CONTINUING STABILITY

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

29th September, 2018

Corporate Relations Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: 506194
Class of Security: Equity

Symbol: ARIHANTSUP
Series: EQ

Dear Sir/Madam,

Subject: Submission of Annual Report in Compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

This is to inform you that in terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report of the Company for the Financial Year ended on 31st March, 2018.

Kindly take the same in your records and inform the Stakeholders accordingly.

Thanking You

Yours faithfully

For, Arihant Superstructures Limited

Naval Singh Shekhawat
Company Secretary

ARIHANT SUPERSTRUCTURES LTD. NAVI MUMBAI

Encl: As above

EMERGING NAVI MUMBAI



Annual Report 2017 - 2018

ARIHANT

SUPERSTRUCTURES LTD.

CONTINUING STABILITY



Chairman's Speech

Dear Shareholders,

"The tough gets going"

2017-18 was a landmark year for Indian Real Estate Industry succeeding a highly reform oriented FY2016-17 where a slew of reforms such as GST and RERA impacting the industry were introduced. Government's renewed emphasis on achieving the ambitious target of 'Housing for all by 2022', unveiled through initiatives in the 2017 Budget, has placed Affordable Housing in the spotlight once again in FY2017-18.

ASL is in a sweet spot due to this strong focus on affordable housing both at the central and state government levels. Although reforms brought along lots of challenges, ASL has successfully risen to the occasion on back of our adherence to the best corporate practices in the industry. We are delighted by the response garnered by our projects and we envisage this to continue over the years.

Company Preformance

Our performance for the financial year 2017-18 reflects the inherent strength as well as our commitment towards the business as our sector navigated through a challenging year with the introduction of path breaking reforms. The company reported revenues of INR 1,893mn for FY18 as compared to INR 1,862mn in FY17. EBITDA was reported at INR 385 mn translating into a margin of 20 percent and Net Profit stood at INR 126 mn. Higher sales of low-ticket size projects combined with increased expenditure for new projects dragged margins down. The adverse impact of demonetization on delayed bookings and sluggish cash flows in FY17 left its imprint on FY18 financials.

Our company had witnessed a slow-down in sales in FY17 which affected the revenues for FY18. This year we sold 931 units across Mumbai MMR and Jodhpur, an increase of 77 pct with an average realization of INR 4070 per sq. ft i.e. a 7 percent improvement over the previous year. 717 units were sold in MMR/Navi Mumbai and 214 units were sold in Jodhpur. ASL has been adhering to "RERA" provisions since two decades with unswerving dedication to disciplined utilization of funds for construction resulting in timely completion of projects. We are happy to share in FY18, we delivered 863 completed homes i.e. 754,029sq.ft to our customers; 698 units /511,800 sq. ft in MMR/ Navi Mumbai and 165 units / 242,529 sq.ft in Jodhpur. Occupation Certificates have been received for Phase 1 of two projects i.e. Arihant Amisha and Arihant Arshiya. Although, FY17-18 was not a very supportive year for real estate sales, we successfully organized 3 mega sales events in MMR/Navi Mumbai and Jodhpur with overwhelming response from the buyers.

We are pleased to share, while the real estate sector faced paucity of funds for a plethora of reasons, ASL managed to reduce its secured debt from INR 1.27 bn ending FY17 to INR 0.96 bn ending FY18 without raising any new facility. The average cost of borrowings was brought down by 100 bps.

In FY18, ASL launched 1293 units, 1,279,051 sq. ft across MMR/Navi Mumbai and Jodhpur as follows :
Arihant Arshiya Phase 3 - 67 units launched in April 2017
Arihant Anchal Phase 2 - 252 units launched in May 2017
Arihant Aspire - 622 units launched in November 2017
Arihant Anaika Phase 2 - 267 units launched in January 2018
Arihant Anmol Phase 3 - 85 units launched in March 2018

We have now created a strong pipeline for FY19. As mentioned earlier, the sales of 931 units we achieved in FY18, the revenues for which, would be recognized over the next few quarters. We continue to strengthen our land bank through prudent acquisition of new land parcels and projects in MMR region. We are proud to support our growth with an steadfast objective of 'Customer First' through our policy of 'No Transfer charges' and 'No Lock-in period'.
We believe, affordable housing sells well if Quality and Price appeals to the end-user we are confident of converting the imminent opportunities into success stories for ASL. To drive our future growth and to enable us to achieve our vision, we are expanding our talent pool , including the senior management and KMPs.

We continue to instill faith under the philosophy "EK SASTA GHAR, KHARAB GHAR NAHI HO SAKTA" and our efforts continue to be recognized through the various recognitions and awards.

Awards

The MCHI CREDAI in their prestigious GOLDEN PILLAR award 2018 has honored Arihant Superstructures Ltd (ASL) with Affordable Housing Project of the Year award.

The Economic Times (ET) Realty Convention 2018 has recognized Arihant Superstructures Ltd (ASL) for excellent quality in low cost affordable housing.

ASL was also the recipient of “Excellence in Quality Construction”, 2018 award by Dainik Bhaskar (94.3 MY FM)

Others

ASL has Signed a MoU to facilitate Affordable Housing in partnership with private sector in “Navi Mumbai Airport Influence Notified Area”

ASL sets Quality Check lab at Jodhpur, a first of its kinds by a developer for the city of Jodhpur.
Development of Rental Housing for MMRDA Rental Housing Scheme at Arihant Clan Aalishan and at Arihant Aspire

Budget 2018 & Housing policy

India's 2018 Budget witnessed a continual in the government's focus and commitment towards affordable housing. 2017 Union budget granted Infrastructure status to the 'Affordable Housing' Industry which is a welcome step as it will allow our industry to access capital at competitive rates in turn boosting developers' interest. Many complementary steps such as increasing the timeline for project completion from 3 to 5 years and interest subvention for the buyers as well as GST rationalization from 12 percent to 8 percent for affordable and low-cost housing will improve consumer sentiments as well as provide added impetus to the developers. Government's new policy on public-private partnerships in affordable housing sector introduced in November 2017, too will add renewed vigor at the supply end. These steps will strengthen and invigorate our Prime Minister's vision of 'Housing for All by 2022'.

Although, as an industry player, we are buoyed by the government's thrust on affordable housing, we hope to witness many industry friendly measures such as relaxation in norms for acquiring land as well as for development, ease in project approvals etc. which would only propel 'Affordable Housing' sector to meet our Prime Minister's vision at the earliest.ASL welcomes the government initiatives and is confident of gaining from opportunities provided through these initiatives.

Theme – Navi Mumbai: A Destination for The Future

Our planet is changing, it is becoming 'Urban'. Ever since India has been recognised globally for its economic growth, the pressure faced by Indian mega cities has only increased driven by urbanization and rising aspirations of the youth. Mega city of Mumbai is choking with limited infrastructure and a burgeoning population. Quantum of people occupying space per square km in Mumbai has only increased over the years, doubling in 38 years from 15247 to 33112 in 2018. It is expected to increase further to 45315 by 2035.

With finite space available in Mumbai due to its geography and slums, the middle-class citizens in search of affordable housing have only one choice to make i.e. satellite cities of Mumbai. As satellite towns are developed by employing superior urban planning tools, these cities offer better quality of life through self-contained townships. In 1971, Navi Mumbai (then New Bombay) was built as a planned decentralization to the Megapolis of Mumbai.

Today, Navi Mumbai is one of the fastest growing satellite cities and has become the second largest settlement city within Mumbai Metropolitan Region (MMR) in terms of population share (~10 percent of MMR's population) yet with a population density (~6300/sq.km) much lower than other areas within MMR and the megacity of Mumbai providing better 'Quality of Life' for its inhabitants. Well established civic services such as water, sanitation, flood management, healthcare, education along with economic opportunities and social activities provide a strong impetus for increased residential activities. Improved connectivity through well laid out road and rail network and many upcoming connectivity projects such as:

·Metro network from CBD Belapur via Kharghar to Pendhar/Taloja,
·Mumbai Trans-harbour Link (MTHL)between Sewri-Wadala in Mumbai and Ulwe in Navi Mumbai
·Seawoods-Uran Railway Line
·Navi Mumbai International Airport (NMIA) near Panvel
·Additional metro corridor between Mankhurd and Ghatkopar proposed to go up to Panvel via NMIA
·Dedicated freight corridor (DFC) between Delhi & Mumbai originating from JNPT
·Alibaug-Virar Multi Modal Corridor expected to carry all the traffic from JNPT towards Navi Mumbai and Thane outside the city will only improve connectivity going ahead.

All these factors have led to a boom in property purchases and investment in Navi Mumbai and enhanced the stature of Navi Mumbai as a City of Serenity amongst the Mad Rush consequently Navi Mumbai stands 2nd on an all India basis in the First natural survey of the most liveable cities in India. ASL being a leading player in the Navi Mumbai region is bound to gain immensely from this.

Concluding remarks

ASL has been prudent to identify opportunities and successfully wade through the waters of uncertainty currently faced by the real estate sector; propelling the organization on a path of steady and sustained success. Our dedicated and passionate workforce is pushing us further on the path of excellence despite the roadblocks.

It would be apt to say " when the going gets tough, the tough gets going."

We express our gratitude to all our stakeholders' viz. Board members, customers, employees, vendors, contractors, bankers & shareholders for their strong belief and confidence towards our organization. We look forward to their sustained support as we embark upon achieving many milestones in the future.

