to have bottomed out. Developers' initiatives like offering attractive schemes and deal terms, coupled with lowering of interest rates by the Reserve Bank of India (RBI), have activated fence-sitters

The challenges of demand-supply mismatch and high unsold inventory across the country remain, but the signs are nevertheless encouraging are slowly but surely crawling back to positive growth. 2016 may well bring an end to the long and painful journey this sector has had, and signal an upward growth trajectory. It will definitely mature further into an organised industry in which some lesser-organised players become casualties. The Developers have realized the potential of online medium in terms of reaching out to people and the developers have started offering scheme for home booking through online platform. One of the key developments in real estate industry is the declining unsold inventories in the FY 2015-16.

Declining unsold inventory in Mumbai, Chennai & Bangalore



THREATS AND CHALLENGES

Industrial threats
The real estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity. Your Company has attempted to hedge against the inherent risks through a business model comprising joint ventures and residential platforms. However, any future significant downturn in the industry and the overall investment climate may adversely impact business.

Regulatory Hurdles
Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

Future Outlook
The real estate sector is on the cusp of a recovery supported by an improvement in macroeconomic fundamentals and policy environment. The combination of strong sales, weak market conditions that support rapid business development and a strengthening commercial market provide us with a great opportunity to generate strong free cash flows and disproportionately scale our business in FY17. With infrastructure on priority for the government and economic boom, with FDI coming big way the demand for housing is bound to have a double growth.

Segment wise Performance
The Company has only one segment that is developing and promoting of residential apartments. Hence there is no requirement of segment wise reporting.

Risks and Concerns
The key risks and concerns of our sector is key risks i.e, Market risks, implementation risks, institutional risks and statutory concerns. The Board has established a Risk Management Policy which formalizes the Company's approach to overview and manages business risks. The policy is implemented through identifying, assessing, monitoring and managing risks and concerns across all the projects of the Company.

Financial Performance
A detailed report about financial performance forms part of Directors Report to the shareholders.

Human resources
ARIHANT firmly believes that human resources are key enablers for the Company's growth. At Arihant, the key principle which drives the same thought process is that the vision and success of the company is closely aligned to the goals of the human resources of company. Hence, it continuously carries out a training process for the benefit and facelift of existing and new employees. By following this philosophy, the company hopes to scale up its size of activities, simultaneously with the growth of its workforce in their careers.

Internal Control System and their Adequacy
In order to get the best assurance of the Internal Control System, your Company during the year on 19th October, 2015 appointed M/s. Ernst & Young LLP, Chartered Accounts, Major international accounting and consulting firm as the Internal Auditors of the Company. There are adequate internal financial controls in place with reference to the financial statements. During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls

Cautionary Statement
Statements in this Management Discussion and Analysis Report are based upon data available with the Company and on certain assumptions having regard to the economic conditions, government policies and political developments within and outside the country. The management is not in a position to guarantee the accuracy of the assumptions and the projected performance of the Company in future. It is, therefore, cautioned that the actual results may differ from those expressed or implied herein.

ANNEXURE 3

Statement showing the name of the top ten employees in terms of remuneration drawn :

Name of the Employee	Designation	Qualification	Experience	Date of Joining	Age	Last Employment & position held	Remune -ration Received
Harish Marlecha	Head-Marketing	B.com	23	04.09.2007	44	--	30,00,000
Bharatkumar Jain	Whole-Time Director	Indian Certificate Secondary Education	14	30.12.2005	40	--	20,00,000
Vimal Lunawath	Whole-Time Director	B.com	20	04.11.2005	43	--	15,00,000
Kamal Lunawath	Managing Director	B.com	23	04.11.2005	44	--	15,00,000
James Babu L	Agm Projects	B.E. Civil	33	15.11.2006	52	Golden Homes, Senior Engineer	14,54,688
Mariappan S	Project Manager	MBA	10	30.06.2011	32	Manju Foundations (P) Ltd, Marketing Executive	11,08,615
O P Madhav	Head-Administration	DFT	23	01.04.1992	59	--	10,76,958
Swaroop Krishna D	Manager-Finance	B.com	12	30.04.2004	33	--	10,70,600
Ashokkumar R	Project Manager	Diploma Civil	26	01.04.2001	45	L& T, Chaitanya, Site Engineer	9,21,670
P Sakthibathi	Project Manager	Diploma In Civil Eng., And Construction Management	13	10.03.2003	37	--	9,02,267

ANNEXURE 4

AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
   As All the transactions with related parties have been carried out on ordinary course and arms length, - Nil

2. Details of material contracts or arrangement or transactions at arm's length basis –

Name of the Related Party	Nature of Transactions as per the Listing Agreement / the Companies Act, 2013	Amount (Rs . in crores)	Nature of relationship
Varenya Constructions Limited	Sale / Purchase of goods, services and availing and rendering services / availing of loan/ providing Guarantee	45.84 crs	Wholly-owned subsidiary
Escapade Real Estate Private Limited	Sale/Unsecured Loan	23.63 crs	Joint Venture
Arihant Unitech Realty Projects Limited	Guarantee given & services rendered	61.53 crs	Joint Venture
Northtown Estates Private Limited	Guarantee given	110.67 crs	Joint Venture
Mr.Kamal Lunawath	Loan Provided to company/Loan repaid & Remuneration	8.27 crs	Managing Director
Mr.Vimal Lunawath	Loan Provided to company/Loan repaid & Remuneration	3.69 crs	CFO & Whole-Time Director

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

Sd/-	Sd/-
(KAMAL LUNAWATH)	(VIMAL LUNAWATH)
Managing Director	Whole time Director
DIN: 00087324	DIN: 00586269

Place: Chennai
Date: 26.05.2016

ANNEXURE 5

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

Arihant Foundations & Housing Ltd

1. We have examined the compliance of conditions of corporate governance by Arihant Foundations & Housing Ltd ("the company"), for the period ended on March 31, 2016, as stipulated in:

   • Clause 49 (excluding clause 49(VII)(E)) of the listing agreements of the company with stock exchange(s) for the period from January 01, 2015 to November 30, 2015.

   • Clause 49(VII)(E) of the listing agreements of the company with the stock exchange(s) for the period from January 01, 2015 to September 01, 2015.

   • Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the listing regulations) for the period from September 02, 2015 to March 31, 2016 and

   • Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para c, d and e of schedule v of the listing regulations for the period from December 01, 2015 to March 31, 2016.

2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. We have examined the relevant records of the company In our opinion and to the best of our information and according to our examination of the relevant records and 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 clause 49 of the listing agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para c, d and e of schedule v of the listing regulations for the respective periods of applicability as specified under paragraph 1 above, during the period ended March 31, 2016.

4. We 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.

sd/-
G.Subhasree
Practising Company Secretary

Membership No:21014
Certificate of Practice No:13312

Annexure 6
FORM NO. MGT. 9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	**L70101TN1992PLC022299**
Registration Date	**06/03/1992**
Name of the Company	**ARIHANT FOUNDATIONS & HOUSING LIMITED**
Category / Sub-Category of the Company	**Indian Non-Government Company/ Company having Share Capital**
Address of the Registered office and contact details	**"Ankur Arcade" No.271 Old No.182 Poonamallee High Road, Off Mcnichols Road, Kilpauk Chennai 600 010. Ph:044-42244444**
Whether listed company Yes / No	**Yes**
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, V Floor, Subramanian Building, No.1, Club House Road, Anna Salai, Chennai- 600002. Ph: 28460390.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	**Real Estate Development**	**681**	**100**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. N0	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Varenya Constructions Limited, New No.3(Old No.25), Ganapathy Colony, 3rd Street Off. Cenotaph Road, Teynampet Chennai TN 600018	U45209TN2006 PLC061200	Subsidiary	100%	Sec 2(87)

2.	Vaikunt Housing Limited, No.3, Ganapathy Colony, 3rd Street, Off. Cenotaph Road, Teynampet Chennai -600018	U70101TN2005 PLC056345	Subsidiary	100%	Sec 2(87)
3.	Transperent Heights Real Estate Limited, No.3, Ganapathy Colony, 3rd Street, Off. Cenotaph Road, Teynampet Chennai -600018	U70101TN2006 PLC061223	Subsidiary	100%	Sec 2(87)
4	Arihant Griha Limited, 271, Poonamallee High Road, Ankur Manor, 1st Floor, Off Mcnichols Road, Kilpauk, Chennai 600010	U45200TN2006 PLC061191	Subsidiary	100%	Sec 2(87)
5	Heirloom Real Estate Private Limited, No.3, Ganapathy Colony, 3rd Street, Off. Cenotaph Road, Teynampet, Chennai -600018	U70101TN2008 PTC066229	Associate	25%	Section 2(6)
6	North Town Estates Private Limited, Basement, 6 Community Centre, Saket, New Delhi-110017	U74120DL2008 PTC174586	Joint Venture	50%	Section 2(6)
7	Escapade Real Estates Private Limited, No.3, Ganapathy Colony, 3rd Street, Off. Cenotaph Road, Teynampet, Chennai -600018	U70101TN2007 PTC062236	Joint Venture	66.67%	Section 2(6)
8	Arihant Unitech Realty Projects Limited , Basement, 6 Community Centre, Saket, New Delhi-110017	U74899DL2005 PLC142338	Joint Venture	50%	Section 2(6)
9	Mangalagiri Realty Projects Private Limited, 2/3 Sri Pothuri Towers, M G Road, Labbipet, Vijaywada- 520010	U45400AP2007 PTC054749	Joint Venture	17%	Section 2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

CATEGORY OF SHAREHOLDERS		NUMBER OF SHARES HELD AT THE BEGINNING OF THE YEAR				NUMBER OF SHARES HELD AT THE END OF THE YEAR			
		DEMAT	PHYSICAL	TOTAL	%	DEMAT	PHYSICAL	TOTAL	%
A.	PROMOTERS								
1.	INDIAN								
a.	Individuals/Hindu undivided Family	3405700	250000	3655700	42.51	3405700	250000	3655700	42.51
b	Central Government/ State Government(s)	0	0	0	0	0	0	0	0
c	Financial Institutions/ Banks	0	0	0	0	0	0	0	0
d	Any Other (specify)	0	0	0	0	0	0	0	0
	Sub-Total (A)(1)	0	0	0	0	0	0	0	0
2	Foreign	0	0	0	0	0	0	0	0
a	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0
b	Government	0	0	0	0	0	0	0	0
c	Institutions	0	0	0	0	0	0	0	0
d	Foreign Portfolio Investor	0	0	0	0	0	0	0	0
e	Any Other (specify)	0	0	0	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3405700	250000	3655700	42.51	3405700	250000	3655700	42.51
B. PUBLIC SHAREHOLDING									
1	INSTITUTIONS								
a	Mutual Funds/	0	0	0	0	0	0	0	0
b	Venture Capital Funds	0	0	0	0	0	0	0	0
c	Alternate Investment Funds	0	0	0	0	0	0	0	0
d	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0
e	Foreign Portfolio Investors	823706	0	823706	9.58	988856	0	988856	11.5
f	Financial Institutions/ Banks	0	0	0	0	0	0	0	0
g	Insurance Companies	0	0	0	0	0	0	0	0
h	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0
i	Any Other (specify)	0	0	0	0	0	0	0	0
	Sub-Total (B)(1)	823706	0	823706	9.58	988856	0	988856	11.5

2	Central Government/ State Government(s)/ President of India	0	0	0	0	0	0	0	0
	Sub-Total (B)(2)	0	0	0	0	0	0	0	0
3	Non-institutions								
a	Individuals -								
i	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	487392	295930	783322	9.11	1820962	755430	2576392	29.95
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	1198460	439500	1637960	19.05	622836	423330	1046166	12.16
b	NBFCs registered with RBI	0	0	0	0	0	0	0	0
c	Employee Trusts	0	0	0	0	0	0	0	0
d	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0
e	Any Other (specify)								
	Bodies Corporate	736977	690550	1427527	16.60	643184	690550	1333734	15.51
	Clearing Members	90	0	90	0.00	843	0	843	.01
	Directors And Their Relatives	42174	300	42474	0.49	42174	300	42474	0.49
	Overseas Corporate Bodies	1	0	1	0.00	1	0	1	0.00
	Trusts	0	2000	2000	.02	0	2000	2000	.02
	Non Resident Indians	19079	0	19079	0.22	0	0	0	0
	Sub-Total (B)(3)	2507164	1448280	3955444	45.99	2507164	1448280	3955444	45.99
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	3496020	1448280	4944300	57.49	3496020	1448280	4944300	57.49
C	SHARES HELD BY CUSTODIAN FOR GDR'S & ADR'S	0	0	0	0	0	0	0	0
	FOR GDR'S & ADR'S								

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in the Promoters' shareholding.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of Shareholder (DP id wise)		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Remarks
	Date	Reason for change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	S JAYALAKSHMI	No Change	796202	9.258	796202	9.258	No Change
2.	TAJ FOUNDATIONS PRIVATE LTD	No Change	690000	8.023	690000	8.023	No Change
3.	ICG Q LIMITED	No Change	592400	6.888	592400	6.888	No Change
4.	CALEDONIA INVESTMENTS PLC	No Change	231306	2.689	231306	2.689	No Change
5.	SILVER STALLION LIMITED	No Change	165150	1.920	165150	1.920	No Change
6.	RELIGARE FINVEST LTD	No Change	150000	1.744	150000	1.744	Beginning
Add:	10.04.2015	Market Purchase	10,000	0.116	160000	1.860	Change
	12.02.2016	Market Sale	5	0.0031	159995	1.860	Change
	At the end of the year				159995	1.860	
7.	HITECH HOUSING PROJECTS (P) LTD	No Change	117880	1.370	117880	1.370	No Change
	HITECH HOUSING PROJECTS PRIVATE LTD		100000	1.162	100000	1.162	
8.	JENNIFER FLORANCE JAMES	No Change	81500	0.947	81500	0.947	No Change
9.	ABHISHEK CHANDAK	No Change	80000	0.930	80000	0.930	No Change
10.	PIONEER INVESTCORP LIMITED	No Change	77974	0.906	77974	0.906	No Change

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No		Shareholding at the beginning of the year		Shareholding at the end of the year		Reasons for increase/ decrease
A	Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	Kamal Lunawath	749100	8.710	749100	8.710	No Change
2.	Vimal Lunawath	696400	8.097	696400	8.097	No Change
3.	Bharatkumar Jain	11700	0.136	11700	0.136	No Change
4.	Ravikant Choudhary	5111	0.059	5111	0.059	No Change

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

In Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1.Principal Amount	896,669,840	814,015,594		1,710,685,434
2.Interest due but not paid	-	-	-	-
3.Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	896,669,840	814,015,594		1,710,685,434
Change in Indebtedness during the financial year				
• Addition	1,160,058,352	-	-	1,160,058,352
• Reduction	1,194,086,033	276,897,321	-	1,470,983,354
Net Change	(34,027,681)	(276,897,321)	-	(310,925,002)
Indebtedness at the end of the financial year				
Principal Amount	862,642,159	537118273	-	1,399,760,431
Interest due but not paid	862,642,159	537,118,273		1,399,760,432
Interest accrued but not due	-	-	-	-
	-	-	-	-
Total (i+ii+iii)	862,642,159	537,118,273	-	1,399,760,432

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Mr. Kamal Lunawath, Managing Director	Mr. Vimal Lunawath, Whole-Time Director	Mr. Bharat Kumar M Jain, Whole-Time Director	Total Amount
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,00,000	15,00,000	20,00,000	50,00,000
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Others	-	-	-	-
Total (A)		**15,00,000**	**15,00,000**	**20,00,000**	**50,00,000**
Ceiling As per act					

B. Remuneration to Directors

S. No.	Particulars of Remuneration	Names of Directors					Total Amount
1.	Independent Directors	Mr. Ravikant Choudhary	Mr. Damodaran	Mr. Karan Bhasin	Mrs. Ann Amelia Gonsalvez	Harish Trivedi	
	-Fee for attending Board and Committee Meetings - Commission - Others	44,000	48,000	4,000	28,000	2,000	1,26,000
2.	Non Executive Directors	Mr. A.L. Jayabhanu					
	Fee for attending Board and Committee Meetings	24,000					24,000
TOTAL (2)							1,50,000
TOTAL B= (1+2)							51,50,000
Total Managerial Remuneration							51,50,000
Ceiling as per Act							

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
1.	Gross salary (a)Salary as per provisions contained in section 17(1) -of the Income-tax Act, 1961		6,61,500	6,61,500
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3)			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others	-	-	-
		TOTAL		6,61,500

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	(i) 211 3(A)/3(B)/ 3(C)	Compounding application under Section 621(4)(A) of the Act	Rs. 10,000 to the Managing Director and the Company Secretary	Company Law Board, Chennai Bench	Nil
	(ii) 211 (1)	Compounding application under Section 621(4)(A) of the Act	Rs. 5,000 to the Managing Director and the Company Secretary	Company Law Board, Chennai Bench	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

ANNEXURE 7
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ARIHANT FOUNDATIONS & HOUSING LIMITED,
"ANKUR ARCADE"
NO.271 OLD NO.182 POONAMALLEE HIGH ROAD,
OFF MCNICHOLS ROAD,
KILPAUK, CHENNAI, 600010

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s ARIHANT FOUNDATIONS & HOUSING LIMITED bearing CIN L70101TN1992PLC022299 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that, in my opinion, the company has, during the audit period covering the financial period ended on 31.03.2016, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2016, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Companies Act 1956 (to the extent applicable)

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) 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;

(vi) 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, 2015 (with effect from 15th May 2015);

c. 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;

d. The Securities and Exchange Board of India (Listing obligations and Disclosure requirements) Regulations 2015 (with effect from 1st December 2015

We are informed that the company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations2009

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

c. The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations 2008

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

e. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;

(vii) Based on the study of the systems and processes in place and a review of the reports of (1) Internal Audit Reports (2) the compliance reports made by the functional heads of various departments which are submitted to the Board of Directors of the Company, I report that the Company has complied with the provisions of the following statutes and the rules made there under to the extent it is applicable to them:

• Transfer of Property Act, 1882.