Ashok Chhajer
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Contact Information

as on 10th August, 2018

Board of Directors

Ashok Chhajer	Chairman & Managing Director
Nimish Shah	Whole-Time Executive Director
Dinesh Babel	Independent Director
Vinayak Nalavde	Independent Director
Virendra Mital	Independent Director
R. N. Bhardwaj	Independent Director
V. R. Iyer	Additional Independent Woman Director

Chief Financial Officer

Pradeep Mehta

Company Secretary & Compliance Officer

Naval Singh Shekhawat

Internal Auditors

KPMG
1st Floor, Apollo Mills Compound, N M Joshi Marg
Mahalaxmi, Mumbai - 400 011

Statutory Auditors

Kailash Chand Jain & Co.
Edena, 1st Floor, 97, Maharashi Karve Rd,
Near Income Tax Office, Mumbai - 400 020

Secretarial Auditors

D. A. Kamat & Co.
A/308, Royal Sands, Shastri Nagar,
Behind Infinity Mall, Andheri West,
Mumbai - 400 053

Bankers

The Federal Bank Limited
ICICI Bank Limited
HDFC Bank Limited

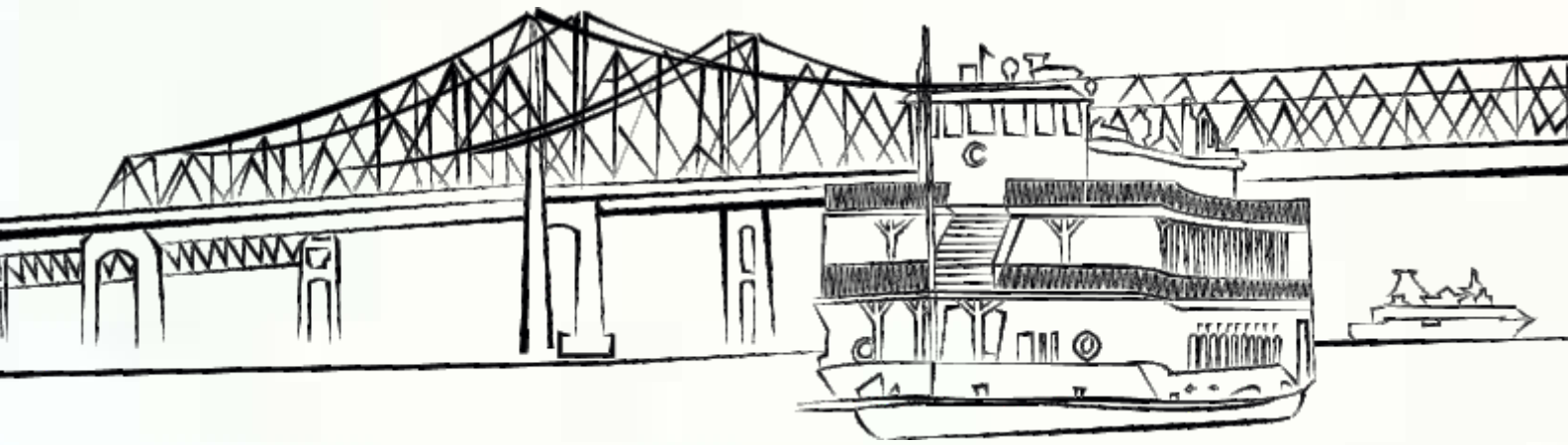
Listing

BSE Limited
National Stock Exchange of India Limited

Registrars & Transfer Agent

Adroit Corporate Services Private Limited
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri East, Mumbai - 400 059

NAVI MUMBAI
A DESTINATION FOR THE FUTURE



"Urbanisation is a driving force as well as source of development. It has power to change and improve lives. Urban areas are at the heart of many challenges, opportunities and promise" – Mr Ban Ki-Moon - Secretary General of United Nations. Our planet is changing, it is becoming 'Urban' with 55 percent of its population living in urban areas in 2016; up from 30 percent in 1950 and this process is inevitable and irreversible. By 2030 the world is projected to have 41 mega-cities with more than 10 million inhabitants each. By 2050, 68 percent of the world's population will be moving to urban areas.

India is under the spell of transformation and will continue to be for the next few decades. India's economy is expanding rapidly. By 2030 it is expected to have grown by five times, buoyed largely by the country's urban centres.

According to 2001 census, 28 percent of India's population resided in Urban areas, i.e. a population of 285million residing in 5161 towns. Over a decade these numbers have changed dramatically. In 2011 census, the percentage of total population living in urban India stood at 32 percent with the total number of urban towns/clusters moving up sharply to 7935 towns.

By 2050, more than half of India's population is expected to reside in Urban cities. This shift from rural lands to urban cosmos is driven largely by economics as well as aspirations of the new generation. As the contribution towards the national GDP from urban areas grows from 65 percent to more than 70 percent and as the GDP growth rate from urban areas stands at 8 percent, double that in rural areas i.e. 4 percent; necessity and lure to urbanise will only expand in the coming decade (source: 'India's growth paradigm' report by EY).

As per the UN population data estimates, the urban population in India is expected to rise by 150 million citizens between 2018 and 2030 and by 415 million between 2018 and 2050. This would result in additional 13 million to be accommodated in Indian cities every year. In the near term, the population estimated to reside in Indian cities is expected to move upwards from 460mn in 2018 (source: World Bank) to more than 483mn by 2020. What then is the answer to this problem of migration? Creating new cities or townships.

Building new cities:

Since ancient times, India's burgeoning population has always led to the country's great appetite for creating new townships or cities. India is not new to the art or science of building cities. Varanasi, one of the oldest habitable cities of the world, is one of the most scientifically built cities. Mostly, towns were built keeping the social and economic activities of the citizens at the forefront. Famous Kings built townships/cities which cemented their place in history. Peshwas built Pune, Sawai Raja Jai Singh II built Jaipur, Rao Jodha built Jodhpur and Udai Singh II built Udaipur. The Mughals built cities of Agra, Fatehpur Sikri, Aurangabad, Hyderabad etc. British built new cities suiting their architectural choices and administrative requirements such as New Delhi, Luytens in New Delhi - a planned township for the British administrative class, Mumbai - modelled after London etc, Dalhousie as a summer retreat.

Any city needs these four important pillars to be intact to sustain, grow and remain relevant during changing times i.e. W. E. S .T. – Water, Economics, Social and Transportation.

Water: Most of the mega cities today are all situated near a Water resource, either a sea, ocean, river or lake such as New York -Hudson River, Mumbai – Arabian Sea, Hongkong, Toyko, London, Istanbul etc.

Economics: Cities are built for economic accessibility thereby attracting new residents eg: Mumbai, Chennai, Kochi and Kolkata for ports, Delhi for administrative and political power, Surat and Mysore for textiles, etc.

Social: Safety of residents as well as a liveability, pleasant social and cultural scene leads to the vibrancy of the city. In Ancient times, temples or places of worship were a key focal point for social interactions hence many cities were formed or built with famous temples as a major attraction eg: Varanasi, Allahabad, Tirupati, and Kolhapur etc. Now a day this focal point has shifted to Shopping, Entertainment and Food hubs.

Transportation: Waterways were important source of transportation in the olden days but today, air, road and train transportation are just as important. For mega cities it is imperative to develop a well-oiled web of transportation traversing the length and breadth of the city.



MUMBAI CITY: Currently, the crumbling infrastructure in most of the Indian cities as well as the unplanned spurt of development has resulted in a constant fight for the same resources leading to dissatisfaction amongst the inhabitants. Scarce liveable land availability in cities such as Mumbai, low availability of affordable houses coupled with lack of sufficient avenues to raise funds autonomously is a bane for Indian urban areas. As daily influx of new residents coupled with poor planning and inadequate funding have resulted in cities choking on necessities such as water, sanitation, open spaces and ease of transportation. Yet, these cities attract maximum investments and create maximum jobs, what could possibly be the answer to this puzzle? A Satellite City.

Satellite township/city is self-contained self-driven entity located next to the megacity. It supports the growing mega city by accommodating megacity's burgeoning housing needs while providing better quality of life. It has systematic sewage and sanitation facilities, greater open and green spaces resulting in lower levels of air pollution, better transportation, efficient amenities to meet the needs of a growing population i.e. schools, hospitals, shopping, entertainment, food hubs as well as organised development of the city w.r.t growing real estate needs. Over the last two decades, we have witnessed many such satellite cities taking shape around the mega cities of India. These cities offer more affordable accommodation compared to megacities, thus improving the cost of living the urban life.

Mumbai: Inviting the 'Aspiring' from all over India

Of all the Indian mega cities, Mumbai is known as 'City of Dreams', is an important city not only within the country but from a global perspective. Mumbai is home to Reserve Bank of India, Bombay Stock Exchange and National Stock Exchange, thus a hub for all financial activities in the country. Globally famous Hindi Film Industry as well as the Television industry are housed in Mumbai. It is also the headquarters for most of the top corporate houses of India. The financial capital, Mumbai, is the driver of India's growth story and is one of the densely populated cities due to the high rate of employability and urbanisation.

Mumbai's population increased from 12million in 1990 to an estimated 20 million in 2018. This has had a disastrous effect on the quality of urban life in Mumbai due to the finite resources. Mumbai's population is expected to grow at a decadal growth rate of ~18 percent over the next 15 years. With finite space available in the city due to its geography and the slums, the middle-class citizens in search of affordable housing have only one choice to make i.e. satellite cities of Mumbai.

Navi Mumbai: Serenity amongst the mad rush

Keeping the burgeoning population of Mumbai (then Bombay) in mind, in 1971, Navi Mumbai (then New Bombay) was built as a planned decentralisation to the Mega polis of Mumbai. Navi Mumbai was to be the twin or satellite city. CIDCO (City and Industrial Development Corporation) was authorised with the town planning and development of this large cluster of land approximately 344square Km. The prime objective of CIDCO's green field project was clear, self-sufficient urban settlement which would accommodate Mumbai's ever increasing population.

Late Charles Correa, Shirish Patel and R.K. Jha, were involved in planning the new city. They envisioned it as a city comprising over a dozen mini towns or nodes, each to be connected to the other with wide roads and possibly even railway networks.



CIDCO developed its infrastructure which comprised of water supply, electricity, sanitation systems and road connectivity. Adequate job creation within this city was envisioned (750,000 jobs for a population of 2 million was anticipated) and accordingly, CIDCO developed CBD (Central Business District) in Belapur. Although, Navi Mumbai's growth was slow to begin with; it gathered pace on improved road and rail connectivity. Today, Navi Mumbai is one of the fastest growing satellite cities and has become the second largest settlement city within Mumbai Metropolitan Region (MMR) in terms of population share (~10 percent of MMR's population) yet with a population density is much lower than other areas within MMR and the megacity of Mumbai.

The W. E. S. T. factor for Navi Mumbai:

Water and Sanitation: Any city needs ample supply of portable water for it to thrive and act as a magnet for residential as well as commercial development. Navi Mumbai Municipal Corporation (NMMC) supplies water 24x7 to nearly 75 percent of the area of the city while the remaining area is catered to water supply for ~4–8 hours per day through a well-developed distribution network of 972km long, thus ensuring 100 percent coverage. Morbe Dam is the source of much of the water supplied to Navi Mumbai region. In addition to this, within NMMC, there are total 24 lakes across residential and industrial areas with varying capacities and account to a total coverage area of 2.23 Lakh sq.m. Per capita consumption of water is an important parameter to determine the ability of municipality to source, treate, supply through efficient distribution; of water. As shown in the graphs, Navi Mumbai supplies the highest water in comparison to other urban pockets within MMR. Also, the degree of portability of water supplied is very high indicating good quality water being available for the residents of Navi Mumbai.

On Sanitation front, there are about 506 public toilets with equal distribution for men and women addressing public sanitation needs.

Sewage: With Swachh Bharat gaining prominence in the highest office of our Prime Minister, sewage treatment has become a prime factor to assess any city. NMMC has a well-planned underground sewage network which has coverage of about 99 percent in NMMC area and caters to about 2,44,345 connections.

Flooding: Mumbai has become infamous for flooding during every monsoon season. This phenomenon has little to do with rains and more to do with poor drainage facilities in the 'Maximum City'. Navi Mumbai is protected on that front due to its 24 lakes and 11 holding ponds with bunds around them for disposal of rain water. NMMC areas also have storm water drains network of total 550km in length i.e. 84 percent of the total length of all major roads in NMMC areas. CIDCO uses Dutch technology for flood control to optimise reclamation levels in the city.

Economy: Government of Maharashtra's policies effectively led to the development of an industrial belt in Navi Mumbai, resulting in rapid industrialisation of this region. Many well-known companies have established their presence in the MIDC areas, prominent among them is the Reliance Group. The IT park located in Vashi, Airoli and the Central Business District in Belapur also offers plenty of employment opportunities.

CBD Belapur is an important business district of Mumbai and houses many government and corporate offices. Vashi is home to Mumbai's APMC (Agriculture Produce Marketing Committee) Market which has an annual trade turnover of INR 6000 crores. Jawaharlal Nehru Port Trust (JNPT) is the country's largest container port handling 60 percent of India's containerised cargo, is situated in Navi Mumbai and generates vast employment opportunities. The well-established educational institutions in Vashi, Nerul and Kharghar provide an added impetus to the economy in Navi Mumbai.

Going ahead new developments such as Delhi Mumbai dedicated freight corridor (DMIC) originating from JNPT, 200 acres of Navi Mumbai Corporate Park at Kharghar and Navi Mumbai International Airport near Panvel will tremendously improve Navi Mumbai's employment generation status. The Navi Mumbai International Airport and NAINA (Navi Mumbai Airport Influence Notified Area) is a proposed 500 sq km city would be the other major projects which could create employment opportunities.

Social Needs: People prefer to reside closer to work place to reduce commuting time; with ample employment opportunities in Navi Mumbai, it has become one of the most preferred residential locations around Mumbai city.

Pollution: Air Quality Index and Environmental Quality Index (EQI), measured by monitoring pollution levels, has become an important factor to determine the liveability factor as it affects all aspects of health. Navi Mumbai has not only scored high in all the parameters, it has also improved its score over the previous years. Also, 16 percent of Navi Mumbai is designated forest area with high biodiversity. It is also rich in mangrove cover all resulting in better quality of air and environment.

Education: Navi Mumbai is home to many educational institutions mitigating the need for residents to travel to the island city for quality education. Effective town planning has resulted in each Node becoming self-sufficient in providing quality education. The educational institutions present in Navi Mumbai encompasses entire spectrum from Pre-primary (245), Primary and Secondary schools (471), Junior & Senior colleges (71) across streams of science, commerce and arts, Engineering (9), Law colleges (3) and Medical (2).

Healthcare: Navi Mumbai has many top branded hospitals as well as Government and Private ones making it self-reliant in providing quality healthcare services to its inhabitants

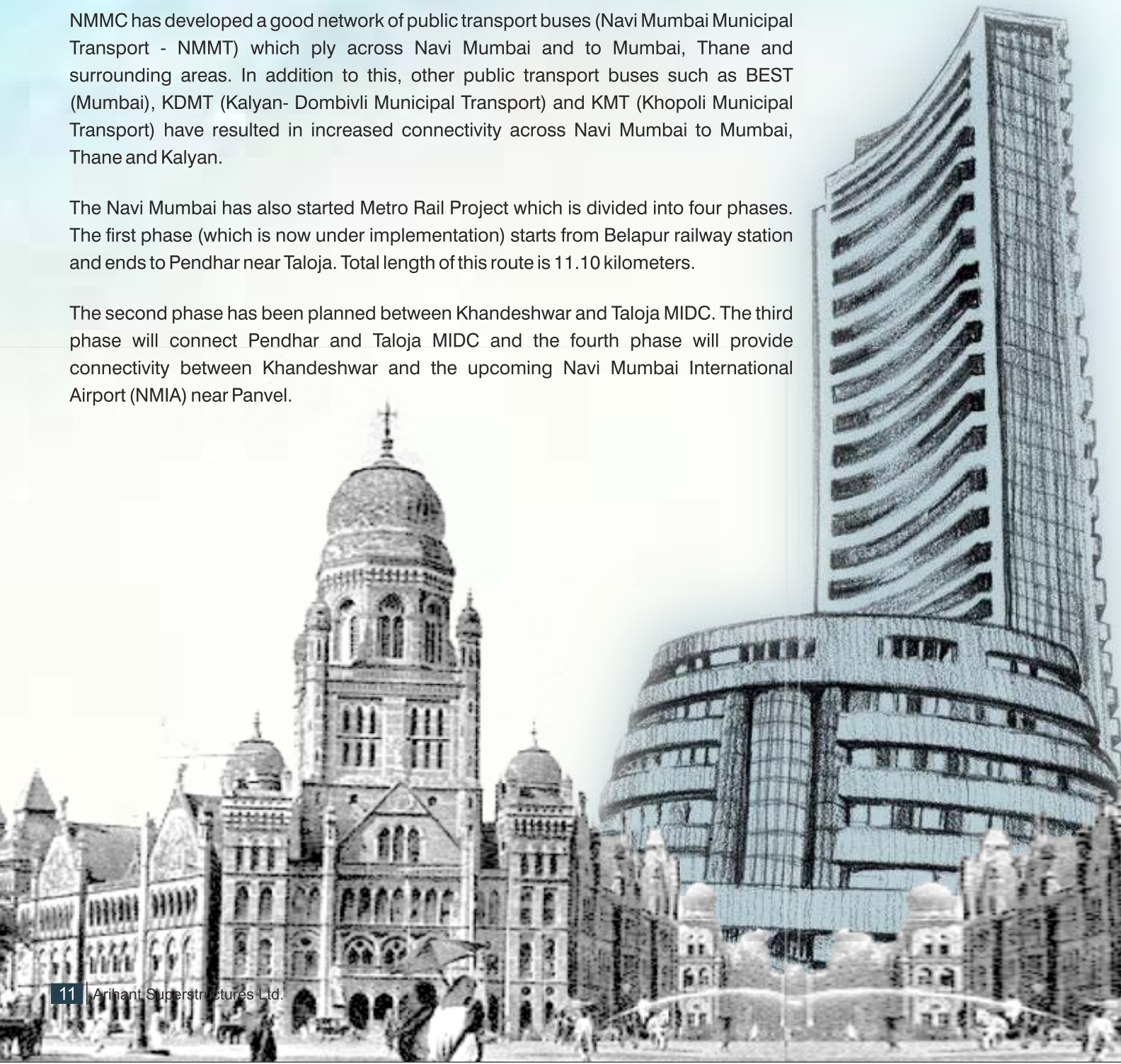
Social Culture: Navi Mumbai has designated areas for shopping, entertainment, houses of worship, cultural activities and dining. This provides many opportunities for its residents without the need to travel to the island city of Mumbai for satisfying any of their socio-cultural requirements. There are nine major malls operating in these areas with adequate shopping, entertainment and dining destinations.