• Building and Other Construction Workers' (Regulation of Employment and conditions of Services) Act, 1996.

• The Public Liability Insurance Act, 1991

• The Environment (Protection) Act, 1986

• The Water(Prevention and Control of Pollution) Act, 1974

• The Air(Prevention and Control of Pollution) Act, 1981

• Industrial Disputes Act, 1947

• The Payment of Wages Act, 1936

• The Minimum Wages Act, 1948

• Employees' State Insurance Act, 1948

• The Employees' Provident Funds

and Miscellaneous Provisions Act, 1952

• The Payment of Bonus Act, 1965

• The Payment of Gratuity Act, 1972

• The Contract Labour (Regulation & Abolition) Act, 1970

• The Maternity Benefit Act, 1961

• The Child Labour (Prohibition & Regulation) Act, 1986

• The Industrial Employment (Standing Order) Act, 1946

- The Employees' Compensation Act, 1923
- Workmens' Compensation Act, 1923
- The Apprentices Act, 1961
- Equal Remuneration Act, 1976
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- Tamil Nadu Labour Welfare Fund Act, 1972
- Tamil Nadu Shops and Establishment Act, 1947
- National and Festival Holidays Act, 1958
- Conferment of Permanent Status Act, 1981
- The Sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Housing Board Act, 1965 is stated to be not applicable to the Company as the company has not undertaken any government projects.

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

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

(ii) The Listing Agreements (Old agreements upto 30th November 2015 and new agreement with effect from 1st December 2015) entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

- The amount lying in the unpaid dividend account which is due to be deposited in the Investor Education Protection Fund in April 2015, is yet to be deposited pending reconciliation of the account by the bankers.
- One promoter shareholder holding 2,50,000 shares died without registering any nomination and the Company is in the process of tracing the legal heir of the said share holder. The said shares are still held in physical form.
- Annual filing eforms & certain other compliance related eforms have been filed with a delay beyond the due date for filing of such eforms

I 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. There were changes in the composition of 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.
- Based on the minutes made available to us, we report that Majority decision is carried through and that there were no dissenting votes from any Board members that are required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-

G.SUBHASREE
ACS No.: 21014
C P No.: 13312

Place : Chennai
Date : 26.05.2016

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
ARIHANT FOUNDATIONS & HOUSING LIMITED
Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of ARIHANT FOUNDATIONS & HOUSING LIMITED, ("the company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give 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 whether the company has in place an adequate internal financial controls over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, 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 on the Standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2016, and its loss and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub- section (11) of

section 143 of the Act, we give in the Annexure, a statement on the matters specified in the paragraph 3 & 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) Since the Company does not have branches, the report on the account of branch offices audited by other auditor under sub-section (8) of the act is not applicable;

d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account. The Company has no branches;

e) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f) On the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014 , in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31, 2016;

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. The amount of Rs.64,470 has not been transferred to the Investor Education and Protection Fund by the Company.

For M/S. B.P.JAIN & CO
CHARTERED ACCOUNTANTS
Firm Registration Number: 050105S
Sd/-
DEVENDRA KUMAR BHANDARI
Place: New York PARTNER
Date: 26.05.2016 Membership Number: 208862

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

b) These fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.

2. a) As explained to us, the stock of construction materials has been physically verified at periodic intervals and no significant discrepancies have been noticed on such verification during the year.

b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stock of building material followed by the management is reasonable and adequate in relation to the size of the company and nature of its company.

c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3. a) The company has granted loan to seven companies covered in the register maintained under section 189 of the companies Act 2013, The maximum amount involved during the year was

Rs.38,56,76,015/- and the year-end balance of loans granted to such parties was Rs.38,12,49,873/-

b) During the year, in respect of the aforesaid loans, in some of the loans there has been no recovery towards principal, in the absence of any terms; we are unable to comment on the regularity of recovery of principal amount.

c) Where the overdue amount exceeds rupees one lakh, in respect of some of the loans, in absence of any terms; we are unable to comment that, company has taken necessary steps to recover the amount and interest thereon.

4. In our opinion and according to information and explanations given to us, the company has an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sales of goods and services. During the course of audit, we have neither come across nor never informed of any continuing failure to correct major weaknesses in internal control system.

5. In our opinion and according to information and explanations given to us, the company has not accepted deposits during the year. Therefore, the provisions of the clause 3(v) of the order are not applicable to the company.

6. The maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act will not apply to the company. Hence maintenance of cost accounts and records is not required ;

7. (a) According to the information and explanations given to us and on the basis of examination of books of accounts, The Company is regular in depositing undisputed statutory dues including, Investor Education and protection fund, Income Tax, Wealth Tax, Service Tax, Cess, Sales tax, Value added tax, Excise duty and any other material statutory dues with the appropriate authorities except in case of following: -

Statement of Arrears of statutory dues outstanding for more than six months:-

Name of statue	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act	Tds Payable	Rs.5,900/-	2015-16	07-11-2015	10-05-2016
Service Tax	ServiceTax Payable	Rs.5,07,705/-	2015-16	06-08-2015	22-03-2016

(b) According to the information and explanation given to us there are dues in respect of income tax ,or sales tax ,or value added tax following taxes on account of dispute , which are as follows:-
Statement of Disputed Dues :-

Name of the Statue	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs.76,38,692/-	AY 1999-2000 FY 1998-1999	CIT Appeals
Income Tax Act, 1961	Income Tax	Rs.71,83,310/-	AY 2011-201 FY 2010-2011	CIT Appeals
Income Tax Act, 1961	Income Tax	Rs.13,71,638/-	AY 2004-2005 FY 2003-2004	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	Rs.53,23,956 /-	AY 2005-2006 FY 2004-2005	Income Tax Appellate Tribunal (ITAT)

Income Tax Act, 1961	Income Tax	Rs.15,19,250/-	AY 2013-2014 FY 2012-2013	CIT Appeals
Finance Act, 1994 (Service Tax)	Service Tax	Rs.23,16,081/-	June 16, 2005 to March 2007	CESTAT, Chennai

(c) The company is not regular in transferring amounts to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder within time.

8. The company has been registered for a period not less than five years and has no accumulated losses at the end of the financial year and it has incurred cash losses in such financial year but not in the immediately preceding financial year;

9. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or Bank. Further, in our opinion and according to information and explanations given to us, the Company has not issued any debentures and hence there is no outstanding to debenture holders.

10. In our opinion and according to information and explanations given to us, the Company has given corporate guarantee of Rs.60 crores for loans taken by jointly controlled entity from non-banking finance company. The terms and conditions whereof are not prejudicial to the interest of the company.

11. According to the information and explanation given to us and on the basis of examination of books of accounts, the company has applied term loans for the purpose for which the loans were obtained;

12. To the best of our knowledge and belief and According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For M/S. B.P.JAIN & CO
CHARTERED ACCOUNTANTS
Firm Registration Number: 050105S
Sd/-
DEVENDRA KUMAR BHANDARI
PARTNER
Membership Number: 208862

Place: New York
Date: 26.05.2016

ARIHANT FOUNDATIONS & HOUSING LIMITED

BALANCE SHEET AS AT 31.03.2016

	Note No.	AMOUNT AS ON 31/03/2016 (15 months) ₹		AMOUNT AS ON 31/12/2014 (15 months) ₹	
EQUITY AND LIABILITIES					
(1) SHARE HOLDER'S FUNDS					
(A) Share capital	2	**86,000,000**		86,000,000	
(B) Reserves & surplus	3	**1,533,263,665**		1,585,426,875	
			1,619,263,665		1,671,426,875
(2) NON CURRENT LIABILITIES					
(A) Long term borrowings	4	**1,230,670,808**		1,451,443,426	
(B) Deferred tax liability (Net)	5	--		--	
(C) Other Long term Liablities	6	**107,747,303**		126,611,227	
(D) Long Term Provisions	7	**3,687,243**		3,852,651	
			1,342,105,354		1,581,907,304
(3) CURRENT LIABILITIES					
(A) Trade Payables	8	**251,893,965**		303,656,724	
(B) Other curent liabilities	9	**805,154,940**		610,331,091	
(C) Short term provisions	10	**24,943,154**	**1,081,992,059**	20,162,600	934,150,415
TOTAL			**4,043,361,078**		4,187,484,594
ASSETS					
(1) NON CURRENT ASSETS					
(A) FIXED ASSETS					
I- Tangible assets	11	**115,249,336**		129,769,092	
II- Intangible assets		**312,438**		549,943	
(B) Non-current investment	12	**194,970,213**		199,319,600	
(C) Deferred Tax Assets (Net)	5	**31,980,180**		108,180	
(D) Long Term Loans and Advances	13	**1,201,137,823**		1,055,131,654	
(E) Other Non Current Assets	14	**342,763,541**	**1,886,413,532**	377,970,292	1,762,848,761
(2) CURRENT ASSETS					
(A) Inventories	15	**796,520,919**		108,010,740	
(B) Trade receivables	16	**670,439,459**		443,788,774	
(C) Cash and cash equivalents	17	**52,598,196**		255,796,170	
(D) Short term loans and advances	18	**565,300,517**		540,043,109	
(E) Other current assets	19	**72,088,455**	**2,156,947,546**	104,900,340	2,424,635,833
TOTAL			**4,043,361,078**		4,187,484,594
Significant accounting policies and notes to financial statements	(1 - 38)				

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

ARIHANT FOUNDATIONS & HOUSING LIMITED

STATEMENT OF PROFIT AND LOSS FOR 15 MONTHS ENDED 31.03.2016

	NOTE NO	YEAR ENDED 31.03.2016 (15 Months) ₹	YEAR ENDED 31.12.2014 (15 Months) ₹
INCOME			
(A) Revenue from operations	20	**718,019,298**	660,821,156
(B) Other income	21	**118,466,793**	73,377,475
TOTAL REVENUE		**836,486,091**	734,198,631
EXPENSES			
(A) Construction and project expenses	22	**352,745,681**	649,581,368
(B) Changes in inventories of Materials, Work-in-progress and finished good	23	**283,586,521**	(160,877,854)
(C) Employees benefit expenses	24	**19,948,956**	21,021,771
(D) Finance cost	25	**141,441,313**	127,715,918
(E) Depreciation and amortization	26	**16,186,349**	7,592,089
(F) Other expenses	27	**101,831,927**	73,360,552
TOTAL EXPENSES		**915,740,746**	718,393,844
Profit before Exceptional and Extraordinary items		**(79,254,655)**	15,804,787
Exceptional items		--	-
Profit before Tax		**(79,254,655)**	15,804,787
Less: Tax Expense			
a. Current Tax		**4,780,554**	3,700,000
b. Deferred Tax Charge / (Credit)		**(31,872,000)**	(780,779)
PROFIT FOR THE PERIOD		**(52,163,210)**	12,885,566
Earning per share (Basic)		**(6.07)**	1.50
Earning per share (Diluted)		**(6.07)**	1.50
Significant accounting policies and notes to financial statements	(1 - 38)		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

CASH FLOW STATEMENT FOR THE 15 MONTHS ENDED 31.03.2016

PARTICULARS	31.03.2016 (15 Months) ₹	31.12.2014 (15 Months) ₹
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss Before Tax and Extraordinary Items	(79,254,655)	15,804,787
Adjustments for :		
Depreciation	16,186,349	7,592,089
Dividend received	(177,671)	(1,340,858)
Interest and Finance Income	(115,752,692)	(66,643,173)
Profit on sale of Assets	(30,846)	(1,052,149)
Profit on sale of Investments	(1,796,853)	-
Share of loss /(profit)	697,306	(517,609)
Loss on sale of Fixed Assets	14,355	1,110,511
Other Non Operating Income	(21,000)	-
Interest and Finance Charges	141,441,313	127,715,918
Operating Profit Before Working capital Changes	**(38,694,395)**	82,669,516
Adjustments for Working Capital changes		
(Increase) / Decrease in Inventories	283,586,521	(160,877,854)
(Increase) / Decrease in short term loans	(25,257,408)	(377,970,292)
(Increase) / Decrease in trade receivables and other current assets	(193,838,800)	406,788,525
Increase / (Decrease) in Other long term liabilities	(18,863,925)	-
Increase / (Decrease) in Trade Payables & other current liabilites	143,061,090	(250,143,139)
Increase / (Decrease) in Long Term Provisions	(165,408)	10,616
Increase / (Decrease) in Short Term Provisions	4,780,554	(5,250,000)
Other Non Current Assets	35,206,751	-
Cash From operations before Tax and Extraordinary items	189,814,981	(304,772,629)
Income Tax Paid	(4,780,554)	(1,000,000)
Cash From operations before Extraordinary items	185,034,427	(305,772,629)
Extraordinary Items	-	-
Cash flow from Operating Activities	185,034,427	(305,772,629)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed Assets	(1,631,574)	(2,492,747)
Sale of fixed Assets	218,976	619,048
Dividend received	177,671	-
Share of Profit	(697,306)	517,609
Interest received during the year	115,752,692	66,643,173
Other Non - Operating Income	21,000	-
Purchase of Investment	-	(35,646,451)
Proceeds from sale of Investment	6,146,540	5,829,092
Net Cash from Investing Activities	**119,987,999**	35,469,724
C. CASH FLOW FROM FINANCING ACTIVITIES		
Fresh loans taken / (Loans repaid)	(220,772,618)	552,933,148
Fresh Loan given	(146,006,469)	(394,548,336)
loans received back	-	394,118,146
Interest & Finance Charges	(141,441,313)	(127,715,918)
Net Cash from Financing Activities	(508,220,400)	424,787,040
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(203,197,974)**	154,484,136
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**255,796,170**	101,312,035
F. CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	**52,598,196**	255,796,170

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

ARIHANT FOUNDATIONS & HOUSING LIMITED
NOTES TO FINANCIAL STATEMENTS

COMPANY OVERVIEW

The company, Arihant Foundations and Housing Ltd was incorporated on 6th March, 1992. The Company is engaged in the business of real estate development of residential, commercial complexes and IT Parks.

NOTE-1: SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

a) The financial statements have been prepared on accrual basis of accounting under the historical cost convention in accordance with the generally accepted accounting principles in India.

b) Accounting policies not specially referred to otherwise are consistently followed throughout the period under audit and in consonance with the generally accepted accounting principles.

B. USE OF ESTIMATES

The preparation of financial statement in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at date of the financial statements and the reported accounts of revenues and expenses for the years presented. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

C. FIXED ASSETS AND DEPRECIATION

a) The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all related expenses incurred up to the date the assets are put to use.

b) Depreciation on fixed assets is provided on straight line method as per rate and manner prescribes in schedule-XIV of the companies Act 1956. The depreciation has been provided at 100% on the Assets purchased during the year the cost of which is less than Rs 5000/-.

D. INTANGIBLES AND AMORTIZATION

Intangible assets are recognized when it is probable that future economic benefits that are attributable to these assets will flow to the company and the cost of the asset can be measured reliably.

E. IMPAIRMENT OF ASSETS

Management at each balance sheet date assesses using internal sources whether there is an indication that an asset or group of assets or a cash generating unit as the case may be, is impaired. Impairment occurs where the carrying value exceeds the higher of value in use represented by present value of future cash flows expected to arise from the continuing use of the asset and its realizable value. The impairment asset is charged off to statement of profit and loss.

F. INVESTMENTS

Trade investments are those made to enhance the Group's business interests. Investments are classified as either current or long-term, based on the Management's intention at the time of purchase.

Long-term investments
Long-term investments are stated at cost. However, provision is made for diminution in the value of the asset, which is other than temporary.

Quoted
The company holds investment in quoted securities. They are classified as long-term as the Management intends to hold the same for a period of more than twelve months. These investments are classified as non-trade.

Unquoted
The company holds investment in unquoted securities of its subsidiaries, joint ventures and associates. These investments are classified as trade.

G. INVENTORIES

a) Raw materials and consumables
The cost of inventories comprise of purchase cost and conversion cost, if any.

b) Work -in-progress
Costs generally include cost of land, construction costs, job work allocated borrowing costs and other costs that are attributable to project and such other costs as are specifically chargeable to the project. Work-in-progress are valued at cost less cost of sales.

c) Finished stock
Finished stock consists of completed real estate projects which are unsold at the end of the financial year.

H. BORROWING COST

Borrowing cost that are directly attributable to the acquisition or construction or development of qualifying assets of the company are capitalized until the time all substantial activities necessary to prepare the qualifying assets for the intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

Borrowing cost that are attributable to any work-in-progress, qualifying land advances as well as capital work-in-progress are charged to the respective qualifying project. All other borrowing costs, not eligible for inventorisation or capitalization are charged to revenue in the year in which they are incurred.

I**. REVENUE RECOGNITION**

i) Construction Contracts
In construction contracts, revenue is recognized on percentage of completion method. The revenue is recognized on the basis of the Accounting Standard and as prescribed by Institute of Chartered Accountants of India.

Revenue on sale of land is recognized upon enter in to contract with the customer in the purchase of the said undivided share of land. The revenue also recognized at the time of registration of sale deed or completion of the project whichever is earlier.

ii) Revenue from lease rentals and related income
Lease income is recognized on accrual basis as per the Contract.

iii) Interest Income
Interest is recognised on accrual basis of accouting.

iv) Dividend Income
Dividend income is recognized when the right to receive the same is established or the receipt of the same whichever is earlier.

J. FOREIGN EXCHANGE TRANSACTIONS

The foreign exchange transaction recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount, the prevailing exchange rate, as at the date of transaction.

K. TAXES ON INCOME

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws that are enacted or substantially enacted.

Deferred Tax is recognized on timing differences, being the differences between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward, only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. They can be realized against future taxable profits.

L. EMPLOYEE BENEFITS

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment and as required by law are recorded in accordance with Accounting Standard (AS) 15 (Revised) “Employee Benefits” issued by the Institute of Chartered Accountants of India.

i) Gratuity

Gratuity is a defined benefit plan. Liability for gratuity in respect of past services are provided for based on the actuarial valuation carried out annually as at the balanced sheet date by an independent actuary using the Projected Unit Credit (PUC) method.

ii) Provident Fund

The company's contribution to Provident fund is considered as a defined contribution plan. Company's contribution to provident fund is charged to the statement of profit and loss when the contribution is due.

M. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimation when:

a) the company has a present obligation as a result of past event;

b) a probable outflow of resources embodying economic benefits will be required to settle the obligation; and

c) the amount of obligation can be reliably estimated

Re-imbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

a) a present obligation arising from a past event, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

b) a possible obligation, that arises out of past events and the existence of which will be confirmed only by one or more uncertain future events unless the probability of outflow of resources is remote.

Contingents assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

N. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and at bank and short-term investments with an original maturity of three months or less.

O. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue, share split and share warrants conversion.

Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted number of shares outstanding during the period for the effect of all dilutive potential equity shares.

ARIHANT FOUNDATIONS & HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
SHARE CAPITAL	2				
AUTHORISED					
1,00,00,000 equity shares of Rs.10/- each			**100,000,000**		100,000,000
ISSUED, SUBSCRIBED & PAID UP					
86,00,000 equity shares of Rs.10/- each fully paid up			**86,000,000**		86,000,000
Reconciliation of No of Shares outstanding at the beginning and end of the reporting year					
		Nos	Amount in ₹	Nos	Amount in ₹
Opening balance of number of Equity Shares		8,600,000	86,000,000	8,600,000	86,000,000
Changes during the year		-	-	-	-
Closing balance of number of Equity Shares		8,600,000	86,000,000	8,600,000	86,000,000
SHAREHOLDERS HOLDING MORE THAN 5% OF THE TOTAL SHARE CAPITAL		**NO OF SHARES**	**% HELD**	**NO OF SHARES**	**% HELD**
Smt. Snehlatha Lunawath		1,407,000	16.36	1,407,000	16.36
Smt. S. Jayalakshmi		796,202	9.26	796,202	9.26
Mr. Kamal Lunawath		749,100	8.71	749,100	8.71
Mr. Vimal Lunawath		696,400	8.10	696,400	8.10
Taj Foundation Private Limited		690,000	8.02	690,000	8.02
Ocean Dial Asset Management Ltd A/c ICGQ Ltd		592,400	6.89	592,400	6.89
RESERVES & SURPLUS	3				
SECURITIES PREMIUM RESERVE					
Opening Balance		570,650,000		570,650,000	
Add: Additions during the year		-		-	
Closing Balance			**570,650,000**		570,650,000
GENERAL RESERVE					
Opening Balance		88,308,752		88,308,752	
Add: Additions during the year		-		-	
Closing Balance			**88,308,752**		88,308,752
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS					
Opening Balance		926,468,123		913,582,557	
Add: Profit for the year		(52,163,210)		12,885,565	
Closing Balance			**874,304,913**		926,468,123
			1,533,263,665		1,585,426,875

LONG TERM BORROWINGS	4	31.03.2016 (15 Months) ₹		31.12.2014 (15 Months) ₹	
i) SECURED		Current	Non - Current	Current	Non - Current
Term Loans & Other Loans					
a. From Banks		59,112,549	131,155,825	110,442,441	327,863,156
b. From other parties		109,977,074	562,396,710	148,799,567	309,564,676
Sub - Total		**169,089,623**	**693,552,535**	**259,242,008**	**637,427,832**
ii) UNSECURED					
(A) Deposits		-	59,821,343	--	510,599,694
(B) Loans & Advances from related parties		-	477,296,930	--	303,415,900
Sub - Total		**-**	**537,118,273**	**--**	**814,015,594**
TOTAL		**169,089,623**	**1,230,670,808**	**259,242,008**	**1,451,443,426**

Deposits includes all inter corporate deposits

LONG TERM BORROWINGS
(i) SECURED
A. FROM BANKS - TERM LOANS

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	31.12.2014 (15 Months) ₹
"Axis Bank Ltd-Car Loan Secured against the vehicle for which the loan has been taken. Repayment -Thirty five monthly installments of Rs.22,675/- starting from 1-4-2012. The loan is fully closed during the year "	10.89%	--	44,739
"Axis Bank Ltd - Car Loan Secured against the vehicle for which the loan has been taken. Repayment - Thirty six monthly installments of Rs.22,880/- starting from 1-4-2012. The loan is fully closed during the year "	10.89%	--	67,412
"HDFC LTD: Secured by way of equitable mortgage on certain immovable properties, owned by company. Further the loan has been guaranteed by way of personal guarantee of the managing director of the company. Repayment - One monthly installment of Rs.6,82,771/- , subsequently thirty ive installments of Rs.6,79,011/- and twenty three installments of Rs. 6,90,715/- and one \installment Rs.6,90,698/- totalling sixty installments, starting from 1-12-2011. Eight installments are outstanding as on the balance sheet date."	13.40%	5,230,504	13,732,808
"ICICI BANK -15 CR Loan: Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company.Repayment - The term of loan is twelve months, Rs. 1.25 Crores must me repaid in each month starting from 15-7-2014. The loan is fully closed during the year "	14.75%	--	77,943,251
"ICICI BANK -18 Cr Loan: Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company.Repayment - The term of loan is Eighteen months, Rs. 1. Crore must be repaid in each month starting from 15-1-2017. However 17 Crores not availed as on balance sheet date"	14.75%	10,000,000	--
"ICICI Bank Ltd Car Loan Secured against the vehicle for which the loan has been taken. Repayment - Two loans totalling one hundred and twenty monthly installments: sixty monthly installments of Rs.35,745/- for each loan, starting from 1-9-2011. 4 Instalments are outstanding as on the balance sheet date"	10.76%	279,658	1,243,812

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	31.12.2014 (15 Months) ₹
"ICICI BANK LTD Secured by way of equitable mortgage on certain immovable properties, owned by its associate company Arihant Hospitality (Chennai) Private Limited. Repayment - Twelve monthly installments of Rs.1.50 Crores which will commence from 15-08-2014. However, the company has closed the loan fully during the year"	14.00%	--	206,918,818
"Standard Chartered Bank 8.11 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - Sixty monthly installments of Rs.18,45,275/- which commenced from 5-02-2013. T he Loan is closed during the year"	13.00%	--	55,752,821
"Standard Chartered Bank 9.82 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and one monthly installments of Rs.15,62,689/- which commenced from 15-01-2013. The loan is closed during the year."	12.25%	--	82,601,936
"Standard Chartered Bank 13.98 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - Sixty monthly installments of Rs.18,45,275/- which commenced from 21-05-2015. Thirty seven installments are outstanding as on the balance sheet date."	10.50%	135,967,044	--
State Bank of India (Overdraft) 12.60 Cr Secured by way of charge of equitable mortgage of immovable properties owned by the company further the loan has been guaranteed by way of personal guarantee of the directors of the company repayment - Nine monthly installments of Rs. 11,00,000 - Twelve monthly installments of Rs. 10,00,000 24 monthly installments of Rs. 15,00,000 24 monthly installments of Rs.18,00,000 12 monthly installment Rs. 21,00,000 which commenced from 31.07.2015. 72 installments are outstanding as on the balance sheet date.	12%	3,879,116,931	--
TOTAL		**190,268,375**	**438,305,597**
B. OTHERS - TERM LOANS			
"Aditya Birla Finance Limited Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 03-10-2013. Repayment - The term of loan is twenty seven months, Repayment starts from Novenber 2014. However, the loan repaid during the year."	13.75%	--	53,042,604
"Indiabulls Housing Finance Limited Secured by way of equitable mortgage on certain immovable properties, owned by the company Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and eighty monthly installments of Rs.1,90,646/- starting from 1-01-2013. One hundred and fifty six installments. The loan is repaid as on balance sheet date"	11.75%	--	15,212,067
"ICICI Home Finance Secured against the immovable property for which the loan has been taken. Repayment - Two hundred and sixty two monthly installments of Rs.79,589/- starting from 10-3-2008. One hundred and fifty eight installments are outstanding as on the balance sheet date."	12.85%	6,041,968	6,199,877

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	Amount Outstanding 31.12.2014 (15 Months) ₹
"kotak Mahindra Investments Ltd- 6 Cr Secured by way of equitable mortgage on certain immovable properties, owned by its associate company Arihant Hospitality (Chennai) Private Limited. Repayment - Nine monthly installments of Rs.77,77,777/- which will commence from 01-06-2016. However, the company has already commenced the repayment based on the availability of funds"	13.50%	48,037,417	60,000,000
"Kotak Mahindra Prime Ltd Car Loan Secured against the vehicle for which the loan has been taken. Repayment -Sixty monthly installments of Rs.1,79,690/- starting from 10-01-2013. Twenty one installments are outstanding as on the balance sheet date."	10.00%	3,452,507	5,579,105
"Religare Finvest Limited: Secured by way of equitable mortgage on certain immovable properties, owned by the company and hypothecation of certain project receivables. Further the loan has been guaranteed by way of personal guarantee of the managing director of the company. Repayment -One installmants of interest amounts of Rs. 32,084/-, then Fifteen monthly installments of Rs.17,20,917/-, then forty five monthly installments of Rs.16,87,376/- and one installment of Rs.9,67,801/- starting from 1-8-2011. The loan is closed during the year"	14.00%	--	30,703,256
"Religare Finvest Ltd - 2 Cr Loan: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment - Two installmants of interest amounts of Rs. 1,24,375/- and 2,49,320/- each, then, eleven monthly installments of Rs.3,22,670/-, then, one hundred and eleven monthly installments of Rs. 3,10,451/- and one installment of Rs. 2,61,296/- starting from 15-11-2011. The loan is closed during the year."	13.75%	--	17,020,342
"Religare Finvest Ltd - 3 Cr Loan: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment - Three installmants of interest amounts of Rs.10,273/-, Rs.3,45,971/- and Rs.4,02,058/- each, then, ten monthly installments of Rs.7,29,542/-, then, fifty monthly installments of Rs. 7,15,795/- and one installment of Rs. 3,96,666/- starting from 1-11-2011. The loan is closed during the year"	14.00%	--	15,737,404
"Religare Finvest Ltd 4.94 Cr: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment - one installment of interest amounts of Rs.1,66,073/- and then one hundred and twelve monthly installments of Rs.7,96,995/- and one installment of Rs. 2,16,370/- starting from 1-06-2013. The loan is closed during the year"	13.75%	--	45,793,833
"Religare Finvest Ltd 7.06 Cr: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment -One installmants of interest amounts of Rs.2,28,403/- and then one hundred and twelve monthly installments of Rs.11,39,025/- and one installment of Rs. 3,09,288/- starting from 1-06-2013. The loan is closed during the year"	13.75%	--	65,446,255
"Aditya Birla Finance Limited: 20 cr Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 26/03/2015 Repayment - The term of loan is tweenty four months, Repayment will start from May 2016. However, the company has already commenced the repayment based on the availability of funds"	13.75%	140,414,242	--
"Bajaj Finance Ltd 15.75 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and forty four installments of Rs.20,92,540/- which commenced from 02-08-2015. one hundred and thirty six installments are outstanding as on the balance sheet date."	12.25%	145,730,763	--

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	31.12.2014 (15 Months) ₹
"Bajaj Finance Ltd 1.25 Cr: Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and forty four installments of Rs.1,66,075/- which commenced from 02-09-2015. one hundred and thirty seven installments are outstanding as on the balance sheet date."	12.25%	12,222,315	-
"Bajaj Finance Ltd 20 cr : Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 19/10/2015 Repayment - The term of loan is thirty months. EMI will statr from January, 2017. The loan of 7.40 cr not availed as on balance sheet date. However, the company has already commenced the repayment based on the availability of funds. "	13.50%	88,858,265	-
"Piramal Enterprises Ltd 30 cr : Secured by way of transferable development rights owned by Varenya Constructions Ltd a wholly owned subsidiary of the company and on receivables from the sale of the TDR . Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 29/05/2015 Repayment - The term of loan is sixty months. The instalment will start from May, 2019. 20 crores have not been availed as on balance sheet date.	15.00%	100,000,000	
"others: secured against the asset/ property for which the loan has been obtained"	12% to 18%	127,667,307	143,629,500
TOTAL		**672,373,784**	**458,364,242**
GRAND TOTAL		**862,642,159**	**896,669,839**

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
DEFERRED TAX	5				
Deferred Tax Liability		108,180		672,599	
LESS:- Deferred Tax Asset provided during the year		31,872,000		780,779	
Deferred Tax Liability / (Asset) Net			(**31,980,180**)		(108,180)
OTHER LONG TERM LIABLITIES	6				
other long term liabilities			**107,747,303**		126,611,227
LONG TERM PROVISIONS	7				
Provision for Employment benefits			**3,687,243**		3,852,651
TRADE PAYABLES	8		**251,893,965**		303,656,724
OTHER CURRENT LIABILITIES	9				
Current Maturities of Long terms loans (Ref Note No. 4)		169,089,623		259,242,008	
Interest accured but not due		4,208,617		6,543,884	
Income received in advance		66,861		3,885,527	
Other Payabes					
Advance from customers and for projects		255,944,757		309,557,379	
Statutory Dues payable		4,418,717		5,794,606	
Other sundry current liabilities		371,426,366		2,530,767	
			805,154,940		610,331,091
SHORT TERM PROVISIONS	10				
Provision for Taxation		24,943,154		20,162,600	
			24,943,154		20,162,600

Note No. 11
FiXED ASSETS
DEPRECIATION SCHEDULE AS PER THE COMPANIES ACT, 1956 FOR THE PERIOD FROM 01.01.2015 TO 31.13.2016

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Name of The Asset	Balance As On 01.01.2015	Additions During 01.01.2015 To 31.03.2016	Deletions During 01.01.2015 To 31.03.2016	Balance As At 31.03.2016	Balance As On 01.01.2015	For The Period 01.01.2015 To 31.03.2016	Deletions During 01.01.2015 To 31.03.2016	Total As On 31.03.2016	As On 01.01.2015	As On 31.03.2016
Land	17,931,721	--	--	17,931,721	--	--	--	--	17,931,721	17,931,721
Buildings										
Freehold Buildings	90,762,170	--	--	90,762,170	18,184,222	1,864,911	--	20,049,133	72,577,948	70,713,037
Leasehold Buildings	5,795,307	--	--	5,795,307	963,794	115,782	--	1,079,576	4,831,513	4,715,731
Furniture & Fixtures	21,371,992	1,111,358		22,483,350	13,373,468	5,925,974	--	19,299,442	7,998,524	3,183,908
Plant & Equipments	12,032,819	89,300	17,150	12,104,969	4,806,416	16,40,639	10,041	6,437,014	7,226,403	5,667,955
Office Equipments	6,904,585	254,460	--	7,159,045	4,522,118	2,013,195	--	6,535,313	2,382,466	623,731
Vehicles	23,768,772	165,656	627,817	23,306,611	6,948,870	4,376,927	432,440	10,893,358	16,819,901	12,413,253
Total	**178,567,366**	**1,620,774**	**644,967**	**179,543,173**	**48,798,888**	**15,937,428**	**442,481**	**64,293,836**	**129,768,476**	**115,249,336**
Intangible Assets										
Computer Software	1,906,215	10,800	--	1,917,015	1,355,656	248,921	--	1,604,577	550,559	312,438
Total	1,906,215	10,800	--	1,917,015	1,355,656	248,921	--	1,604,577	550,559	312,438
Gr.total	**180,473,581**	**1,631,574**	**644,967**	**181,460,188**	**50,154,544**	**16,186,349**	**442,481**	**65,898,413**	**130,319,035**	**115,561,774**
Previous Year Values	**181,229,334**	**2,492,747**	**3,248,500**	**180,473,581**	**44,081,398**	**7,592,089**	**1,518,941**	**50,154,546**	**1371,47,936**	**13,031,935**