Transportation & Connectivity: One of the key factors for the impressive growth of Navi Mumbai is its enhanced connectivity to the island city of Mumbai as well as to Thane. Navi Mumbai is well connected through both road and rail. Construction of new 22km MTHL bridge linking the Main City to the Satellite City on the Thane/Vashi creek will improve vehicular traffic to Navi Mumbai considerably. Navi Mumbai has six railway corridors with a 157km railway system in place. It is directly connected to the main city through the Harbour railway line.

NMMC has developed a good network of public transport buses (Navi Mumbai Municipal Transport - NMMT) which ply across Navi Mumbai and to Mumbai, Thane and surrounding areas. In addition to this, other public transport buses such as BEST (Mumbai), KDMT (Kalyan- Dombivli Municipal Transport) and KMT (Khopoli Municipal Transport) have resulted in increased connectivity across Navi Mumbai to Mumbai, Thane and Kalyan.

The Navi Mumbai has also started Metro Rail Project which is divided into four phases. The first phase (which is now under implementation) starts from Belapur railway station and ends to Pendhar near Taloja. Total length of this route is 11.10 kilometers.

The second phase has been planned between Khandeshwar and Taloja MIDC. The third phase will connect Pendhar and Taloja MIDC and the fourth phase will provide connectivity between Khandeshwar and the upcoming Navi Mumbai International Airport (NMIA) near Panvel.



For better connectivity to the Navi Mumbai airport, MMRDA plans to build two stations of two Metro lines close to the city airport. A station of the Colaba-Bandra-Seepz Metro-3 is likely to be parallel to the proposed Metro line to the Navi Mumbai International Airport at the international airport Terminal 2 (T2), Mumbai Metro Rail Corporation (MMRC) officials said. The stations are expected to be 30m below the ground level. With all Metro lines inter-connected, the move will make it easy for fliers to reach the airports.

As connectivity improves, employment opportunities would also increase and outlook towards Navi Mumbai as an ideal residential hub would vastly gain eminence.

All these factors have led to a boom in property purchases and investment in Navi Mumbai. Number of properties in Navi Mumbai has gone up by 25 percent over the last eight years. This trend is expected to increase further.

Arihant identified this opportunity early and established itself as a Leading Brand in this region by providing Luxury Living at Affordable Prices along with customer friendly approach. We can proudly state that a number of new bookings are through references of existing customers, who are the best ambassadors of Arihant. any unscrupulous developers would exit the industry creating opportunity for compliant builders.

The recent reform of GST too has been easily adapted by Arihant on back of its commitment to strong systems and processes as well as corporate practices which have been in place since many years within the organisation.

While GST would benefit home prices on back of benefits passed on the home buyer resulting in comparatively cheaper homes, the favourable impact of this would be greater in the Affordable Homes category contrary to Luxury Homes category which would get expensive. As Arihant caters mostly to Affordable Homes category, GST would prove beneficial in generating buyers' interest. A professional and dedicated workforce aided by robust operational and financial management has only added to Arihant's strength which has allowed the organisation to mould, adapt and metamorphose itself in the face of any challenge posed to it. Arihant's strong resolve towards proving affordable homes backed by customer's trust as well as determination to see an opportunity in every challenge has led the organisation to achieve new heights of success each year.

Second Most Livable City in India

As per the first Natural Survey of the most livable cities in India and Ease of Living Index report released by Union Housing and Urban Affairs.

ARIHANT CLAN AALISHAN

KHARGHAR ANNEX - NAVI MUMBAI







ARIHANT ASPIRE

PALASPE - PANVEL







ARIHANT ALOKI

KARJAT - NEAR RAILWAY STATION







ARIHANT AAROHI

KALYAN - SHIL ROAD







ARIHANT ARSHIYA

KHOPOLI - NEAR KHALAPUR TOLL NAKA







ARIHANT ANMOL

BADLAPUR - EAST







ARIHANT ANSHULA

NEAR TALOJA PHASE II - NAVI MUMBAI







ARIHANT ANAIKA

NEAR TALOJA PHASE II - NAVI MUMBAI







ARIHANT AMISHA

TALOJA - NEAR PANVEL







ARIHANT ADITA

PAL GANGANA ROAD - NR. DPS CIRCLE
JODHPUR - RAJASTHAN







ARIHANT AYATI

PAL LINK ROAD - DEVNAGAR
JODHPUR - RAJASTHAN







ARIHANT ANCHAL

NR. DALI BAI CIRCLE - JAISALMER BYPASS

JODHPUR - RAJASTHAN







NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of Arihant Superstructures Limited ('the Company') will be held at 10:30 A.M. on Friday, 28th September, 2018 at "Arihant Aura", B-Wing Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai - 400705 to transact the following business:

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statements:

To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year ended 31st March, 2018, and the Reports of Directors ('the Board') and Auditors thereon.

Item No. 2: Declaration of Dividend:

To declare a Final Dividend of ₹ 0.50/- per Equity Share for the Financial Year ended 31st March, 2018.

Item No. 3: Retirement by Rotation:

To appoint a Director in place of Mr. Nimish Shah (DIN: 03036904), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

Item No. 4: Re-appointment of Statutory Auditors of the Company and to fix their Remuneration in this regard:

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), M/s. Kailash Chand Jain & Co, Chartered Accountants, Mumbai (Firm Registration No. 112318W), be and are hereby re-appointed as Statutory Auditors of the Company for the 02nd term of 5 (Five) consecutive Years from the conclusion of this Annual General Meeting till the conclusion of the Sixth Annual General Meeting from this Annual General Meeting, at such Remuneration as shall be mutually decided by the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

Item No. 5: Re-appointment of Mrs.Vijayalakshmi R. Iyer (DIN: 05242960) as an Independent Woman Director of the Company:

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 149, 150, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs.Vijayalakshmi R. Iyer (DIN: 05242960), who was appointed as an Additional Independent Woman Director of the Company with effect from 10th August, 2018 under Section 161 of the Companies Act, 2013, and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and who qualifies for being appointed as an Independent Woman Director and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, and being so eligible, be reappointed as an Independent Woman Director to hold office for the period of 02nd term of 5 (Five) consecutive Years commencing from 10th August, 2018 till 09th August, 2023."

Item No. 6: Re-appointment of Mr. Ashok Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company:

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and subject to such other approvals, as may be necessary, consent of the Members be and is

hereby accorded to re-appoint Mr. Ashok Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company for the period of 5 (Five) consecutive Years commencing from 15th January, 2019 till 14th January, 2024 and upon the following terms and conditions including Remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of re-appointment and Remuneration of Mr. Ashok Chhajer in the best interests of the Company.

RESOLVED FURTHER THAT, pursuant to the provisions of Section 197 of the Companies Act, 2013, as amended from time to time, the minimum Remuneration payable to Mr. Ashok Chhajer, in the event of loss or inadequacy of profit in any Financial Year, shall be as specified in Section II of Part II of Schedule V to the Companies Act, 2013"

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Registered Office:
"Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai – 400 705
CIN: L51900MH1983PLC029643
Tel: 91 22 62493333 Fax: 91 22 62493334
E-mail: info@asl.net.in, investor@asl.net.in
Website: www.asl.net.in

NOTES:

1. The Explanatory Statement in pursuance to the provisions of Section 102 of the Companies Act, 2013, towards the Special Business proposed to be undertaken in the Annual General Meeting is attached to this Notice.
2. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Secretarial Standard on General Meetings, the details and information of all Directors seeking appointment/ re-appointment is attached to this Notice.
3. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. The instrument appointing the Proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the Annual General Meeting. Proxies submitted on behalf of Limited Companies, Body Corporates, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as Proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total Share Capital of the Company. 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 act as a Proxy for any other person or Shareholder.
4. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is Adroit Corporate Services Pvt. Ltd. (hereinafter referred to as "Company's Registrar and Transfer Agent") 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059.
5. The Register of Members and Share Transfer Books ("hereinafter referred to as Book Closure") of the Company will be closed, from Saturday, 22nd September, 2018 to Friday 28th September, 2018 (both days inclusive) for the purpose of holding Annual General Meeting and for determining the names of the Members eligible for Dividend on Equity Shares, if declared in the Annual General Meeting.
6. Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.

7. If the Final Dividend, as recommended by the Board of Directors, is approved at the Annual General Meeting, payment of such Dividend will be made on or after 28th September, 2018 to those persons or their mandates as under:

   I. Whose names appear as the Beneficial Owners in respect of Shares held in Dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as on 21st September, 2018 (i.e. being last trading day before Book Closure) in respect of the Shares held in electronic mode; and;

   II. To all Members in respect of Shares held in Physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company or Company's Registrar and Transfer Agent as on 21st September, 2018 (i.e. being last trading day before Book Closure).

8. Members holding Shares in Dematerialized form are requested to intimate all changes pertaining to their Bank details such as Bank account number, name of the Bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent, to provide efficient and better services. Members holding Shares in Physical form are requested to intimate such changes to Company's Registrar and Transfer Agent.

9. Members holding Shares in Physical form are requested to consider converting their holdings to Dematerialized form to eliminate all risks associated with Physical Shares and for ease of Portfolio Management. Members can contact the Company or Company's Registrars and Transfer Agent for assistance in this regard.

10. Members holding Shares in Physical form, in identical order of names, in more than one folio are requested to send to the Company or Company's Registrars and Transfer Agent the details of such folios together with the Share Certificates for consolidating their holdings in one folio. A consolidated Share Certificate will be issued to such Members after making requisite changes.

11. In case of joint holders attending the Annual General Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

12. Members seeking any information with regard to the accounts are requested to write to the Company at an early date (i.e. not later than 7 days before Annual General Meeting), so as to enable the Management to keep the information ready at the Annual General Meeting.

13. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11:00 a.m. to 1:00 p.m. upto the date of the Annual General Meeting.

14. As per the provisions of Section 72 of the Companies Act, 2013 the facility for making Nomination is available for the Members in respect of the Shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.asl.net.in (under 'Investors' Relation Section). Members holding Shares in Physical form may submit the same to Company's Registrars and Transfer Agent. Members holding Shares in electronic form may submit the same to their respective Depository Participant.

15. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund (IEPF):

    Pursuant to Sections 123, 124 and 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed / unpaid Dividend, Application money, Debenture interest and interest on Deposits as well as the principal amount of Debentures and Deposits, as applicable, remaining unclaimed / unpaid for a period of Seven Years from the date they became due for payment, in relation to the Company, Arihant Superstructures Ltd. have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2018, nor shall any payment be made in respect of such claims. Members who have not yet enchased their Dividend Warrant(s) pertaining to the Final Dividend for the Financial Year 2011-12 and onwards are requested to make their claims without any delay to Company's Registrars and Transfer Agent. Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company under the 'Investors' Relation Section as also on website of the Ministry of Corporate Affairs.

An amount of ₹ 3,184 for the Financial Year 2009-10, being unclaimed/ unpaid Dividend has been transferred to IEPF during the Financial Year 2017-18.

Further, The Company is under process to transfer an Amount of ₹1492.20 for the Financial Year 2010-11, being unclaimed/ unpaid Dividend as on 02nd August, 2018 to IEPF under Section 124(5) read with Section 125(1) of Companies Act, 2013.

The following table gives information relating to outstanding Dividend accounts and the dates by which they can be claimed by the Shareholders:

Financial Year	Date of declaration of Dividend	Last Date for claiming unpaid/unclaimed Dividend
2010-11	August 03, 2011	August 02, 2018
2011-12	September 22, 2012	September 21, 2019
2012-13	September 26, 2013	September 25, 2020
2013-14	September 25 2014	September 24, 2021
2014-15	September 25, 2015	September 24, 2022
2015-16	September 20, 2016	September 19, 2023
2016-17	September 30, 2017	September 29, 2024

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the IEPF Rules, all Shares on which the Dividend has not been paid or claimed for Seven Consecutive Years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs, in due course. In accordance with the IEPF Rules, the Company has transferred 250 Equity Shares for the Financial Year 2008-09 to the IEPF. The Shareholders whose Dividend/Shares is/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of the IEPF Authority http://iepf.gov.in/IEPFA/refund.html.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.

17. The Notice of the Annual General Meeting along with the Annual Report for the Financial Year 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company's Registrars and Transfer Agent / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report for the Financial Year 2017-18 will also be available on the Company's website viz. www.asl.net.in

18. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Depository Participant's / Company's Registrars and Transfer Agent. Through sending an email at info@adroitcorporate.com, the registered e-mail address will be used for sending future communications.

19. The route map showing directions to reach the venue of the Thirty Fifth Annual General Meeting is annexed at the end as the part of the Annual Report.

20. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

21. Members/ Proxies/ Representatives are requested to bring filled in attendance slip enclosed in the Annual Report for attending the Annual General Meeting.

22. Remote e-Voting Instructions for Annual General Meeting:

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the Annual General Meeting.

ii. The Board of Directors has appointed CS Rachana Shanbhag, (Membership No. F8227), M/s. RHS & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizers to scrutinize the voting at the Annual General Meeting and remote e-voting.

iii. The facility for voting, through polling paper shall also be made available at the Annual General Meeting and the Members attending the Annual General Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting through polling paper.

iv. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

v. Members can opt for only one mode of voting i.e. either by polling paper at the Annual General Meeting or remote e-voting. In case Members cast their vote s through both modes, voting done by e-voting shall prevail and votes cast through polling paper shall be treated as invalid.

The instructions for e-voting are as follows:

1. The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-voting system.

2. Details on Step 1 is mentioned below:

a. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

b. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

d. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on E-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

e. Your User ID details are given below :

Manner of holding Shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold Shares in Demat Account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold Shares in Demat Account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding Shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if Folio Number is 001*** and EVEN is 108463 then user ID is 108463001***

f. Your password details are given below:

i. If you are already registered for e-voting, then you can user your existing password to login and cast your vote.

ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

iii. How to retrieve your 'Initial password':

- If your email ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for Shares held in Physical Form. The .pdf file contains your 'User ID' and your 'Initial password'.
- If your email ID is not registered, your 'Initial password' is communicated to you on your Postal address.

g. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

i. Click on "Forgot User Details/Password"(If you are holding shares in your Demat Account with NSDL or CDSL) option available on www.evoting.nsdl.com.

ii. Physical User Reset Password" (If you are holding Shares in physical mode) option available on www.evoting.nsdl.com.

iii If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat Account Number/Folio Number, your PAN, your name and your registered address.

h. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

i. Now, you will have to click on "Login" button.

j. After you click on the "Login" button, Home page of e-Voting will open.

3. Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-voting system:

a. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.

b. After click on Active Voting Cycles, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

c. Select **"EVEN"** of Arihant Superstructures Limited for casting your vote.

d. Now you are ready for E-voting as the Voting page opens.

e. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of Shares for which you wish to cast your vote and click on "Submit" and also" Confirm" when prompted.

f. Upon confirmation, the message "Vote cast successfully" will be displayed.

g. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

h. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

23. General Guidelines for Shareholders:

i. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly Authorized Signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rhsassociates1@gmail.com with a copy marked to evoting@nsdl.co.in.

ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com to reset the password.

iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

24. Other Instructions:

i. The e-voting period commences on Tuesday, 25th September, 2018 (9:00 a.m. IST) and ends on Thursday, 27th September 2018 (5:00 p.m. IST). During this period, Members holding Shares either in Physical form or in Dematerialized form, as on the cut-off date i.e. 21st September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

ii. The voting rights of Members shall be in proportion to their Shares in the Paid up Equity Share Capital of the Company as on the cut-off date i.e. 21st September, 2018. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through polling paper.

iii. Any person, who acquires Shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding Shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com.

iv. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who is not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.

v. The result declared along with the Scrutinizer's Report shall be placed on the Company's website viz. www.asl.net.in and on the website of NSDL viz. www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, Mumbai where the Shares of the Company are listed.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Registered Office:
"Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai – 400 705
CIN: L51900MH1983PLC029643
Tel: 91 22 62493333 Fax: 91 22 62493334
E-mail: info@asl.net.in, investor@asl.net.in
Website: www.asl.net.in

EXPLANATORY STATEMENT TO THE ANNUAL GENERAL MEETING NOTICE

Item No. 5

The Board of Directors on the recommendation of the Nomination and Remuneration Committee had appointed Mrs.Vijaylakshmi R. Iyer (DIN: 05242960) as an Additional Independent Woman Director on the Board of Directors of the Company in their Meeting held on 10th August 2018. In terms of the provisions of Section 161 of the Companies Act, 2013, her tenure as an Additional Independent Woman Director expires at the 35th Annual General Meeting. The Company has received a Notice Under Section 160 of the Companies Act, 2013, from Mrs. Iyer, who is proposing her-self for reappointment as an Independent Woman Director on the Board for 02nd term. Further, Board recommends her appointment for 02nd term of 5 consecutive Years from 10th August, 2018 till 09th August, 2023. In terms of the provisions of Section 152 of the Companies Act, 2013, the Independent Director shall not be liable to retire by rotation.

Further the Shareholders may note that the original date of appointment of Mrs. Iyer was 12th August, 2017 as an Independent Woman Director, and she had resigned on 04th June, 2018, due to her personal grounds.

Mrs.Vijaylakshmi R. Iyer has provided her declaration of Independence under Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has also declared that she is eligible and not disqualified to be appointed as an Independent Woman Director on the Board of Directors of the Company. Considering her vast experience, her background in Banking and Finance and her qualifications, the Board of Directors is of the opinion that the appointment of Mrs.Vijayalakshmi. R. Iyer as an Independent Woman Director and her contributions and guidance will greatly benefit the Company.

The said appointment is in line with the Nomination and Remuneration Policy of the Company.

The Board of Directors recommends the appointment of Mrs.Vijaylakshmi R. Iyer as an Independent Woman Director for the period of 02nd term of 5 consecutive Years from 10th August, 2018 till 09th August, 2023.

The Board of Directors recommends the Resolution for the approval of the Members as a Special Resolution. A part from Mrs.Vijaylakshmi R. Iyer, who would be interested in this Resolution, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise, in these items, except to the extent of their Shareholding interest, if any, in the Company.