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months)		AMOUNT AS ON 31.12.2014 (15 Months)	
NON-CURRENT INVESTMENTS	12				
i) WHOLLY OWNED SUBSIDIARIES					
Arihant Griha Limited (50,000 Equity shares of Rs.10/- Each fully paid)		500,000		500,000	
Varenya Construction Limited (50,000 Equity shares of Rs.10/- Each fully paid)		500,000		500,000	
Transperent Heights Real Estate Limited (50,000 Equity shares of Rs.10/- Each fully paid)		500,000		500,000	
Vaikunt Housing Limited (5,00,000 Equity shares of Rs.1/- Each fully paid)		500,000		500,000	
ii) JOINT VENTURES / ASSOCIATES					
Mangalagiri Realty Projects Pvt. Ltd. (91,57,784 Equity shares of Rs.10/- Each Fully Paid Up)		91,577,840		62,377,840	
Arihant Unitech Realty Projects Ltd. (5,00,000 Equity shares of Rs.10/- Each Fully Paid Up)		5,000,000		5000000	
Escapade Real Estate Pvt Ltd (11,00,000 Equity Shares of Rs.10/- Each Fully Paid Up)		11,000,000		11,000,000	
Heirloom Real Estate Pvt.Ltd. (2,500 Equity shares of Rs.10/- Each Fully Paid Up)		25,000		25,000	
North Town Estates Pvt Ltd (25,000 Equity shares of Rs.10/- Each Fully Paid Up)		250,000		250,000	
b. INVESTMENT IN DEBENTURES					
Mangalagiri Realty Projects Pvt. Ltd. (2,03,894 Optionally Redeemable Convertible Debenetures of Rs.100/- Each)		20,389,400		20,389,400	
c. INVESTMENT IN PARTNERSHIP FIRMS					
Arihant Heirloom		63,629,924		61,532,859	
d. OTHER NON CURRENT INVESTMENT					
Development Rights Certificate		--		35,646,451	
2. UNQUOTED - NON-TRADE					
a. INVESTMENT IN GOVT. BONDS					
National Savings Certificate		5,000		5,000	

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months)		AMOUNT AS ON 31.12.2014 (15 Months)	
3. QUOTED - NON-TRADE					
(FULLY PAID AT COST)					
Happy Homes Profin Ltd (44,800 Equity shares of Rs 10/- each Fully Paid Up. Market value Rs.1, Carried at other than cost)		1		1.00	
Hindustan Construction Company Ltd (500 Shares of Rs 45.53 Each Fully Paid Up; Market value is Rs.9,800/-)		22,767		22,767	
IDBI Bank Ltd (500 Shares of Rs. 156.20 Each Fully Paid Up; Market value is Rs. 34,750/-)		78,100		78,100	
Indotech Transformers (691 Equity Shares of R 130.19/- Each Fully Paid up; Market value is Rs 129,769/-)		89,830		89,830	
Tata Consultancy Servies Ltd (3,600 Shares of Rs.250.65/- Each Fully Paid up; market vaue is Rs. 90,57,780/-)		902,352	**194,970,213**	902,352	199,319,600

Details of quoted/unquoted investments: **Particulars**	AS ON 31.03.2016 (15 Months)	AS ON 31.12.2014 (15 Months)
(a) Aggregate amount of quoted investments and market value thereof		
Book Value	1,093,049	1,093,050
Market Value	9,232,101	9,414,116
(b) Aggregate amount of unquoted investments		
Book Value	193,877,163	198,226,550
(c) Aggregate provision for diminution in value of investments	NIL	NIL

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months)		AMOUNT AS ON 31.12.2014 (15 Months)	
LONG TERM LOANS AND ADVANCES					
Security Deposit	13	999,462,533		871,069,439	
Loans and advances to related parties		201,675,290		184,062,215	
			1,201,137,823		1,055,131,654
OTHER NON CURRENT ASSETS	14				
Long Term Trade Receivables		342,763,541	**342,763,541**	377,970,292	377,970,292
INVENTORIES	15				
(as taken, valued and certified by the Management)					
Raw Materials		2,065,895		1,982,496	
Work in Progress		538,093,867		804,901,796	
Finished Properties		256,361,157		273,223,148	
			796,520,919		1,080,107,440

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months)		AMOUNT AS ON 31.12.2014 (15 Months)	
TRADE RECEIVABLES	16				
Debt outstanding for a period of exceeding six months from the date they are due for payment					
unsecured and considered goods					
- Debts due by private companies in which directors are directors		281,050,187		240,047,875	
- Others		99,272,646		104,950,068	
Debt outstanding for a period of lessthan six months from the date they are due for payment					
unsecured and considered goods					
- Debts due by private companies in which directors are directors		--		--	
- Others		290,132,661		98,790,831	
			670,455,493		443,788,774
CASH AND CASH EQUIVALENTS	17				
Balance with Banks		13,310,357		10,586,302	
Cash in Hand		18,823,740		15,225,396	
Others* mutual funds (daily dividend)		--		197,904,834	
Other Bank balances					
- Deposit accounts		20,062,267		31,677,805	
- Earmarked accounts: Unpaid dividend		401,832		401,832	
			52,598,196		255,796,170
SHORT TERM LOANS AND ADVANCES	18				
Unsecured and considered good					
Related Parties					
Other loans and advances		146,532,232		100,000,100	
Others					
Prepaid expenses		2,048,394		2,444,553	
Advance for land		32,965,685		32,965,685	
Balance with revenue authorities		80,564,115		66,775,621	
Advance given to suppliers and others		146,100,059		143,197,483	
Other loans and advances		157,090,032		194,659,668	
			565,300,517		540,043,109
OTHER CURRENT ASSETS	19				
Other Deposits		71,735,370		104,519,256	
Other Receivables		353,084		381,084	
			72,088,454		104,900,340
REVENUE FROM OPERATION	20				
Sales		600,284,437		576,965,683	
Marketing fees received		15,987,577		10092477	
Project management fees received		2,722,801		7,590,397	
Share of profit from firms		(697,306)		517,609	
Profit on Sale of TDR		17,551,403		-	
		635,848,912		595,166,166	
OTHER OPERATING REVENUES					
Lease rentals		38,869,869		38,739,618	
Car Park Sales		-		500,000	
Maintenance Charges Received		29,606,967		26,290,922	
Other operating income		8,193,550		124,450	
Remission of Liability		5,500,000		--	
		82,170,386	**718,019,298**	65,654,990	660,821,156

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months)		AMOUNT AS ON 31.12.2014 (15 Months)	
OTHER INCOME	21				
Interest received		115,752,692		66,643,173	
Dividend income		177,671		1,340,858	
Other non-operating income (net of expenses)		21,000			
Profit on Sale of Investment		1,796,853		10,52,149	
Profit on Sale of Fixed Asset		30,846			
Miscellaneous income		687,731		4,341,295	
			118,466,793		73,377,475
CONSTRUCTION AND PROJECT EXPENSES	22				
Cost of land		12,980,000			
Materials		71,635,461		150,497,424	
Labour & sub-contract expenses		86,020,581		177,532,200	
Legal expenses		1,085,450		49,908,842	
Consultancy charges		6,241,046		5,703,979	
Interest charges and other finance costs related to projects		133,664,015		208,243,710	
Marketing Expenses		1,815,130		-	
Other Project Expenses		39,303,997		57,695,213	
			352,745,681		649,581,368
CHANGES IN INVENTORIES OF MATERIALS, WORK- IN-PROGESS AND FINISHED GOODS	23				
a. Inventories at the beginning of the year					
i. Raw Materials		1,982,496		2,092,396	
ii. Work-in-progress		804,901,796		715,022,125	
iii. Finished goods		273,223,148		202,115,065	
		1,080,107,440		919,229,586	
b. Inventories at the end of the year					
i. Raw Materials		2,065,895		1,982,496	
ii. Work-in-progress		538,093,867		804,901,796	
iii. Finished goods		256,361,157		273,223,148	
		796,520,919		1,080,107,440	
Net (increase) / decrease			**283,586,521**		(160,877,854)
EMPLOYEES BENEFIT EXPENSES	24				
Salaries & Wages		17,755,984		19,506,726	
Contribution to provident and other funds		342,374		383,562	
Staff Welfare		1,597,974		677,623	
Other Employee benefit expenses		252,624		453,860	
			19,948,956		21,021,771
FINANCE COST	25				
Interest Expense;		131,046,886		126,276,748	
Other borrowings costs;					
Processing fees- (for Loan)		10,394,427		1,439,170	
			141,441,313		127,715,918
DEPRECIATION AND AMORTIZATION	26				
Depreciation of tangible fixed asset		15,937,428		7,467,066	
Amortization of intangible fixed asset		248,921		125,023	
			16,186,349		7,592,089

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months)		AMOUNT AS ON 31.12.2014 (15 Months)	
OTHER EXPENSES	27				
Power & Fuel		2,564,110		3,086,097	
Rent		6,369,856		5,948,761	
General Expenses		2,134,763		1,383,964	
Insurance		222,632		109,115	
Rates & Taxes		1,410,685		942,243	
Repairs & Office Maintenance		30,847,092		31,947,213	
Advertisement & Business Promotion		9,717,162		13,285,206	
Legal, Professional & Consultancy Charges		13,474,178		8,060,884	
Travelling & Conveyance		1,481,090		1,759,456	
Vehicle Maintenance		1,556,739		1,325,525	
Telephone, Postage, Printing & Stationery		2,628,586		3,178,084	
Donation		596,000		258,150	
Director Fees		150,000		80,000	
Bank Charges		69,610		42,643	
Audit Fees					
- For Statutory Audit		510,540		505,620	
- For Tax Audit		171,750		168,540	
- For Income tax representation		171,750		168,540	
Loss on sale of fixed assets		14,355		1,110,511	
Bad Debts-Written Off		27,741,030			
			101,831,927	-	73,360,552

28. CONTINGENT LIABILITIES, PROVISIONS AND CONTINGENT ASSETS

i) Value Added Tax liability, if any on works contracts carried out by the company is considered by management as not material but if any liability arises it will be recovered from customers

ii) The income tax department has filed appeal against the order of the CIT (Appeal) before the income tax apellate tribunal for various assessment years which is as follows:-

Period to which the amount relates	Amount (Rs)
AY 2004-2005	13,71,638/-
AY 2005-2006	53,23,956/-

iii) The cases pending before the CIT Appeals of Income tax are as follows

Period to which the amount relates	Amount (Rs)
AY 1999-2000	76,38,692/-
AY 2012-2013	15,19,250/-
AY 2011-2012	71,83,310/-

iv) Amount of service tax under dispute: Rs.23,16,081/- pertaining to period october 2004 to march 2007 (Previous year: Rs.23,16,081/- for the period october 2004 to march 2007). Stay has been granted by the CESTAT. If the appeal is disallowed it may result in penalty of equivalent amount

v) The company has given corporate guarantee of 60 Crores to one of its joint venture companies

Contigent Assets :
The company may receive interest on amounts paid by it for various appeals which are pending before ITAT.

The Company will receive reimbursement from the joint venture company if the corporate guarantee is invoked

Notes:
1. The Company does not expect any reimbursements in respect of the above contingent liabilities.

2. It is not practicable to estimate the timing of cash outflows, if any, in respect of matters stated above pending resolution of the arbitration/appellate proceedings.

29. TRADE RECEIVABLES AND TRADE PAYABLES
Trade receivables, trade payables, advance from customer and advance to suplier are subject to confirmation awaited.

30. INVESTMENT IN PARTNERSHIP FIRMS

Name of the firm	Name of all Partners	Share of each Partner	Total Capital as on 31-03-2016 in Rs.
1. Arihant Heirloom	Arihant Foundations & Housing limited	49.39%	16,860,026
	A.V.Krishnan	13.24%	
	R.Raghavan	16.17%	
	Vasantha Lakshmi	21.20%	
2. Arihant Foundations	Arihant Foundations & Housing limited	4.50%	44,968,549
	SPI properties pvt ltd	95.00%	
	Swaroop Reddy	0.50%	
3. Arihant Foundations & Housing	Arihant Foundations & Housing limited	3.50%	16,442,452
	SPI properties pvt ltd	95.00%	
	Swaroop Reddy	1.50%	

31. SEGMENT REPORTING

The company is primarily in the business of real estate development and related activities including construction. Major exposure is to residential and commercial construction and development of IT parks. Further majority of the business conducted is within the geographic boundaries of India.

In view of the above, in the opinion of the Management and based on the organizational and internal reporting structure, the company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the company are within India, in the opinion of the Management, the environment in India is considered to have similar risks and returns. Consequently the company's business activities primarily represent a single business segment. Similarly, this business operations in India represent a single geographical segment.

32. LEASED ASSETS

A. Operating lease taken

(i) The company has taken buildings on operating lease. The lease rental are paid by the company on a monthly basis.

(ii) Following are the details of lease rental expenses during the period

Particulars	31.03.2016 (15 MONTHS)	31.12.2014 (15 MONTHS)
	In Rs.	In Rs.
Total lease recognisied in Profit & Loss account	**6,369,856**	**5,948,761**

(iii) As per the lease agreement following are the details of Future minimum lease rentals payable as at 31st March, 2016.

Particulars	31.03.2016 (15 MONTHS)	31.12.2014 (15 MONTHS)
	In Rs.	In Rs.
a) Not later than one year	5,040,000	5,139,786
b) Later than one year, but not later than five year	32,899,600	11,757,162
c) More than five year	-	-

B. Operating lease given

(i) The company has given buildings on operating lease. The lease rental are Receivable by the company on a monthly basis.

(ii) Following are the details of leases rental income during the period

Particulars	31.03.2016 (15 MONTHS)	31.12.2014 (15 MONTHS)
	In Rs.	In Rs.
Total lease recognisied in Profit & Loss account	**38,869,869**	**38,739,618**

(iii) As per the lease agreement following are the details of Future minimum lease rentals payable as at 31st March, 2016.

Particulars	31.03.2016 (15 MONTHS)	31.12.2014 (15 MONTHS)
	In Rs.	In Rs.
a) Not later than one year	33,012,130	29,653,220
b) Later than one year, but not later than five year	32,899,600	26,552,247
c) More than five year	-	-

34. A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The company does not own any manufacturing facility. Hence, the requirements pertaining to disclosure of particulars relating to conservation of energy, technology absorption as prescribed under the Companies (Disclosure of particulars in the report of board of directors) Rules, 1988, are not applicable. However, the company has commissioned a device named power factor, which reduces the consumption of energy. The company has also taken intiative to reduce the power and fuel consumption.

(Amount in Rs. Lakhs)

34. b) FOREIGN EX-CHANGE EARNINGS AND OUTGO	31.03.2016 (15 MONTHS)	31.12.2014 (15 MONTHS)
i) Outgo*	1.93	1.91

* Foreign Exchange outgo comprises of expenses on travelling and participating in exhibitions abroad and professional charges paid to foreign consultants.