The statement of additional information required to be disclosed as per Secretarial Standard 2 issued by ICSI and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

Item No. 6

Mr. Ashok Chhajer was appointed as a Chairman & Managing Director of the Company w.e.f. 15th January, 2014 under Companies Act for the period of 5 (Five) Years and his appointment was approved by the Shareholders in the Annual General Meeting held on 26th September, 2013. The original date of appointment of Mr. Ashok Chhajer was 15th January, 2009. During the 9 Years of his tenure so far, Mr. Ashok Chhajer has, contributed immensely for the business activities of the Company and to guide the Company in its expansion activities.

The Shareholders are requested to note, that the current term of Mr. Ashok Chhajer is expiring on 14th January, 2019 and he is seeking his re-appointment for term of 5 (Five) Consecutive Years.

Mr. Ashok Chhajer has been contributing immensely in the business activities of the Company and is guiding the Company in its expansion activities. Accordingly, the Nomination and Remuneration Committee have recommended the re-appointment of Mr. Ashok Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company with effect from 15th January, 2019 with an Annual Remuneration of ₹ 55,00,000/- (Rupees Fifty Five Lakhs only) per annum unless otherwise revised by the Board of Directors. The same was approved by the Board of Directors on 10th August, 2018, subject to the Shareholders approval. The Remuneration paid / payable to Mr. Ashok Chhajer is within the limits set out under Section 197 of the Companies Act, 2013. Further, it is proposed, that in the event of loss or inadequacy of profits, the Remuneration payable to Mr. Ashok Chhajer shall be within the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013 or any other limit, as may be prescribed in this matter by the Central Government.

The said appointment is in line with the Nomination and Remuneration Policy of the Company.

The Board of Directors recommends the Resolution for the approval of the Members as a Special Resolution. Apart from Mr. Ashok Chhajer, who would be interested in this Resolution, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise, in these items, except to the extent of their Shareholding interest, if any, in the Company.

The statement of additional information required to be disclosed as per Secretarial Standard 2 issued by ICSI and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

This information forms a part of the Notice and Explanatory Statement for the 35th Annual General Meeting:

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by ICSI:

Name	Mr. Nimish Shah (DIN: 03036904) (Whole-Time Executive Director of the Company)	Mrs.Vijayalakshmi Iyer (DIN: 05242960) (Additional Independent Woman Director of the Company)	Mr. Ashok Chhajer (DIN: 01965094) (Chairman & Managing Director of the Company)
Age	44	63	48
Qualification	B.E. (Civil)	Mrs. Iyer has Graduated from M.L. Dahanukar College of Commerce and did her post Graduation from Sydenham College of Commerce, Mumbai. She is also a fellowship of CAIIB of Indian Institute of Banking and Finance.	BSC
Experience	Having more than 17 years of experience in construction and related activities. Please refer to the Company's website : www.asl.net.in, for a detailed profile.	Mrs. Iyer is the former Chairperson and Managing Director of Bank of India with nearly four decades of service and contribution to the Indian Financial Sector. Please refer to the Company's website: www.asl.net.in, for a detailed profile.	He has been augmented with 20 years of varied experience in Cloth Trading & Manufacturing, Edible Oil Refinery and Real Estate with a core focus on Real Estate Business. Please refer to the Company's website: www.asl.net.in, for a detailed profile.
No. of Shares held	NIL	NIL	1,23,09,147
Terms & Conditions	The appointment of Mr. Shah was approved by the Shareholders in the AGM held on 25th September, 2015 for a period of Five Years as Whole-Time Executive Director of the Company. He is liable to retire by rotation.	The reappointment of Mrs. V.R.Iyer shall be subject to the approval of Shareholders.	The appointment of Mr. Chhajer was approved by the Shareholders in the AGM held on 26th September, 2013 for a period of Five Years as a Chairman & Managing Director of the Company.
Remuneration Last Drawn	₹ 5,000,000/- p.a.	N.A.	₹ 5,500,000/- p.a.
Remuneration sought to be paid	₹ 5,000,000/- p.a.	N.A.	₹ 5,500,000/- p.a.
Number of Board Meetings attended during the Financial Year 2017-18	4	3	5
First Date of Appointment	13th April, 2010	12th August, 2017	15th January, 2009
Date of Appointment in current terms	13th April, 2015	10th August, 2018	15th January, 2014
Relationship with other Directors/ Manager/ Key Managerial Personnel	NIL	NIL	NIL

Directorships held in other Companies in India	NIL	1. Jammu And Kashmir Bank Limited 2. Aditya Birla Capital Limited 3. ICICI Securities Limited 4. Indiabulls Ventures Limited 5. Edelweiss Housing Finance Limited 6. Aditya Birla Finance Limited 7. Yes Trustee Limited 8. BFSI Sector Skill Council Of India 9. Religare Enterprises Limited	1. Abhinandan Agrofarms Private Limited 2. Arihant Anandi Realty Private Limited 3. Arihant Universal Realty Private Limited 4. Arihant Dwellcons Private Limited 5. Arihant Aashiyana Private Limited 6. Arihant Gruhnirman Private Limited 7. Arihant Dream Houses Private Limited 8. Adinath Realty Private Limited 9. Arihant Paradise Realty Private Limited 10. Arihant Vatika Realty Private Limited 11. Arihant Abode Limited
Committee Membership held in other Companies	NIL	1. Jammu And Kashmir Bank Limited - Nomination and Remuneration Committee and Risk Management Committee 2. Aditya Birla Capital Limited - Audit Committee, Stakeholders Relationship Committee and Risk Management Committee. 3. ICICI Securities Limited - Stakeholders Relationship Committee 4. Religare Enterprises Limited - Audit Committee, Nomination and Remuneration Committee and Risk Management Committee	1. Arihant Aashiyana Private Limited - Corporate Social Responsibility Committee

DIRECTORS REPORT

To the Members,

The Directors are pleased to submit the Annual Report of your Company; Arihant Superstructures Limited (the "Company" or "ASL") along with the Audited Financial Statements for the Financial Year (FY) ended March 31, 2018. Consolidated Performance of the Company and its Subsidiaries has been referred to wherever required.

1. Financial Performance:

The Financial Performance of the Company, for the Financial Year ended 31st March, 2018 as compared to the previous financial year is summarized below:

(₹ in Lakhs)

Particulars	Financial Year ended 31st March, 2018		Financial Year ended 31st March, 2017*	
	Consolidated	Standalone	Consolidated	Standalone
Sales and Other Income	18,925	10,722	18,625	13,123
Profit before Interest, Depreciation & Tax	3,849	2,274	6,436	4,845
Interest	1,501	630	1,013	759
Depreciation	134	62	102	58
Profit/ (Loss) before Tax	2,214	1,582	5,321	4,028
Provision for Tax	750	548	1,729	1,366
Profit/ (Loss) after Tax	1,465	1,034	3,592	2,662
Profit/(Loss) for the Year	1,465	1,034	3,592	2,662
Add: Balance of Profit and Loss Account	6,728	7,198	3,892	4,982
Share of Minority	208	-	310	-
Profit available for Appropriation	7,985	8,232	7,174	7,644
Less: Appropriation				
Dividend on Equity Shares (excluding tax)	412	412	370	370
Tax on dividends	84	84	75	75
Balance of Profit carried to Balance Sheet	7,489	7,704	6,728	7,198

The Audited Consolidated and Standalone Financial Statements of the Company are attached to this Report and the Audited Financial Statements of the Subsidiaries are available on the website of the Company at www.asl.net.in for the review of the Members.

*The Members are requested to note, that the Financial Statements pertaining to Financial Year 2016-17 are regrouped and re-classified, pursuant to the applicability of Indian Accounting Standard.

2. Dividend:

Based on the Company's Performance, the Directors are pleased to recommend for approval of the Members at the Annual General Meeting a Final Dividend of ₹ 0.50/- per Equity Share of the Company for the Financial Year 2017-18. The Final Dividend on Equity Shares, if approved by the Members would involve a cash outflow of ₹ 247,69,589/- including Dividend Distribution tax resulting in a payout of 23.95% of the Standalone Profits of the Company.

The Register of Members shall remain close from Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive) for the purpose of Final Dividend and Annual General Meeting.

3. Transfer to Reserve:

The Company does not propose to transfer any amount to the General Reserves. However, Company has transferred entire profit to the Reserve and Surplus.

4. Company Financial Performance:

On Consolidated Basis, revenue from operations for FY 2017-18 at ₹ 18,796 Lakhs was higher by 1.74% over last FY (₹ 18,474 Lakhs in FY 2016-17). Earnings before Interest, Tax, Depreciation and Amortization ("EBITDA") were ₹ 3,849 Lakhs registering a decline of 40% EBITDA from ₹ 6,436 lakhs. Profit after tax ("PAT") for the FY 2017-18 was ₹ 1,257 Lakhs which is declined from previous year ₹ 3,282 Lakhs.

On Standalone basis, revenue from operations for FY 2017-18 at ₹ 10,506 Lakhs which has declined from previous year of ₹ 12,879 Lakhs. Earnings before Interest, Tax, Depreciation and Amortization ("EBITDA") were 2,274 Lakhs registering a decline of 53% EBITDA from 4,845 Lakhs. Profit after tax ("PAT") for the FY 2017-18 was ₹ 1,034 Lakhs which is declined from previous year ₹ 2,662 Lakhs.

5. Accounting Standards and Consolidated Financial Statements:

The Consolidated Financial Statements of the Company and its Subsidiaries, prepared in accordance with Accounting Standards, issued by the Institute of Chartered Accountants of India, which forms part of this Annual Report.

6. Indian Accounting Standards (Ind AS):

The Financial Statements have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the provisions of the Companies Act, 2013.

For all periods up to and including the Year ended 31st March 2017, the Company prepared its Financial Statements in accordance with accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP). These Financial Statements for the Year ended 31st March 2018 are the first Financial Statements of the Company which has been prepared in accordance with Ind AS. Refer to note 3 for an explanation of how the transition from previous GAAP to Ind AS has effected the Company's Financial Position, Financial Performance and Cash Flows.

The Financial Statements have been prepared on accural and going concern basis under historical cost convention except for certain Financial Assets and Liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognised.

The Financial Statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest Lakhs, except as stated otherwise.

7. Directors' Responsibility Statement:

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

(a) in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed and that no material departures have been made from the same;

(b) such Accounting Policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for that period;

(c) proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Annual Accounts of the Company have been prepared on a going concern basis;

(e) Internal Financial Controls have been laid down to be by the Company and that such internal Financial Controls are adequate and were operating effectively;

(f) proper system have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Deposits:

The Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and accordingly no disclosures are required in this regard.

9. Subsidiaries and Associate Companies:

All the Subsidiary Companies are Non-material, Non-listed Subsidiary Companies as defined under Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the Financial Statements of the Company's Subsidiaries in Form AOC-1 is attached to the Financial Statements of the Company.

During the Year the Company does not have any Associate Company in term of applicable provisions of the Companies Act, 2013.

10. Operations Review of Company Projects:

Project: Arihant Aarohi

Residential project located at Kalyan Shil Road. Arihant Aarohi having over 2.5 acres area of land. Arihant Aarohi comprising elegant 1BHK & 2BHK. The project has internal & external amenities such as 2x2 vitrified tilling in all rooms, UPVC sound resistant french windows, granite top kitchen platform, swimming pool, library, children's play area, health club, gymnasium, landscape garden, indoor game room, power backups for lifts.

Project: Arihant Adita

Residential project is situated at Pal Road, Gangana, Jodhpur (Rajasthan) and is just 1 km from the National Highway. This is first of its type high rise Residential project in Jodhpur. The project will provide the people of Jodhpur all state-of-the-art facilities and amenities, in line with projects in Mumbai and other Metro cities. Project consists of five phases which have 14 buildings equivalent to saleable area of 1.3 Mn sq.ft. The project has amenities such as swimming pool, badminton court, basket ball court, kids play room, amphitheater, garden lawn, steam room, gymnasium, etc. to name a few.

Project: Arihant Ashray

This is an affordable housing project named as "Arihant Ashray" situated at Pal Road, Gangana, Jodhpur (Rajasthan).

Project: Arihant Ayati

Residential project named as "Arihant Ayati" is situated at Devnagar, Jodhpur (Rajasthan). This Project is stilt+17 storied Towers consisting Super Luxurious Flats having the internal and external amenities like 3-burner gas hob & chimney in kitchen, UPVC sliding windows with tinted glass, high speed lifts, swimming pool, high health club with gymnasium & steam room, green concept at top terrace for cool temperature and external texture with pure acrylic paint etc.

Project: Arihant Anchal

This is an Affordable Housing Project named as "Arihant Anchal" located at Jodhpur (Rajasthan). Its internal and external amenities like super quality velvet touch paint, POP finished AAC brick walls, branded CP, sanitary and electrical fittings, molded panel doors and aluminum sliding window, vitrified flooring and designer wall tiles, lifts and beautiful entrance with grand club house.

Project: Arihant Angan

This is an Affordable Housing Project named as "Arihant Aangan" located at Jodhpur (Rajasthan). Its internal and external amenities like super quality velvet touch paint, POP finished AAC brick walls, branded CP, sanitary and electrical fittings, molded panel doors and aluminum sliding window, vitrified flooring and designer wall tiles, lifts and beautiful entrance with grand club house.

Project: Arihant Aakarshan

This is a residential project located at Chokha, Jodhpur. Arihant Aakarshan having approximately 6.5 acres kingdom with modern luxuries. Arihant Aakarshan consists of stilt+20 Storied, 7 Magnificent Tower comprising elegant 2BHK, 3BHK & 4BHK furnished Sky-bungalows with world-class fixtures & furniture's. The project has internal & external amenities such as 800mm x 800mm vitrified tile flooring, modern kitech with water purifier, gas hob & chimney, granite top kitchen platform with double bowls sink and service-platform, bathroom with bathtub, basin counter, glass partition, premium quality CP fitting and branded sanitary ware, module panel main door and bathroom door, FRP doors for bathrooms, UPVC sound resistance French windows, luster/velvet touch paint with POP on all walls, world-class gymnasium with fitness equipment, swimming pool with changing rooms, elegant clubhouse lobby, banquet hall for parties & celebration, private theatre, exotic spa, children amusement, golf area, indoor games room, library, lawn tennis court.

Project: Arihant Arshiya

Residential project named as "Arihant Arshiya" is situated at Khalapur, Khopoli. This project having 20 acres land area. Arihant Arshiya is a part stilt+8 Storied Towers comprising elegant 1RK, 1BHK, 2BHK flats. The project is having internal & external amenities such as swimming pool, library, children play area, health club- gymnasium& steam room, landscape garden, indoor game room, temple, complex owned shuttle bus service.

11. Operations Review of Company Subsidiaries Projects:

Project: Arihant Aspire

Residential project located at Panvel, Navi Mumbai. The project consists of 8 Buildings. Arihant Aspire a 42 storied towers comprising elegant studio and 2BHK apartments. The project having internal & external amenities such as Laxmi Mataji Temple, intercom facility, velvet touch paint with POP in all rooms, elegant entrance lobby, 4 high speed lifts in each building, business lounge, landscapes garden, swimming pool with Kids pool, gymnasium with club house, children's play area, amphitheater with party lawn, jogging track, meditation center, ample car parking, basket ball court, external camera for security checks.

Project: Arihant Anmol

Residential project located at Jouveli Badlapur (E). Anmol project having 7 acres land area. The project has granite top kitchen platform swimming pool, library, children play area, health club- gymnasium & steam room, landscape garden, indoor game room, S. S. elevator, indoor game room & party hall.

Project: Arihant Amisha

Residential project named as "Arihant Amisha" situated at Wawanje Taloja, Panvel. This project having 7 acres land area. The project has various amenities such as temple, swimming pool, health club with gymnasium &steam room, Community hall, cum social activity center & library, swimming pool, beautiful landscaped garden etc.

Project: Arihant Aloki

Residential project named as "Arihant Aloki" situated at Bhisegaon, Karjat (E). This project having 6 acres land area. Arihant Aloki comprising elegant 1BHK & 2BHK, 3BHK flats. The project has internal & external amenities such as 2x2 vitrified flooring in all rooms, granite top kitchen platform, luster paint, aluminum powder coated sliding windows, children's play area, community hall, health club- gymnasium & steam room, landscape garden, indoor game room.

Project: Arihant Clan Aalishan

Residential project named as "Arihant Clan Aalishan" is situated at Kharghar Annex, Navi Mumbai. This is the one of the tallest project of Navi Mumbai and is stilt + 53 Storied 3 Magnificent Towers consisting 2BHK, 3BHK and 4BHK Super Luxurious Flats having the internal and external amenities such as 800mm x 800mm vitrified tile flooring, modern kitchen with water purifier, gas hob & chimney, granite top kitchen platform with double bowls sink and service-platform, bathroom with bathtub, basin counter, glass partition, premium quality CP fitting and branded sanitary ware, moulded panel main door and bathroom door, FRP doors for bathrooms, UPVC sound resistance french windows, Luster/velvet touch paint with POP on all walls, herbal boulevard & gen garden, landscape party area, pairidaeza, senior citizen garden, children's outdoor play area, rain dance arena with water fountain, hi-tech gymnasium, swimming pool, unisex aroma spa with jacuzzi, mini theatre, aeorbics, yoga and meditation center, indoor sports club, badminton & squash court, children's creche, library and business lounge.

Project: Arihant Anaika

Residential project named as "Arihant Anaika" is situated at Nr. Taloja Phase II, Navi Mumbai. Arihant Anaika is a stilt + 4 Storied Towers consisting of 1 BHK, 2BHK and 3BHK flats having the internal and external amenities such as 2x2 vitrified flooring tiles, POP on all walls, luster paint on internal walls, granite top kitchen platform, premium quality bathroom, moulded panel main door & bedroom doors, FRP doors for bathroom, mesmerizing elevation, elegant entrance lobby, beautiful landscape garden, swimming pool, health club with gymnasium, indoor games, children's play area.

Project: Arihant Anshula

Residential project named as "Arihant Anshula" is situated at Nr. Taloja Phase II, Navi Mumbai. Arihant Anshula is a stilt + 4 Storied Towers consisting of 1 BHK, 2BHK and 3BHK flats and it is the dated township concept having the internal and external amenities such as Elegant entrance lobby, Ample car parking for all, Swimming poll, Beautiful landscaped garden, Health club, with gymnasium & steam room, Indoor games room, party hall, Reputed make elevator in each wing, pure acrylic external paint, External camera for security checks.