35. INTEREST IN JOINT VENTURES AND ASSOCIATES:

Name of the Company	Country of incorporation	Proportion of ownership interest as at 31-03-2016	Proportion of ownership interest as at 31-12-2014
Joint Ventures Companies			
(a) Escapade Real Estate Private Limited	India	66.67%	50.00%
(b) Arihant Unitech Realty Projects Limited	India	50.00%	50.00%
(c) Mangalagiri Realty Projects Private Limited	India	16.87%	12.00%
(d) North town Estates Private Limited	India	50.00%	50.00%
Partnership firms			
(a) Arihant Heirloom	India	49.39%	49.39%
(b) Arihant Foundations	India	4.50%	4.50%
(c) Arihant Foundations & Housing	India	3.50%	3.50%
Associates Companies			
Heirloom Real Estate Private Limited	India	25.00%	25.00%

(a) The above joint venture entities are incorporated in India. The Company's share of the assets and liabilities as on 31st March , 2016 and income and expenses for the year ended31st March , 2016, in respect of joint venture entities based on board adopted unaudited accounts are considered for consolidation as shown below:

Particulars	As on 31.03.2016 (15 Months)	As on 31.12.2014 (15 Months)
	Rs.	Rs.
A. Assets		
- Non-current assets	994,045,084	672,184,389
- Current assets	1,631,377,882	635,708,591
TOTAL	**2,625,422,965**	**1,307,892,981**
B. Liabilities		
- Non-current liabilities	571,515,917	39,458,780
- Current liabilities	1,814,087,901	1,543,987,913
TOTAL	**2,385,603,818**	**1,583,446,693**
C. Contingent Liabilites	NIL	NIL
D. Capital commitments	NIL	NIL
E. Income	577,049,698	343,859,324
F. Expenses	605,516,606	442,741,704

36. BENEFITS TO EMPLOYEES

As per accounting standard (AS) 15 revised, 'employee benefits', the disclosures of employee benefits ar as given below:

(a) Defined contribution plans

Contributions recognized as expense for the year are as under:

Particulars	As on 31.03.2016 (15 Months)	As on 31.12.2014 (15 Months)
Employer's contribution to provident fund (in Rs.)	342,374	383,562

(b) Defined Benefit plans

The cost of providing gratuity are determined using the projected unit credit method, on the basis of actuarial valuation techniques, conducted at the end of the financial year.

i. Expense to be recognized in the statement of profit & loss	**As on 31.03.2016 (15 Months)**
a) Interest Cost	385,265
b) Current Service Cost	548,996
c) Past Service Cost	-
d) Expected Return on Plan Assets	-
e) Curtailment Cost (Credit)	-
f) Settlement Cost (Credit)	-
g) Net Actuarial (gain) / loss	(1,099,669)
h) Net Expenses to be recognized in the statement of profit & loss account	(165,408)

ii. Amounts to be recognized in the Balance Sheet	**As on 31.03.2016 (15 Months)**
a) Present Value of Obligations as on the Accounting Date	3,687,243
b) Fair Value of the Plan Assets	-
c) Liability Recognized in the Balanc Sheet	(3,687,243)
iii. Movements in accrued liability	**As on 31.03.2016 (15 Months)**
a) Accrued Liability as at the beginning of the period	3,852,651
b) Correction subsequently effected to last year's closing liability	-
c) Interest Cost	385,265
d) Current Service Cost	548,996
e) Past Service Cost	-
f) Curtailment Cost	-
g) Settlement Cost	-
h) Benefits paid	-
i) Net Actuarial (gain) / loss	(1,099,669)
j) Accrued Liability as at the end of the period	3,687,243
iv. Reconciliation	**As on 31.03.2016 (15 Months)**
a) Net Liability as at the beginning of the period	3,852,651
b) Correction subsequently effected to last year's closing liability	-
c) Net Expenses in statement of profit and loss	(165,408)
d) Benefits paid	-
e) Net Liability at the end of the period	3,687,243
v. Experience Rated Adjustments	**As on 31.03.2016 (15 Months)**
a) Liability side	1,099,669
b) Asset side	NA

vi. Principal Actuarial Assumptions:

Particulars	As on 31.03.2016 (15 Months)	As on 31.12.2014 (15 Months)
a) Mortality table - Indian assured lives	Ind. (2006-08)	Ind. (2006-08)
b) Discounting rate (per annum)	7.80%	8.00%
c) Rate of escalation in salary (per annum)	12.00%	10.00%
d)Rate of return on plan assets	NA	NA
e) Attrition rate fixed by the enterprise	24.00%	5.00%

37. RELATED PARTY DISCLOSURES

A) Name of the related party and nature of relationship where control exists

Wholly owned subsidiaries	**Joint Venture Entities**
Vaikunt Housing Limited	Arihant Unitech Realty Projects limited
Arihant Griha Limited	Arihant Indo African Infra Developers and Builders Private limited
Trasperent Heights Real Estate Limited	Escapade Real Estate Private limited
Varenya Constructions Limited	Northtown Estates Private limited
	Arihant Foundations
	Arihant Foundations & Housing
	Arihant Heirloom

B) Name and relationship of related parties where transaction exists:

Wholly owned subsidiaries	**Joint Venture Entities**
Vaikunt Housing Limited	Arihant Unitech Realty Projects limited
Arihant Griha Limited	Arihant Indo African Infra Developers and Builders Private limited
Trasperent Heights Real Estate Limited	Escapade Real Estate Private limited
Varenya Constructions Limited	Northtown Estates Private limited
	Arihant Foundations
ASSOCIATES	Arihant Foundations & Housing
Heirloom Real Estate Private Limited	Arihant Heirloom

Key Management Personnel

Name	**Designation**
Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	Whole time Director
Mr. Bharatkumar Jain	Whole time Director

Individuals owning directly or indirectly, an interest in the voting power of the reporting enterprise and relatives of any such individual:

Mrs. Snehalatha Lunawath
Mrs. Preethi Lunawath
Mrs. Kavita Lunawath

Summary of significant related parties transactions carried out in ordinary course of business are as under:

Amount in ₹						
S. No	**Description**	**100% Subsidiaries**	**Associates/ Joint Ventures**	**Key management personnel**	**Entities, relatives of key management personnel and individuals owning directly or indirectly, an interest in the voting power of the reporting enterprise and relatives of any such individual**	**TOTAL**
1	Service rendered	- -	- -	- -	- -	- -
2	Interest received	100,305,297 (64,770,263)	15,807,883 -	- -	- -	116,113,180 (64,770,263)
3	Interest paid	- -	- -	45,265,720 `	-	45,265,720 -
4	Loans received from	-	2,733,961 (443,187,120)	50,120,220 (191,081,631)	-	52,854,181 (634,268,751)
5	Loans repaid to	-	7,116,772 (244,506,217)	69,563,258 (57,676,830)	-	76,680,030 (302,183,047)
6	Loans Given	40,015,428 (87,349,669)	3,530,185 (54,461,369)	-	-	43,545,613 (141,811,038)
7	Loans repaid-- repayments received	24,554,289 (94,140,323)	3,150,555 (566,409)	-	-	27,704,844 (94,706,732)
8	Advances received from	-	3,808,332 (4,735,230)	-	-	3,808,332 (4,735,230)
9	Advances repaid to	-	8,440,442 (3,747,668)	-	-	8,440,442 (3,747,668)
10	Advances made to	332,821 (119,500)	4,012,730 (6,443,065)	-	-	4,345,551 (6,562,565)
11	Advances - repayment received from	882,000 -	108,475 (11,975,000)	-	-	990,475 (11,975,000)
12	Project management fees	-	840,874 (6,505,708)	-	-	840,874 (6,505,708)
13	Marketing fees	-	16,615,152 (10,302,645)	-	-	16,615,152 (10,302,645)
14	Remuneration paid	-	-	5,000,000 (4,500,000)	-	5,000,000 (4,500,000)
15	Share of Profit / (Loss)	-	(697,306) (517,609)	-	-	(697,306) (517,609)

Note: Previous years' figures are given within brackets

38. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF
ARIHANT FOUNDATIONS AND HOUSING LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ARIHANT FOUNDATIONS AND HOUSING LIMITED ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2016, and 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

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014. The respective Board of Directors of the Company and its subsidiaries, , associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and its subsidiaries and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation and 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 whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the Other Matter below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion:-

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2016 and the consolidated loss and its consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of certain subsidiaries, associates and jointly controlled entities, whose financial statements reflect total assets of Rs.2,46,33,79,763 /- as at March 31, 2016, total revenues of Rs.56,94,13,793 /- for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and jointly controlled entities and our report in terms of sub-section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, associates and jointly controlled entities is based solely on the board adopted financial statements. In our opinion and according to the information and according to the explanations given to us by management, these financial statements are not going to be changed materially.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done, the reports and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, based on the comments in the auditors' report of the Company and on the auditors' reports issued in accordance with the Order on subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.

   b) In our opinion proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the Directors of the Company as on March 31, 2016, taken on record by the Board of Directors of the Company and the reports of the management of its subsidiary companies, associates and jointly controlled entities incorporated in India, none of the Directors of the Company and its subsidiaries, incorporated in India is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
   f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as of March 31, 2016.

   ii) The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

   iii) The amount of Rs.64,470 has not been transferred to the Investor Education and Protection Fund by the holding company.

For M/S. B.P.JAIN & CO
CHARTERED ACCOUNTANTS
Firm Registration Number: 050105S
DEVENDRA KUMAR BHANDARI
Place: New York PARTNER
Date: 26.05.2016 Membership Number: 208862

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In respect of a subsidiary company, and an associate company incorporated in India, which have been included in the consolidated financial statements based on unaudited financial statements of such entities provided to us by the Management, whilst in our opinion, and according to the information and explanations given to us, reporting under the Order is applicable in respect of these entities, since these entities are unaudited, the possible effects of the same on our reporting under the Order in the case of these consolidated financial statements has not been considered.

1. In respect of the fixed assets of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India:

   a) The respective entities have maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

   b) These fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, no material discrepancies were noticed on such verification.

2. In respect of the inventories of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India:

   a) As explained to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, the

inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.

b) In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the procedures of physical verification of inventories followed by the respective Management were reasonable and adequate in relation to the size of the holding Company and its respective subsidiary companies, associate companies and jointly controlled companies incorporated in India and the nature of their business.

c) In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the holding Company and its aforesaid subsidiaries have maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3. a) The Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India has granted loan to three companies covered in the register maintained under section 189 of the companies Act 2013, The maximum amount involved during the year was Rs.13,71,79,313/- and the year-end balance of loans granted to such parties was Rs.13,63,76,979/-.

b) During the year, in respect of the aforesaid loans, in some of the loans there has been no recovery towards principal, in the absence of any terms; we are unable to comment on the regularity of recovery of principal amount.

c) Where the overdue amount exceeds rupees one lakh, in respect of some of the loans, in the absence of any terms; we are unable to comment that, the respective entities have taken necessary steps to recover the amount and interest thereon.

4. In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, having regard to the explanations that, there is an adequate internal control system commensurate with the size of the holding Company and its aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India and the nature of their business respectively with regard to purchase of inventory and fixed assets and the sale of goods and services. During the course of our audits and based on auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, we have not observed any major weakness in such internal control system.

5. In our opinion and according to information and explanations given to us, based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, the holding Company and its aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India have not accepted deposits during the year and do not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company and its aforesaid subsidiaries.

6. The maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act will not apply to the holding company and its aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India. Hence maintenance of cost accounts and records is not required;

7. (a) According to the information and explanations given to us, in respect of statutory dues of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India and on the basis of examination of books of accounts, The respective entities are regular in depositing undisputed statutory dues including, Investor Education and protection fund, Income Tax, Wealth Tax, Service Tax, Cess, Sales tax, Value added tax, Excise duty and any other material statutory dues with the appropriate authorities except in case of following: -

Statement of Arrears of statutory dues outstanding for more than six months:-

Name of statue	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act	Tds Payable	Rs.5,900/-	2015-16	07-11-2015	10-05-2016
Income Tax Act	IncomeTax Payable	Rs.22,860/-	2008-09	04-02-2012	Due
Income Tax Act	IncomeTax Payable	Rs.13,87,500/-	2011-12	01-08-2014	Due
Income Tax Act	IncomeTax Payable	Rs.1,04,89,990/-	2014-15	30-11-2015	Due
Service Tax	ServiceTax Payable	Rs.5,07,705/-	2015-16	06-08-2015	22-03-2016

(b) According to the information and explanation given to us there are dues in respect of income tax ,or sales tax ,or value added tax following taxes on account of dispute , which are as follows:- Statement of Disputed Dues :-

Name of the Statue	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs.76,38,692/-	AY 1999-2000 FY 1998-1999	CIT Appeals
Income Tax Act, 1961	Income Tax	Rs.71,83,310/-	AY 2011-2012 FY 2010-2011	CIT Appeals
Income Tax Act, 1961	Income Tax	Rs.13,71,638/-	AY 2004-2005 FY 2003-2004	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	Rs.53,23,956 /-	AY 2005-2006 FY 2004-2005	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	Rs.15,19,250/-	AY 2013-2014 FY 2012-2013	CIT Appeals
FinanceAct, 1994 (Service Tax)	Service Tax	Rs.7,87,509/-	2007-2008 & 2008-2009	CESTAT, Chennai
FinanceAct, 1994 (Service Tax)	Service Tax	Rs.23,97,303/-	2007-2008 & 2008-2009	CESTAT, Chennai
Finance Act, 1994 (Service Tax)	Service Tax	Rs.23,16,081/-	June 16, 2005 to March 2007	CESTAT, Chennai

(c) The holding company is not regular in transferring amounts to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder within time.

8. The group has been registered for a period not less than five years and has not incurred accumulated losses at the end of the financial year and the group has incurred cash losses in such financial year and in the immediately preceding financial year;

9. In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, the respective entities have not defaulted in repayment of dues to a bank during the year and did not have any amount outstanding to financial institutions or debenture holders.

10. In our opinion and according to information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, the holding Company and its aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India has given corporate guarantee of Rs.60 crores for loans taken by jointly controlled entity from non-banking finance company. The terms and conditions whereof are not prejudicial to the interest of the group.

11. According to the information and explanation given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, the respective entities has applied term loans for the purpose for which the loans were obtained;

12. To the best of our knowledge and belief and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India, no fraud on or by the holding Company and its aforesaid subsidiary companies, associate companies and jointly controlled companies incorporated in India has been noticed or reported during the year.

For M/S. B.P.JAIN & CO
CHARTERED ACCOUNTANTS
Firm Registration Number: 050105S

DEVENDRA KUMAR BHANDARI
PARTNER
Membership Number: 208862

Place: New York
Date: 26.05.2016

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2016

Particulars	Note No	Amount As On 31.03.2016 (15 Months) ₹		Amount As On 31-12-2014 (15 Months) ₹	
EQUITY AND LIABILITIES					
(1) SHARE HOLDER'S FUNDS					
(A) Share capital	2	**86,000,000**		86,000,000	
(B) Reserves & surplus	3	**1,395,939,872**	**1,481,939,872**	1,409,682,521	1,495,682,521
(2) NON CURRENT LIABILITIES					
(A) Long term borrowings	4	**1,381,059,798**		1,459,354,697	
(B) Other Long Term Liabilities	6	**307,747,303**		126,611,227	
(C) Long term provisions	7	**5,062,779**	**1,693,869,880**	4,382,691	1,590,348,615
(3) CURRENT LIABILITIES					
(A) Short Term Borrowings	8	**803,818,498**		203,175,685	
(B) Trade payables	9	**398,106,532**		369,668,783	
(C) Other curent liabilities	10	**1,584,031,981**		1,616,487,327	
(D) Short term provisions	11	**65,548,532**	**2,851,505,542**	37,086,583	2,226,418,378
TOTAL			**6,027,315,294**		5,312,449,514
ASSETS					
(1) NON CURRENT ASSETS					
(A) FIXED ASSETS	12				
I- Tangible assets		**118,987,771**		132,823,011	
II- Intangible assets		**220,504,925**		549,943	
(B) Non-current investment	13	**295,720,213**		173,131,442	
(C) Deferred tax Asset (Net)	5	**135,784,661**		110,677,256	
(D) Long-term loans and advances	14	**1,148,980,920**		1,044,783,476	
(E) Other Non Current Assets	15	**341,258,043**	**2,261,236,533**	377,970,292	1,839,935,420
(2) CURRENT ASSETS					
(A) Current Investments	16	**2,550,000**		1,209,534	
(B) Inventories	17	**1,293,023,573**		1,242,217,094	
(C) Trade receivables	18	**797,467,169**		353,692,606	
(D) Cash and cash equivalents	19	**84,731,436**		303,441,782	
(E) Short term loans and advances	20	**1,498,791,402**		1,254,186,396	
(F) Other current assets	21	**89,515,181**	**3,766,078,761**	317,766,681	3,472,514,094
TOTAL			**6,027,315,294**		5,312,449,514
Significant accounting policies and notes to financial statements	(1 - 41)				

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR 15 MONTHS ENDED 31st MARCH 2016

	NOTE NO	YEAR ENDED 31.03.2016 (15 Months) ₹	YEAR ENDED 31.12.2014 (15 Months) ₹
INCOME			
(A) Revenue from operations	22	**1,251,632,593**	990,807,597
(B) Other income	23	**112,617,709**	33,055,485
TOTAL REVENUE		**1,364,250,303**	1,023,863,082
EXPENSES			
(A) Construction and project expenses	24	**1,007,653,339**	1,222,344,743
(B) Changes in inventories of materials, work-in- progress and finished goods	25	**118,068,721**	(24,460,7643)
(C) Employees benefit expenses	26	**33,328,556**	30,480,511
(D) Finance cost	27	**200,453,192**	131,614,256
(E) Depreciation and amortization	28	**17,644,918**	9,069,964
(F) Other expenses	29	**132,727,645**	90,818,009
TOTAL EXPENSES		**1,509,876,370**	1,239,719,840
Profit before Exceptional and Extraordinary items		**(145,626,067)**	(215,856,758)
Exceptional items		--	--
Profit before Tax		**(145,626,067)**	(215,856,758)
Less : Tax Expense			
a. Current tax		**11,045,135**	25,313,333
b. Earlier year's tax		--	--
b. Deferred tax charge / (Credit)		**(35,129,890)**	(54,536,211)
PROFIT FOR THE PERIOD		**(121,541,313)**	(186,633,879)
Share of Profit/(loss) from of Associates		**(669,767)**	
Transfer to minority Interest		**(6,142,780)**	
Transfer to Cost of Control		-	
Net Profit/Loss after taxes, minority interest and share of Profit/loss of Associates		**(116,068,300)**	(186,633,879)
Earning per share (Basic)	34	**(13.50)**	(21.70)
Earning per share (Diluted)		**(13.50)**	(21.70)
Significant accounting policies and notes to financial statements	(1 - 41)		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

ARIHANT FOUNDATIONS & HOUSING LIMITED

CONSOLIDATED CASHFLOW STATEMENT FOR 15 MONTHS ENDED 31.03.2016

PARTICULARS	31.03.2016 (15 Months) ₹	31.12.2014 (15 Months) ₹
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss Before Tax and Extraordinary Items	**(145,626,067)**	**(215,856,758)**
Adjustments for non cash nature and other items:		
Depreciation	17,644,918	9,069,964
Bad debts	27,741,030	8,500,000
Dividend received	(3,868,943)	(1,445,754)
Interest and Finance Income	(101,304,400)	(17,859,082)
Profit on sale of Assets	(30,846)	-
Profit on sale of Investments	(1,796,853)	(1,052,149)
Share of profit	-	(517,609)
Loss on sale of Fixed Assets	14,355	1,110,511
Interest and Finance Charges	200,453,192	131,614,256
Operating Profit Before Working capital Changes	**(6,773,615)**	**(86,436,621)**
Adjustments for Working Capital changes		
(Increase) / Decrease in Inventories (Excluding Conversion)	(50,806,478)	61,816,776
(Increase) / Decrease in Long Term Receivables	36,712,250	(377,970,292)
(Increase) / Decrease in Trade receivables and other current assets	(187,782,033)	553,748,038
(Increase) / Decrease in Short Term Loans and Advances	(210,832,638)	-
Increase / (Decrease) in Trade Payables & other current liabilites	23,723,432	(76,886,344)
Increase / (Decrease) in Long Term Provisions	680,089	(1,445,179)
Increase / (Decrease) in Short Term Provisions	28,461,949	2,819,870
Cash From operations before Tax and Extraordinary items	**(366,617,044)**	**75,646,248**
Income Tax Paid	(10,219,446)	(26,919,741)
Cash From operations before Extraordinary items	(376,836,490)	48,726,507
Extraordinary Items	-	-
Cash flow from Operating Activities	**(376,836,490)**	**48,726,507**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed Assets	(223,967,144)	(3,082,574)
Sale of fixed Assets	218,976	619,048
Dividend received	3,868,943	1,445,754
Share of Profit	-	517,609
Interest received during the year	101,304,400	17,859,082
Purchase of Investment	(128,278,924)	(21,876,729)
Proceeds from sale of Investment	6,146,540	3,912,955
Net Cash from Investing Activities	**(240,707,210)**	**(604,855)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Fresh loans taken / (Loans repaid)	703,483,989	275,994,655
Fresh Loan given	(104,197,444)	(159,556,055)
Loans received back	-	64,492,374
Interest & Finance Charges	(200,453,192)	(131,614,256)
Net Cash from Financing Activities	**398,833,353**	**49,316,718**
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(218,710,347)**	**97,438,370**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**303,441,782**	**206,003,412**
F. CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	**84,731,436**	**303,441,782**

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICES:

(A) Principles of consolidation.

• The consolidated financial statements include the financial statements of parent company and its subsidiaries, joint ventures and associates.

• The consolidated financial statements have been prepared by adding, line by line, each and every item of financial statements of the parent company (Arihant Foundations and Housing Limited) and its subsidiaries and joint ventures. During the process of consolidation the inter-company balances and transaction have been eliminated fully in order to avoid the inclusion of unrealized profit and loss.

• Investments in associates have been accounted as per Accounting Standard 23 on "Accounting for Investment in Associates in Consolidated Financial Statement" as issued by the Institute of Chartered Accountants of India. The investment in associates is accounted by following the equity method of accounting as recommended by the AS 23.

• Investment in Joint ventures has been accounted as per Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India. Proportional consolidation method has been adopted to account the interest in the joint ventures as recommended by the concerned Accounting Standard.

• No Goodwill / (Capital Reserve) have been recognized in the consolidated financial statements during the process of consolidation.

(B) Basis of presentation

i) The consolidated financial statements relate to Arihant Foundations & Housing Limited and its joint venture and associates.

ii) Notes to these consolidated financial statements are intended to serve as a means of informative disclosure to understand the consolidated position of the Companies.

A. BASIS OF ACCOUNTING

a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India.

b) Accounting policies not specially referred to otherwise are consistently followed throughout the period under audit and in consonance with the generally accepted accounting principles.

B. USE OF ESTIMATES

The preparation of financial statement in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at date of the financial statements and the reported accounts of revenues and expenses for the years presented. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

C. FIXED ASSETS AND DEPRECIATION

a)The fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all related expenses incurred up to the date the assets are put to use.

b)Depreciation on fixed assets is provided on straight line method as per rate and manner prescribes in schedule-XIV of the companies Act 1956. The depreciation has been provided at 100% on the Assets purchased during the year the cost of which is less than Rs 5000/-.

D. INTANGIBLES AND AMORTIZATION

Intangible assets are recognized when it is probable that future economic benefits that are attributable to these assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets (acquired or developed in-house) are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

E. IMPAIRMENT OF ASSETS

Management at each balance sheet date assesses using internal sources whether there is an indication that an asset or group of assets or a cash generating unit as the case may be, is impaired. Impairment occurs where the carrying value exceeds the higher of value in use represented by present value of future cash flows expected to arise from the continuing use of the asset and its realizable value. The impairment asset is charged off to statement of profit and loss.

F. INVESTMENTS

Trade investments are those made to enhance the Group's business interests. Investments are classified as either current or long-term, based on the Management's intention at the time of purchase.

Long-term investments

Long-term investments are stated at cost. However, provision is made for diminution in the value of the asset, which is other than temporary.

Quoted

The company holds investment in quoted securities. They are classified as long-term as the Management intends to hold the same for a period of more than twelve months. These investments are classified as non-trade.

Unquoted

The company holds investment in unquoted securities of its subsidiaries, joint ventures and associates. These investments are classified as trade.

Current invetsments
Current investments are carried at the lower of cost and fair value.

G. INVENTORIES
a) Raw materials and consumables
The cost of inventories comprise of purchase cost and conversion cost, if any.

b) Work -in-progress
Costs generally include cost of land, construction costs, job work allocated borrowing costs and other costs that are attributable to project and such other costs as are specifically chargeable to the project. Work-in-progress are valued at cost less cost of sales.

c) Finished stock
Finished stock consists of completed real estate projects which are unsold at the end of the financial year.

H. BORROWING COST
Borrowing costs that are directly attributable to the acquisition or construction or development of qualifying assets of the company are capitalized until the time all substantial activities necessary to prepare the qualifying assets for the intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

Borrowing costs that are attributable to any work-in-progress, qualifying land advances as well as capital work-in-progress are charged to the respective qualifying project. All other borrowing costs, not eligible for inventorisation or capitalization are charged to revenue in the year in which they are incurred.

I. REVENUE RECOGNITION
i) Construction Contracts
In construction contracts, revenue is recognized on percentage of completion method. The revenue is recognized on the basis of the Accounting Standard and as prescribed by Institute of Chartered Accountants of India.

Revenue on sale of land is recognized upon enter in to contract with the customer in the purchase of the said undivided share of land. The revenue also recognized at the time of registration of sale deed or completion of the project whichever is earlier.

ii)Revenue from lease rentals and related income
Lease income is recognized on accrual basis as per the Contract.

iii) Interest Income
Interest is recognized on accrual basis of accounting.

iv) Dividend Income
Dividend income is recognized when the right to receive the same is established or the receipt of the same whichever is earlier.

J.FOREIGN EXCHANGE TRANSACTIONS
The foreign exchange transaction recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount, the prevailing exchange rate, as at the date of transaction.

K. TAXES ON INCOME
Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws that are enacted or substantially enacted.

Deferred Tax is recognized on timing differences, being the differences between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward, only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. They can be realized against future taxable profits.

L.EMPLOYEE BENEFITS
Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment and as required by law are recorded in accordance with Accounting Standard (AS) 15 (Revised) “Employee Benefits” issued by the Institute of Chartered Accountants of India.

i) Gratuity
Gratuity is a defined benefit plan. Liability for gratuity in respect of past services are provided for based on the actuarial valuation carried out annually as at the balanced sheet date by an independent actuary using the Projected Unit Credit (PUC) method.

ii)Provident Fund
The company’s contribution to Provident fund is considered as a defined contribution plan. Company’s contribution to provident fund is charged to the statement of profit and loss when the contribution is due.

M. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimation when:

a)the company has a present obligation as a result of past event;

b)a probable outflow of resources embodying economic benefits will be required to settle the obligation; and

c)the amount of obligation can be reliably estimated
Re-imbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

a)a present obligation arising from a past event, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

b)a possible obligation, that arises out of past events and the existence of which will be confirmed only by one or more uncertain future events unless the probability of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

N. CASH AND CASH EQUIVALENTS
Cash and cash equivalents comprise cash in hand and at bank and short-term investments with an original maturity of three months or less.

O. EARNINGS PER SHARE
Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, share split and share warrants conversion.

Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted number of shares outstanding during the period for the effect of all dilutive potential equity shares.

ARIHANT FOUNDATIONS & HOUSING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31.03.2016

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
SHARE CAPITAL	2				
AUTHORISED					
1,00,00,000 equity shares of R.10/- each			**100,000,000**		100,000,000
ISSUED, SUBSCRIBED & PAID UP					
86,00,000 equity shares of R.10/- each fully paid up			**86,000,000**		86,000,000
Reconciliation of No of Shares outstanding at the beginning and end of the reporting year					
		No.s	Amount in ₹	No.s	Amount in ₹
Opening balance of number of Equity Shares		8,600,000	86,000,000	8,600,000	86,000,000
Changes during the year		-	-	-	-
Closing balance of number of Equity Shares		8,600,000	86,000,000	8,600,000	86,000,000
SHAREHOLDERS HOLDING MORE THAN 5% OF THE TOTAL SHARE CAPITAL		**NO OF SHARES**	**NO OF % HELD**	**SHARES**	**% HELD**
Smt. Snehlatha Lunawath		1,407,000	16.36	1,407,000	16.36
Smt. S. Jayalakshmi		796,202	9.26	796,202	9.26
Mr. Kamal Lunawath		749,100	8.71	749,100	8.71
Mr. Vimal Lunawath		696,400	8.10	696,400	8.10
Taj Foundation Private Limited		690,000	8.02	690,000	8.02
Ocean Dial Asset Management Ltd A/c ICGQ Ltd		592,400	6.89	592,400	6.89

ARIHANT FOUNDATIONS & HOUSING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31.03.2016

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
RESERVES & SURPLUS	**3**				
Capital Reserve			**94859071.00**		
SECURITIES PREMIUM RESERVE					
Opening Balance		570,650,000		735,350,000	
Add: Additions during the year		--		--	
Closing Balance			**570,650,000**		735,350,000
GENERAL RESERVE					
Opening Balance		88,308,752		88,308,752	
Add: Additions during the year		--		--	
Closing Balance			**88,308,752**		88,308,752
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS					
Opening Balance		711,091,739		778465075	
Add: Profit for the year		(116,068,300)		(186,618777)	
Less : Appropriations made during the year		-		5,822,528	
Less : Transfer to cost of control		(207,912)		--	
Closing Balance			**595,231,352**		586,023,769
			1,349,049,175		1,409,682,521
MINORITY INTEREST			**46,890,697**		
			1,395,939,872		

LONG TERM BORROWINGS	4	31.03.2016 (15 Months) ₹		31.12.2014 (15 Months) ₹	
i) SECURED		Current	Non - Current	Current	Non - Current
Term Loans & Other Loans					
a. From Banks		59,112,549	131,155,825	110,510,048	332,679,680
b. From Other Parties		110,531,280	921,083,867	148,799,567	309,564,676
		169,643,829	**1,052,239,692**	**259,309,615**	**642,244,357**
Deposits includes all Inter Corporate Depsoits					
ii) UNSECURED					
a. Deposits		-	(145,178,657)	-	525,599,694
b. Loans & Advances From Related Parties			473,998,764	-	291,510,647
		-	328,820,107		817,110,341
TOTAL		**169,643,829**	**1,381,059,798**	**259,309,615**	**1,459,354,697**

Intercorporate deposits and other loans are repayable on demand. Intercorporate deposits and some of the loans are interest-free.

LONG TERM BORROWINGS
(i) SECURED
A. FROM BANKS - TERM LOANS

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	Amount Outstanding 31.12.2014 (15 Months) ₹
"Axis Bank Ltd-Car Loan Secured against the vehicle for which the loan has been taken. Repayment - Thirty five monthly installments of Rs.22,675/- starting from 1-4-2012. The loan is fully closed during the year "	10.89%	--	44,739
"Axis Bank Ltd - Car Loan Secured against the vehicle for which the loan has been taken. Repayment - Thirty six monthly installments of Rs.22,880/- starting from 1-4-2012. The loan is fully closed during the year "	10.89%	--	67,412
"HDFC LTD: Secured by way of equitable mortgage on certain immovable properties, owned by company. Further the loan has been guaranteed by way of personal guarantee of the managing director of the company. Repayment - One monthly installment of Rs.6,82,771/- , subsequently thirty five installments of Rs.6,79,011/- and twenty three installments of Rs. 6,90,715/- and one installment Rs.6,90,698/- totalling sixty installments, starting from 1-12-2011. Eight installments are outstanding as on the balance sheet date."	13.40%	5,230,504	13,732,808
"ICICI BANK -15 CR Loan: Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company.Repayment - The term of loan is twelve months, Rs. 1.25 Crores must me repaid in each month starting from 15-7-2014. The loan is fully closed during the year "	14.75%	--	77,943,251
"ICICI BANK -18 Cr Loan: Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company.Repayment - The term of loan is Eighteen months, Rs. 1. Crore must be repaid in each month starting from 15-1-2017. However 17 Crores not availed as on balance sheet date"	14.75%	10,000,000	--
"ICICI Bank Ltd Car Loan Secured against the vehicle for which the loan has been taken. Repayment - Two loans totalling one hundred and twenty monthly installments: sixty monthly installments of Rs.35,745/- for each loan, starting from 1-9-2011. 4 Instalments are outstanding as on the balance sheet date"	10.76%	279,658	1,243,812
"ICICI BANK LTD Secured by way of equitable mortgage on certain immovable properties, owned by its associate company Arihant Hospitality (Chennai) Private Limited. Repayment - Twelve monthly installments of Rs.1.25 Crores which will commence from 15-01-2014. However, the company has closed the loan fully during the year"	14.50%	--	206,918,818

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	31.12.2014 (15 Months) ₹
"Standard Chartered Bank 8.11 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - Sixty monthly installments of Rs.18,45,275/- which commenced from 5-02-2013. The Loan is closed during the year"	13.00%	--	55,752,821
"Standard Chartered Bank 9.82 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and one monthly installments of Rs.15,62,689/- which commenced from 15-01-2013. The loan is closed during the year."	12.25%	--	82,601,936
"HDFC Loan - 6350188108 : Secured by way of equitable mortgage on certain immovable properties futher the loan has been guaranteed by way of personal guarantee of the directors of the company Repayment - Loan is repayable at a specific (percentage 10%) of collection from customer determined time to time	10%	--	9,633,049
"Standard Chartered Bank 13.98 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - Sixty monthly installments of Rs.18,45,275/- which commenced from 5-02-2013. Thirty seven installments are outstanding as on the balance sheet date."	10.50%	135,967,044	--
"State bank of India (Overdraft) 12.60 Secured by way of charge of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - Nine monthly installments of Rs.11,00,000/-, Twelve monthly installments of Rs.10,00,000/-, Twenty four monthly installments of Rs.15,00,000/-, Twenty four monthly installments of Rs.18,00,000/-Twelve monthly installments of Rs.21,00,000/-which commenced from 31-07-2015. Seventy two instalment are outstanding as on the balance sheet date."	12.50%	38,791,169	--
TOTAL		**190,268,375**	**438,193,446**
B. OTHERS - TERM LOANS **FROM OTHERS**			
"Aditya Birla Finance Limited Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 03-10-2013. Repayment - The term of loan is twenty seven months, Repayment starts from Novenber 2014. However, the loan repaid during the year."	13.75%	--	53,042,604

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	Amount Outstanding 31.12.2014 (15 Months) ₹
"Indiabulls Housing Finance Limited Secured by way of equitable mortgage on certain immovable properties, owned by the company Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and eighty monthly installments of Rs.1,90,646/- starting from 1-01-2013. One hundred and fifty six installments. The loan is repaid as on balance sheet date"	11.75%	--	15,212,067
"ICICI Home Finance Secured against the immovable property for which the loan has been taken. Repayment - Two hundred and sixty two monthly installments of Rs.79,589/- starting from 10-3-2008. One hundred and fifty eight installments are outstanding as on the balance sheet date."	12.85%	6,041,968	6,199,877
"kotak Mahindra Investments Ltd- 6 Cr Secured by way of equitable mortgage on certain immovable properties, owned by its associate company Arihant Hospitality (Chennai) Private Limited. Repayment - Nine monthly installments of Rs.77,77,777/- which will commence from 01-06-2016. However, the company has already commenced the repayment based on the availability of funds"	13.50%	48,037,417	60,000,000
"Kotak Mahindra Prime Ltd Car Loan Secured against the vehicle for which the loan has been taken. Repayment -Sixty monthly installments of Rs.1,79,690/- starting from 10-01-2013. Twenty one installments are outstanding as on the balance sheet date."	10.00%	3,452,507	5,579,105
"Religare Finvest Limited: Secured by way of equitable mortgage on certain immovable properties, owned by the company and hypothecation of certain project receivables. Further the loan has been guaranteed by way of personal guarantee of the managing director of the company. Repayment -One installmants of interest amounts of Rs. 32,084/-, then Fifteen monthly installments of Rs.17,20,917/-, then forty five monthly installments of Rs.16,87,376/- and one installment of Rs.9,67,801/- starting from 1-8-2011. The loan is closed during the year"	14.00%	--	30,703,256
"Religare Finvest Ltd - 2 Cr Loan: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment - Two installmants of interest amounts of Rs. 1,24,375/- and 2,49,320/- each, then, eleven monthly installments of Rs.3,22,670/-, then, one hundred and eleven monthly installments of Rs. 3,10,451/- and one installment of Rs. 2,61,296/- starting from 15-11-2011. The loan is closed during the year."	13.75%	--	17,020,342
"Religare Finvest Ltd - 3 Cr Loan: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment - Three installmants of interest amounts of Rs.10,273/-, Rs.3,45,971/- and Rs.4,02,058/- each, then, ten monthly installments of Rs.7,29,542/-, then, fifty monthly installments of Rs. 7,15,795/- and one installment of Rs. 3,96,666/- starting from 1-11-2011. The loan is closed during the year"	14.00%	--	15,737,404

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	Amount Outstanding 31.12.2014 (15 Months) ₹
"Religare Finvest Ltd 4.94 Cr: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment - one installment of interest amounts of Rs.1,66,073/- and then one hundred and twelve monthly installments of Rs.7,96,995/- and one installment of Rs. 2,16,370/- starting from 1-06-2013. The loan is closed during the year"	13.75%	--	45,793,833
"Religare Finvest Ltd 7.06 Cr: Secured by way of equitable mortgage on certain immovable properties, owned by the company. Repayment -One installmants of interest amounts of Rs.2,28,403/- and then one hundred and twelve monthly installments of Rs.11,39,025/- and one installment of Rs. 3,09,288/- starting from 1-06-2013. The loan is closed during the year"	13.75%	--	65,446,255
"Aditya Birla Finance Limited: 20 cr Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 26/03/2015 Repayment - The term of loan is tweenty four months, Repayment will start from May 2016. However, the company has already commenced the repayment based on the availability of funds"	13.75%	140,414,242	--
"Bajaj Finance Ltd 15.75 Cr Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - One hundred and forty four installments of Rs.20,92,540/- which commenced from 02-08-2015. one hundred and thirty six installments are outstanding as on the balance sheet date."	12.25%	145,730,763	--
"Bajaj Finance Ltd 1.25 Cr: Secured by way of charge on the lease rentals from let out properties of the company and by way of equitable mortgage of immovable properties owned by the company. Further the loan has been guaranteed by way of persona guarantee of the directors of the company. Repayment - One hundred and forty four installments of Rs.1,66,075/- which commenced from 02-09-2015. one hundred and thirty seven installments are outstanding as on the balance sheet date."	12.25%	12,222,315	--
"Bajaj Finance Ltd 20 cr : Secured by way of equitable mortgage on certain immovable properties, owned by company and on receivables from the project. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 19/10/2015 Repayment - The term of loan is thirty months. EMI will statr from January, 2017. The loan of 7.40 cr not availed as on balance sheet date. However, the company has already commenced the repayment based on the availability of funds. "	13.50%	88,858,265	--

Particulars	Interest Rate P.A.	Amount Outstanding 31.03.2016 (15 Months) ₹	Amount Outstanding 31.12.2014 (15 Months) ₹
"Piramal Enterprises Ltd 30 cr : Secured by way of transferable development rights owned by Varenya Constructions Ltd a wholly owned subsidiary of the company and on receivables from the sale of the TDR . Further the loan has been guaranteed by way of personal guarantee of the directors of the company. The date of commencement of loan is 29/05/2015 Repayment - The term of loan is sixty months. The instalment will start from May, 2019. 20 crores have not been availed as on balance sheet date. "	15.00%	100,000,000	--
"Piramal Enterprises Ltd 60 cr : NCD's Secured by way of certain immovable properties of Arihant Unitech Realty Projects Ltd a joint venture entity of the company .Further the loan has been guaranteed by way of corporate guarantee of Arihant Foundations & Housing Ltd , Unitech Ltd and personal guarantees of Mr.Kamal Lunawath & Mr. Ajay Chandra . The date of commencement of loan is 09/01/2015 Repayment - The term of loan is sixty months. The partial redemption starts from March , 2016.However the company has already commenced the repayment based on the availability of funds "	17.00%	238,817,157	--
"HDFC LTD. Secured by way of equitable mortgage on certain immovable properties. Further the loan has been guaranteed by way of personal guarantee of the directors of the company. Repayment - Loan is repayable at a specific percentage (at present 75%) of collection from customers determined from time to time."	13.75%	119,870,000	9,633,049
"KOTAK MAHINDRA PRIME LTD -Car Loan Secured against the vehicle for which the loan has been taken. Repayment - Thirty six monthly instalment of Rs.19,110/- starting from 05-01-2016. Thirty three installments are outsztanding as on the balance sheet date."	9.35%	554,206	
"others: secured against the asset/ property for which the loan has been obtained"	12% to 18%	127,616,307	143,629,500
TOTAL		**1,031,615,147**	**458,364,242**
GRAND TOTAL		**1,221,883,522**	**896,669,839**

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
DEFERRED TAX	**5**				
Deferred Tax Liability		108,180		672,599	
LESS:- Deferred Tax Asset provided during the year		135,676,481		(111,349,856)	
Deferred Tax Liability / (Assets) Net			**135,784,661**		(110,677,256)
OTHER LONG TERM LIABILITIES	**6**				
Other long term liabilities			**307,747,303**		126,611,227
LONG TERM PROVISIONS	**7**				
Provision for Employment benefits			**5,062,779**		4,382,691
SHORT TERM BORROWINGS	**8**				
Loans and Advances from Related Parties			**803,818,498**		203,175,685
TRADE PAYABLES	**9**		**398,106,532**		369,668,783
OTHER CURRENT LIABILITIES	**10**				
Current maturities of Long term Loans (refer note no. 4)		169,643,829		259,309,615	
Interest Accrued but no due		4,208,617		6,543,884	
Income Received in Advance		66,861		3,885,527	
Other Payables					
Advance from Customer and for Projects		918,987,507		1,257,719,712	
Statutory dues payable		18,552,942		11,859,036	
Other Sundry Current Liabilities		472,572,224		77,169,550	
			1584,031,981		1,616,487,327
SHORT TERM PROVISIONS	**11**				
Provision for Employee Benefit		--		--	
Other Provisions					
Provision for Tax		65,548,532		37,086,583	
Other Provisions		--		-	
			65,548,532		37,086,583

Note No. 12
CONSOLIDATED FIXED ASSETS
DEPRECIATION SCHEDULE AS PER THE COMPANIES ACT, 1956 FOR THE PERIOD FROM 01.01.2015 TO 31.03.2016

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Name of The Asset	Balance As On 01.01.2015	Additions During 01.01.2015 To 31.03.2016	Deletions During 01.01.2015 To 31.03.2016	Balance As At 31.03.2016	Balance As On 01.01.2015	For The Period 01.01.2015 To 31.03.2016	Deletions During 01.01.2015 To 31.03.2016	Total As On 31.03.2016	As On 01.01.2015	As On 31.03.2016
Land	17,931,721			17,931,721	--	--	--	--	17,931,721	17,931,721
Buildings										
Freehold Buildings	95,292,261	--	--	95,292,261	21,839,310	2,447,855	--	24,287,165	73,452,951	71,005,096
Leasehold Buildings	5,795,307	--	--	5,795,307	963,794	115,782	--	1,079,576	4,831,513	4,715,731
Furniture & Fixtures	21,647,489	1,126,320	--	22,773,809	13,512,294	5,950,505	--	19,462,799	8,135,195	3,311,010
Plant & Equipments	12,874,215	721,850	17,150	13,578,915	5,175,652	1,740,358	10,041	6,905,969	7,698,563	6,672,946
Office Equipments	9,874,456	489,800	--	10,364,256	6,438,204	2,491,056	--	8,929,260	3,436,252	1,434,996
Vehicles	26,434,036	983,918	627,817	26,790,137	8,655,862	4,650,442	432,440	12,873,864	17,778,174	13,916,273
Total	**189,849,485**	**3,321,888**	**644,967**	**192,526,406**	**56,585,116**	**17,395,998**	**442,481**	**73,538,633**	**133,264,369**	**118,987,773**
Intangible Assets										
Computer Software	1,906,215	10,800	--	1,917,015	1,355,656	248,921	--	1,604,577	550,559	312,438
Trns Development Rights	240,598,470	35,989,174	20,411,751	256,175,893	--	--	--	--	--	256,175,893
Total	**242,504,685**	**35,999,974**	**20,411,751**	**258,092,908**	**1,355,656**	**248,921**	**--**	**1,604,577**	**550,559**	**256,488,331**
Gr.total	**432,354,170**	**39,321,862**	**21,056,718**	**450,619,314**	**57,940,772**	**17,644,919**	**442,481**	**75,143,210**	**133,814,928**	**375,476,104**
Previous Year Values	426,419,526	3,083,239	242,084,136	187,418,629	46,494,652	9,069,964	1,518,941	54,045,675	379,924,875	133,372,954

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
NON-CURRENT INVESTMENTS	13				
1. UNQUOTED - TRADE					
A. INVESTMENT IN EQUITY INSTRUMENT					
JOINT VENTURES / ASSOCIATES					
Mangalagiri Realty Projects Pvt Ltd (91,57,784 Equity shares of Rs.10/- Each Fully Paid Up)		91,577,840		62,377,840	
Arihant Unitech Realty Projects Ltd. (5,00,000 Equity shares of Rs.10/- Each Fully Paid Up)		119,000,000			
Heirloom Real Estate Pvt.Ltd. (2,500 Equity shares of Rs.10/- Each Fully Paid Up)		25,000		25,000	
c. INVESTMENT IN DEBENTURES					
Mangalagiri Realty Projects Pvt Ltd "(2,03,894 Optionally Redeemable Convertible Debenetures of Rs.100/- Each)"		20,389,400		20,389,400	
d. INVESTMENT IN PARTNERSHIP FIRMS					
Arihant Heirloom		63,629,924		53,592,232	
e. OTHER NON CURRENT INVESTMENT					
Development Rights Certificate		-		35,646,451	
2. UNQUOTED - NON-TRADE					
a. INVESTMENT IN GOVT. BONDS					
National Savings Certificate		5,000		7,470	
3. QUOTED - NON-TRADE (FULLY PAID AT COST)					
Happy Homes Profin Ltd (44,800 Equity shares of Rs.10/- each Fully Paid Up)		1		1	
Hindustan Construction Company Ltd (500 Shares of Rs.45.20 Each Fully Paid Up; market value is Rs. 4,950/-)		22,767		22,767	
IDBI Bank Ltd (500 Shares of Rs.155.40 Each Fully Paid Up; market value is Rs. 29,225/-)		78,100		78,100	
Indotech Transformers (691 Equity Shares of Rs.130/- Each Fully Paid up; market value is Rs. 34,861/-)		89,830		89,830	
Tata Consultancy Servies Ltd (3,600 Shares of Rs.1/- Each Fully Paid up; market vaue is Rs.69,40,080/-)		902,352		902,352	
			295,720,213		**173,131,442**

Details of quoted/unquoted investments: Particulars	AS ON 31.03.2016 (15 Months) ₹	AS ON 31.12.2014 (15 Months) ₹
(a) Aggregate amount of quoted investments and market value thereof		
Book Value	3,643,050	1,093,050
Market Value	11,782,101	9,414,116
(b) Aggregate amount of unquoted investments		
Book Value	294,627,164	172,038,392

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
LONG TERM LOANS AND ADVANCES	**14**				
Security deposits		1425,008,857		1,053,386,255	
Loan and Advances to related parties		(276,027,937)	**1,148,980,920**	(8,602,779)	1,044,783,476
OTHER NON CURRENT ASSESTS	**15**				
Long Term Trade Receivables		341,258,042	**341,258,042**	377,970,292	377,970,292
CURRENT INVESTMENTS	**16**				
Units of mutual funds under daily dividend plan		2,550,000	**2,550,000**	1,209,534	1,209,534
INVENTORIES	**17**				
(as taken, valued and certified by the Management)					
Land		7,508,922		-	
Raw Materials		2,065,895		1,982,496	
Work in Progress		1,027,087,599		959,415,763	
Finished Properties		256,361,157		280,818,836	
			1,293,023,573		1,242,217,095
TRADE RECEIVABLES	**18**				
Debt outstanding for a period of exceeding six months from the date they are due for payment					
Unsecured and considered good					
- Debts due by the private companies firms in which directors and directors partners		376,499,186		67,655,249	
- Others		99,272,646		139,314,378	
Debt outstanding for a period of less than six months from the date they are due for payment					
Unsecured and considered good					
- Debts due by private companies in which directors are directors		32,203,693		248,385	
- Others		289,491,645		146,474,593	
			797,467,169		353,692,606
CASH AND CASH EQUIVALENTS	**19**				
Balance with Banks		34,973,932		41,915,932	
Cash in Hand		21,280,449		19,831,379	
Others* (mutual funds under daily dividend plan)		-		197,904,834	
Other Bank balances					
- Deposit accounts		28,075,223		43,387,805	
- Earmarked accounts: Unpaid dividend		401,832		401,832	
			84,731,436		30,344,1782

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
SHORT TERM LOANS AND ADVANCES	**20**				
Unsecured and considered good					
Related Parties					
Other loans and advances		530,086,619		124,777,725	
Others					
Prepaid Expenses		34,396,075		33,134,216	
Advance for land		223,690,685		214,540,685	
Balance with Revenue Authorities		96,087,186		224,154,016	
Advance given to suppliers and others		381,440,584		346,711,480	
Other loans and advances		233,090,252		310,868,274	
			1,498,791,402		1,254,186,396
OTHER CURRENT ASSETS	**21**				
Other deposits		71,735,370		104,519,256	
Other Receivables		17,779,811		213,247,425	
			89,515,181		317,766,681
REVENUE FROM OPERATION	**22**				
Sales		1,111,147,357		892,086,237	
Marketing fees received		14,697,376		24,958,365	
Project management fees received		1,918,137		7,590,397	
Share of profit from firms		-		517,609	
Profit on Sale of TDR		43,960,536			
		1,171,723,405		**925,152,607**	-
Other Operating Revenues					
Lease rentals		38,869,869		38,739,618	
Car Park Sales		-		500,000	
Maintenance charges received		29,606,967		26,290,922	
Other operating income		11,432,352		124,450	
		79,909,188		**65,654,990**	
			1,251,632,593		990,807,597
OTHER INCOME	**23**				
Interest received		101,304,400		17,859,082	
Dividend income		3,868,943		1,445,754	
Other non-operating income (net of expenses)		21,000		-	
Profit on Sale of Investment		1,796,853		1,052,149	
Miscellaneous income		5,591,493		12,698,500	
Profit on Sale of Fixed Asset		30,846		--	
Remission of Liability		--		--	
Accounts writtenoff		4,174		--	
			112,617,709		33,055,485
CONSTRUCTION AND PROJECT EXPENSES	**24**				
Cost of land		12,980,000		--	
Materials		85,699,757		150,497,424	
Labour & sub-contract expenses		735,090,126		575,349,553	
Legal expenses		1,085,450		49,908,842	
Consultancy charges		6,241,046		5,703,979	
Interest charges and other finance costs related to projects		133,664,015		208,243,710	
Marketing Expenses		1,815,130		--	
Other Project Expenses		31,077,814		232,641,235	
			1,007,653,339		1,222,344,743

PARTICULARS	NOTE NO	AMOUNT AS ON 31.03.2016 (15 Months) ₹		AMOUNT AS ON 31.12.2014 (15 Months) ₹	
25 Changes In Inventories Of Materials, Work- In-Progess And Finished Goods	**25**				
a. Inventories at the beginning of the year					
i. Land					
ii. Raw Materials		1,982,496		2,092,396	
iii. Work-in-progress		1,135,886,650		783,196,041	
iv. Finished goods		273,223,148		212,321,014	
		1,411,092,294		997,609,452	
b. Inventories at the end of the year					
i. Land					
ii. Raw Materials		2,065,895		1,982,496	
iii. Work-in-progress		1,034,596,521		959,415,763	
iv. Finished goods		256,361,157		280,818,836	
		1,293,023,573		1,242,217,095	
Net (increase) / decrease			**118,068,721**		(244,607,643)
EMPLOYEES BENEFIT EXPENSES	**26**				
Salaries & Wages		29,580,524		28,227,123	
Contribution to provident and other funds		1,411,762		875,054	
Staff Welfare		2,045,555		924,475	
Other Employee benefit expenses		290,715	**33,328,556**	453,860	30,480,511
FINANCE COSTS	**27**				
Interest Expense;		185,450,796		130,175,086	
Other borrowings costs;		4,607,969		--	
Processing fees- (for Loan)		10,394,427	**200,453,192**	1,439,170	131,614,256
DEPRECIATION AND AMORTIZATION	**28**				
Depreciation of tangible fixed asset		16,540,038		8,944,941	
Amortization of intangible fixed asset		1,104,880	**17,644,918**	125,023	9,069,964
OTHER EXPENSES	**29**				
Power & Fuel		2,584,110		3,106,097	
Rent		6,549,856		5,998,761	
General Expenses		2,427,693		1,395,918	
Resale Compensation		-		-	
Insurance		(170,651)		193,312	
Rates & Taxes		1,430,128		1,920,710	
Repairs & Office Maintenance		34,673,989		32,723,873	
Advertisement & Business Promotion		31,217,674		16,336,000	
Legal, Professional & Consultancy Charges		17,126,705		9,622,940	
Travelling & Conveyance		2,049,721		2,251,685	
Vehicle Maintenance		1,556,739		1,325,525	
Telephone, Postage, Printing & Stationery		2,728,057		3,230,349	
Miscellaneous Expenditure		(34,656)		1,124,182	
Bad Debt		27,741,030		8,500,000	
Donation		618,500		258,150	
Directors' Fees		150,000		80,000	
Commission		196,118		-	
Bank Charges		73,113		43,513	
Share of Loss		27,539			
Audit Fees					
- For Statutory Audit		1,416,628		1,259,402	
- For Tax Audit		179,250		168,540	
- For Income tax representation		171,750		168,540	
Loss on sale of fixed assets		14,355		1,110,511	
			132,727,645		90,818,009

29. CONTINGENT LIABILITIES, PROVISIONS AND CONTINGENT ASSETS

i) Value Added Tax liability, if any on works contracts carried out by the company is considered by management as not material but if any liability arises it will be recovered from customers

ii) The income tax department has filed appeal against the order of the CIT (Appeal) before the income tax apellate tribunal for various assessment years which is as follows:-

Period to which the amount relates	Amount (Rs)
AY 2004-2005	13,71,638/-
AY 2005-2006	53,23,956/-

iii) The cases pending before the CIT Appeals of Income tax are as follows

Period to which the amount relates	Amount (Rs.)
AY 1999-2000	76,38,692/-
AY 2012-2013	15,19,250/-
AY 2011-2012	71,83,310/-

iv) The Cases Pending Before CESTAT are as follows

Period to which the amount relates	Amount (Rs)
2007-2008 & 2008-2009	Rs.7,87,509/-
2007-2008 & 2008-2009	Rs.23,97,303/-
June 2005 to March 2007	Rs.23,16,081/-

v) The company has given corporate guarantee of 60 Crores to one of its joint venture companies

Contigent Assets :
The company may receive interest on amounts paid by it for various appeals which are pending before ITAT.

The Company will receive reimbursement from the joint venture company if the corporate guarantee is invoked

Notes:
1. The Company does not expect any reimbursements in respect of the above contingent liabilities.

2. It is not practicable to estimate the timing of cash outflows, if any, in respect of matters stated above pending resolution of the arbitration/appellate proceedings.

33. INVESTMENT IN PARTNERSHIP FIRMS

Name of the firm	Name of all Partners	Share of each Partner	Total Capital as on 31-03-2016 in Rs.
1. Arihant Heirloom	Arihant Foundations & Housing limited A.V.Krishnan R.Raghavan Vasantha Lakshmi	49.39% 13.24% 16.17% 21.20%	16,860,026
2. Arihant Foundations	Arihant Foundations & Housing limited SPI properties pvt ltd Swaroop Reddy	4.50% 95.00% 0.50%	44,968,549
3. Arihant Foundations & Housing	Arihant Foundations & Housing limited SPI properties pvt ltd Swaroop Reddy	3.50% 95.00% 1.50%	16,442,452

32. SEGMENT REPORTING

The company is primarily in the business of real estate development and related activities including construction. Major exposure is to residential and commercial construction and development of IT parks. Further majority of the business conducted is within the geographic boundaries of India.

In view of the above, in the opinion of the Management and based on the organizational and internal reporting structure, the company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the company are within India, in the opinion of the Management, the environment in India is considered to have similar risks and returns. Consequently the company's business activities primarily represent a single business segment. Similarly, this business operations in India represent a single geographical segment.

33. LEASED ASSETS

A. Operating lease taken
(i) The company has taken buildings on operating lease. The lease rental are paid by the company on a monthly basis.

(ii) Following are the details of lease rental expenses during the period

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs
Total lease recognisied in Profit & Loss account	6,549,856	5,948,761

(iii) As per the lease agreement following are the details of Future minimum lease rentals payable as at 31st December, 2014.

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs
a) Not later than one year	5,040,000	5,139,786
b) Later than one year, but not later than five year	--	11,757,162

B. Operating lease given

(i) The company has given buildings on operating lease. The lease rental are Receivable by the company on a monthly basis.

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs
Total lease recognisied in Profit & Loss account	38,869,869	38,739,618

(iii) As per the lease agreement following are the details of Future minimum lease rentals receivable as at 31st December, 2014.

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs
a) Not later than one year	33,012,130	29,653,220
b) Later than one year, but not later than five year	32,899,600	26,552,247

34. EARNINGS PER SHARE

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs
a) Weighted Average number of shares considered for calculation of EPS	8,600,000	8,600,000
b) Net profit after tax (in Rs.)	(116,068,300)	(186,633,879)
c) Basic earnings per share (in Rs.)	(13.50)	(21.70)
d) Face value per share (in Rs.)	10	10

DILUTED EARNINGS PER SHARE

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs.
a) Weighted Average number of shares considered for calculation of EPS	8,600,000	8,600,000
b) Net profit after tax (in Rs.)	(116,068,300)	(186,633,879)
c) Basic earnings per share (in Rs.)	(13.50)	(21.70)
d) Face value per share (in Rs.)	10	10

35. a) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The company does not own any manufacturing facility. Hence, the requirements pertaining to disclosure of particulars relating to conservation of energy, technology absorption as prescribed under the Companies (Disclosure of particulars in the report of board of directors) Rules, 1988, are not applicable. However, the company has commissioned a device named power factor, which reduces the consumption of energy. The company has also taken intiative to reduce the power and fuel consumption.

(Amount in Rs. Lakhs)

b) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs.
i) Outgo*	1.93	1.91

* Foreign Exchange outgo comprises of expenses on travelling and participating in exhibitions abroad and professional charges paid to foreign consultants

36. INTEREST IN JOINT VENTURES AND ASSOCIATES:

Name of the Company	Country of incorporation	Proportion of ownership interest as at 31.03.2016	Proportion of ownership interest as at 31.12.2014
Joint Ventures Companies			
(a) Escapade Real Estate Private Limited	India	66.67%	50.00%
(b) Arihant Unitech Realty Projects Limited	India	50.00%	50.00%
(c) Mangalagiri Realty Projects Private Limited	India	16.87%	12.00%
(d) North town Estates Private Limited	India	50.00%	50.00%
Partnership firms			
(a) Arihant Heirloom	India	49.39%	49.39%
(b) Arihant Foundations	India	4.50%	4.50%
(c) Arihant Foundations & Housing	India	3.50%	3.50%
Associates Companies			
Heirloom Real Estate Private Limited	India	25.00%	25.00%

(a) The above joint venture entities are incorporated in India. The Company's share of the assets and liabilities as on 31st March , 2016 and income and expenses for the year ended31st March , 2016, in respect of joint venture entities based on board adopted unaudited accounts are considered for consolidation as shown below:

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs.
A. Assets		
- Non Current assets	994,045,084	672,184,389
- Current assets	1,631,377,882	635,708,591
TOTAL	**2,625,422,965**	**1,307,892,981**
B. Liabilities		
- Non Current Liabilities	571,515,917	39,458,780
- Current liabilities	1,814,087,901	1,543,987,913
TOTAL	**2,385,603,818**	**1,583,446,693**
C. Contingent Liabilites	NIL	NIL
D. Capital commitments	NIL	NIL
E. Income	577,049,698	343,859,324
F. Expenses	605,516,606	442,741,704

37. BENEFITS TO EMPLOYEES

As per accounting standard (AS) 15 revised, 'employee benefits', the disclosures of employee benefits ar as given below:

(a) Defined contribution plans

Contributions recognized as expense for the year are as under:

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs.
Employer's contribution to provident fund (in Rs.)	342,374	383,562

(b) Defined Benefit plans

The cost of providing gratuity are determined using the projected unit credit method, on the basis of actuarial valuation techniques, conducted at the end of the financial year.

i. Expense to be recognized in the statement of profit & loss	31.03.2016 (15 MONTHS) Rs.
a) Interest Cost	385,265
b) Current Service Cost	548,996
c) Past Service Cost	-
d) Expected Return on Plan Assets	-
e) Curtailment Cost (Credit)	-
f) Settlement Cost (Credit)	-
g) Net Actuarial (gain) / loss	(1,099,669)
h) Net Expenses to be recognized in the	
statement of profit & loss account	(165,408)

ii. Amounts to be recognized in the Balance Sheet	31.03.2016 (15 MONTHS) Rs.
a) Present Value of Obligations	
as on the Accounting Date	3,687,243
b) Fair Value of the Plan Assets	-
c) Liability Recognized in the	
Balance Sheet	(3,687,243)
iii. Movements in accrued liability	
a) Accrued Liability as at the	
beginning of the period	3,852,651
b) Correction subsequently effected	
to last year's closing liability	
c) Interest Cost	385,265
d) Current Service Cost	548,996
e) Past Service Cost	-
f) Curtailment Cost	-
g) Settlement Cost	-
h) Benefits paid	
i) Net Actuarial (gain) / loss	(1,099,669)
j) Accrued Liability as at the end of	
the period	3,687,243
iv. Reconciliation	**31.03.2016 (15 MONTHS) Rs.**
a) Net Liability as at the beginning	
of the period	3,852,651
b) Correction subsequently effected to	
last year's closing liability	-
c) Net Expenses in statement of	
profit and loss	(165,408)
d) Benefits paid	
e) Net Liability at the end of the period	3,687,243
a) Liability side	1,099,669
b) Asset side	NA

vi. Principal Actuarial Assumptions:

Particulars	31.03.2016 (15 MONTHS) Rs.	31.12.2014 (15 MONTHS) Rs.
a) Mortality table - Indian assured lives	Ind. (2006-08)	Ind. (2006-08)
b) Discounting rate (per annum)	7.80%	8.00%
c) Rate of escalation in salary (per annum)	12.00%	10.00%
d) rate of return on plan assets	NA	NA
e) Attrition rate fixed by the enterprise	24.00%	5.00%

38. RELATED PARTY DISCLOSURES

Related Parties are classified as:

Associates

Heirloom Real Estate Private Limited

Key Management Personnel

Name	Designation
Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	Whole time Director
Mr. Bharatkumar Jain	Whole time Director

Individuals owning directly or indirectly, an interest in the voting power of the reporting enterprise and relatives of any such individual:

Mrs. Snehalatha Lunawath
Mrs. Preethi Lunawath
Mrs. Kavita Lunawath

Summary of significant related parties transactions carried out in ordinary course of business are as under:

		Amount (₹)		
S. No	**Description**	**Key management personnel**	**Entities, relatives of key management personnel and individuals owning directly indirectly, an interest in the voting power of the reporting enterprise and relatives of any such individual**	**TOTAL**
1	Service rendered	-	-	-
2	Interest received	- -	- -	- -
3	Interest paid	**45,265,720** (45,124,377)	-	**45,265,720** (45,124,377)
4	Loans received from	**50,120,220** (191,081,631)	-	**50,120,220** (191,081,631)
5	Loans repaid to	**69,563,258** (57,676,830)	-	**69,563,258** (57,676,830)
6	Loans Given	-	-	-
7	Loans repaid-- repayments received	-	-	-
8	Advances received from	-	-	-
9	Advances repaid to	-	-	-
10	Advances made to	-	-	-
11	Advances - repayment received from	-	-	-
12	Project management fees	-	-	-
13	Marketing fees	-	-	-
14	Remuneration paid	**5,000,000** (4,500,000)	-	**5,000,000** (4,500,000)
15	Share of Profit / (Loss)		-	- -

-

Note: Previous years' figures are given within brackets

39. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.

The accompanying notes are an integral part of the financial statements

As per our attached report of even date
For **B.P. Jain & Co.**
Chartered Accountants
FIRM REG NO-050105S
sd/-

CA Devendra Kumar Bhandari
Partner
Membership No.: 208862

PLACE : NEW YORK
DATE : 26.05.2016

For and on behalf of board of directors
For **Arihant Foundations & Housing Limited**

sd/-
Kamal Lunawath
Managing Director
DIN :00087344
Place : Chennai
Date : 26.05.2016

sd/-
Vimal Lunawath
Chief Financial Officer
& Whole Time Director
DIN : 00586269
Place : Chennai
Date : 26.05.2016

sd/-
J. Meenakshi
Company Secretary
Place : Chennai
Date : 26.05.2016

NOTES

Arihant
Foundations & Housing Ltd.

Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L70101TN1992PLC022299
Name of the company : **ARIHANT FOUNDATIONS & HOUSING LIMITED**
Registered office : 271, (Old no.182), Poonamallee High Road, "Ankur Manor", 1st Floor, Off. McNichols Road, Kilpauk, Chennai- 600010

Name of the member (s): .....

Registered address: .....

E-mail Id: ..... Folio No/ Client Id: DP ID: .....

I/We, being the member (s) of …….…….. shares of the above named company, hereby appoint

1. Name: ……
Address:
E-mail Id:
Signature:……., or failing him

2. Name: ……
Address:
E-mail Id:
Signature:……., or failing him

3. Name: ……
Address:
E-mail Id:
Signature:……., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23nd Annual general meeting of the company, to be held on the 30th day of September at 9.30 a.m. at "Arihant Escapade", Devaraj Nagar, No. 48, Okkiyum, Thoraipakkam, Chennai- 600097 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.
To receive, consider and adopt the Financial Statements of the Company for the period ended 31.03.2016 and the consolidated financial statements for the period ended 31.03.2016 together with the Directors' Report and the Auditors' Report
2. To appoint a Director in place of Mr. Bharatkumar Jain (DIN: 00083236), who retires by rotation and being eligible, offers himself for reappointment
3. To ratify the appointment of B.P. Jain & Co, Chartered Accountants, as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.
4. To authorize the Company to charge the actual charge incurred for serving of any document to any shareholder by any preferred mode of delivery
5. Re-appointment of Mr Kamal Lunawath as Managing Director and to fix the remuneration
6. Re-appointment of Mr Vimal Lunawath as Whole Time Director and to fix the remuneration
7. Approval for making Investments in Securities
8. Approval of Material Related Party Transactions

Signed this…..…… day of…….…… 20…..…..

Affix Revenue Stamp

Signature of shareholder..

Signature of Proxy holder(s)

Notes:
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twenty Second Annual General Meeting.

Arihant
Foundations & Housing Ltd.

ARIHANT FOUNDATIONS & HOUSING LIMITED
CIN: L70101TN1992PLC022299

Regd. Office: 271, (Old no.182), Poonamallee High Road,"Ankur Manor",
1st Floor, Off. McNichols Road, Kilpauk, Chennai- 600010

23ND ANNUAL GENERAL MEETING

ATTENDANCE SLIP

1) Name of the Shareholder(s)
(including Joint holder(s)

2) Registered Folio No./DPID/CLID No.*
*(Applicable to investors holding shares in Dematerialized Form)

3) Number of Shares held

ELECTRONIC VOTING PARTICULARS
(Please read the e-voting instructions given in the Annual Report before exercising the e-vote)

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD/PIN
160830082	Please enter your DPID/CLID or Folio No.	Existing password or Enter your PAN with Bank A/c No./ Date of Birth

I/We hereby declare that I/We/am/are registered member/proxy for the registered member of the Company and hereby record my/our presence at the Annual General Meeting of the Company held on 30th September, 2016 at 9.30 a.m. at "Arihant Escapade", Devaraj Nagar, No. 48, Okkiyum, Thoraipakkam, Chennai- 600097 and at any adjournment thereof in respect of such resolutions as mentioned in the Notice

Name of the Registered Member/Proxy : _____

Signature of the Registered Member/Proxy : _____

Note:
1) Members/Proxies to Members are requested to sign and handover this slip at the entrance of the venue of the meeting.
2) Authorized representatives of corporate members shall produce proper authorization issued in their favour.

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