12. Board of Directors and Key Managerial Personnels:

The Board of Directors comprise of eminent, experienced and reputed Individuals of the Industry. During the Year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending Meetings of the Company.

Pursuant to the provisions of the Companies Act, 2013, following are the changes in the Board of Directors and Key Managerial Personnel's of the Company till the date of this Report:

Name of the Director/Key Managerial Personnels	DIN/PAN	Designation	Date of Appointment/ Resignation
Mr. Raj Narain Bhardwaj	01571764	Independent Director	Appointed w.e.f. 12/08/2017
Mrs. Vijayalakshmi R. Iyer	05242960	Independent Woman Director	Appointed w.e.f. 12/08/2017 Resignation w.e.f. 04/06/2018
Mr. Virendra Mital	00376830	Independent Director	Vacation of Office w.e.f 07/09/2017
Mrs. Kamini Shroff	07141404	Independent Woman Director	Resignation w.e.f 07/11/2017
Mr. Manish Mehta	AACPM6559L	Chief Financial Officer	Resignation w.e.f: 22/01/2018
Mr. Pradeep Mehta	AHBPM4964B	Chief Financial Officer	Appointment w.e.f: 12/02/2018
Mr. Virendra Mital	00376830	Independent Director	Appointment w.e.f. 23/05/2018
Mrs. Vijayalakshmi R. Iyer	05242960	Additional Independent Woman Director	Re- Appointment w.e.f. 10/08/2018

The Current Compositions of the Board of Directors of the Company are as follows:

Name of the Director	DIN	Designation
Mr. Ashok Chhajer	01965094	Chairman & Managing Director
Mr. Nimish Shah	03036904	Whole-time Executive Director
Mr. Virendra Mital	00376830	Independent Director
Mr. Vinayak Nalavde	02047436	Independent Director
Mr. Dinesh Babel	03042254	Independent Director
Mr. Raj Narain Bhardwaj	01571764	Independent Director
Mrs. Vijayalakshmi R. Iyer	05242960	Additional Independent Woman Director

Details of the Current Compositions of Key Managerial Personnels of the Company

Name	Designation
Mr. Naval Singh Shekhawat	Company Secretary & Compliance Officer
Mr. Pradeep Mehta	Chief Financial Officer

The Board places on record its appreciation towards the services and guidance received from Mrs. Kamini Shroff and Mr. Manish Mehta during their tenure with the Board and Company.

The Board has on the recommendation of Nomination & Remuneration Committee appointed Mr. Virendra Mital as Independent Director of the Company. The Company has received the approval of Shareholders through Postal Ballot result declared dated 25th July, 2018 for appointment of Mr. Virendra Mital as Independent Director for his second term of 5 (Five) Years.

The Board welcomes Mrs. Vijayalakshmi R. Iyer on the Board for her re-appointment as a Independent Woman Director of the Company for second term of 5 (Five) Years. . The Board has approved her re-appointment in its Board Meeting held on 10th August, 2018 and recommended to the Shareholders for their approval in ensuing Annual General Meeting.

Pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013, Mr. Nimish Shah, (DIN: 03036904), Whole-time Executive Director of the Company is liable to retire by rotation and offers himself for re-appointment as the Whole-Time Executive Director of the Company by stating his willingness to be re-appointed at this Annual General Meeting.

Pursuant to the provisions of Section 196,197,198 and any other applicable provisions of the Companies Act, 2013, Mr. Ashok Chhajer, (DIN: 01965094), Chairman & Managing Director of the Company whose term is expiring on 14th January, 2019 is offering himself for re-appointment as the Chairman & Managing Director of the Company by stating his willingness to be re-appointed at this Annual General Meeting for next term of 5 (Five) Years.

The complete details and disclosures pertaining to the qualification, experience, education and other details as required under the Companies Act, 2013, Secretarial Standards-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the Notice to the Annual General Meeting for the Directors seeking appointment/ re-appointment. The Board recommends their appointment / re-appointment.

The disclosures pertaining to the Equity Shares held and the Remuneration received by the Directors and Key Managerial Personnels during the Financial Year 2017-18 are disclosed in MGT-9 which forms a part of this Report.

13. Board and Committee Meetings:

The Board of Directors meets at regular intervals to discuss the business and compliance matters of the Company. The details of the Meetings of the Board of Directors and the Committees of the Board of Directors and their respective constitution are stated in the Corporate Governance Report attached which form part of this Board's Report.

The Board has constituted the following Mandatory and Non-mandatory Committees of the Board of Directors:

Sr. No.	Mandatory Committees	Non-Mandatory Committees
1	Audit Committee	Executive Committee
2	Nomination and Remuneration Committee	Disinvestment Committee
3	Stakeholders' Relationship Committee	Fund Raising Committee
4	Corporate Social Responsibility Committee	Insider Trading Compliances Committee

The Company Secretary of the Company is the Secretary to each of these Committees.

Separate Meeting of Independent Directors is conducted during every Year, in terms of the requirements of Schedule IV to the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Board of Directors have adopted various policies on the functioning and running of the Board of Directors as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which are also available on the website of the Company at www.asl.net.in.

14. Declaration from Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

15. Board Evaluation:

The Board of Directors have carried out an Annual evaluation of its own performance, Board Committees and individual Director pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

The Performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The Performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate Meeting of Independent Directors, Performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the Meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

16. Internal Financial Control Systems and their Adequacy:

The Management continuously reviews the Internal Control Systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, Financial Reporting and ensures that all its assets are safeguarded and protected against losses. The Internal Auditor of the Company conducts the Audit on regular basis and the Audit Committee actively reviews Internal Audit Reports and effectiveness of Internal Control Systems.

Internal Control Systems are implemented to safeguard the Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakages, to provide adequate Financial and Accounting Controls and implement Accounting Standards

17. Statutory Auditors:

M/s Kailash Chand Jain & Co., Chartered Accountants appointed as the Statutory Auditors of the Company for a period of Four Years in the 31st Annual General Meeting till the conclusion of the Annual General Meeting to be held in the Year 2018, subject to ratification of the Members in every Annual General Meeting. Accordingly, The Board recommends the re-appointment of the Statutory Auditors in this Annual General Meeting for the Second term of 5 (Five) consecutive Years from the conclusion of this Annual General Meeting till the conclusion of the Sixth Annual General Meeting from this Annual General Meeting.

18. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s D. A. Kamat & Co, Practicing Company Secretaries, Mumbai, to undertake the Secretarial Audit of the Company for the Financial Year 2017-18 under review. The Secretarial Audit Report is annexed as **Annexure I** to this Report.

19. Internal Auditors:

The Board of Directors had appointed M/s MPK & Associates, Chartered Accountants, Mumbai as the Internal Auditors for the Financial Year 2017-18. The Internal Auditors conduct their review and Audit on a quarterly basis and submit their report to the Audit Committee and Board of Directors.

Further the Board of Directors have appointed M/s KPMG as the Internal Auditors for the Financial Year 2018-19, in the Board Meeting held on 23rd May, 2018.

20. Comments by the Board on Qualification, Reservation or Adverse remark or disclaimer in Audit Report:

There is no Qualification, Reservation or Adverse remark in Statutory Audit Report for the Financial Year 2017-18.

Further, in respect of the comments/ observations, made by the Secretarial Auditor, the Board of Directors have taken note of the same and are undertaking necessary steps to ensure due compliance of the provisions of Companies Act, 2013, Insider Trading regulations and other specifically applicable laws therein

21. Nomination and Remuneration Policy:

The Board has on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Key Managerial Personnels and Senior Management and their Remuneration. The details and extract of the Remuneration Policy is disclosed in the Corporate Governance Report attached to this Annual Report. A copy of the Nomination and Remuneration Policy is available on the website of the Company on www.asl.net.in.

22. Particulars of Contract or Arrangements with Related Party:

The Board of Directors has a Related Party Transaction Policy approved as mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. All Related Party Transactions are placed before the Audit Committee and the Board of Directors along with the Quarterly Financial Results. Further, Material Related Party Transactions are also reported to the Stock Exchanges in the Quarterly Corporate Governance Report. Omnibus Approvals for all repetitive transactions, are obtained from Audit Committee and Shareholders' approval for Material Related Party Transactions undertaken as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is obtained. A copy of the Related Party Transactions Policy is available on the website of the Company on www.asl.net.in.

Information on transactions with Related Parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies(Accounts) Rules, 2014 are given in **Annexure II** in Form AOC-2 and the same forms part of this Report.

23. Particulars of Loans, Guarantees and Investments:

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or Guarantee or Security is proposed to be utilized by the recipient are provided in the Financial Statements, forming part of this Annual Report.

24. Risk Management:

The Board of Directors has reviewed the Risk Assessment and Minimization Procedures as per Regulation 17(9) of the SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, in Board Meeting of every Quarter for the Financial Year 2017-18. There are no material risks, which in the opinion of the Management, affect the continuity and existence of the business.

25. Vigil Mechanism and Whistle Blower Policy:

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure Whistle Blowing System for Directors and Employees of the Company to raise concern. The Policy broadly cover instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct, alteration of documents, fraudulent financial reporting, misappropriation/misuse of Company's assets, manipulation of Company's data, pilferage of proprietary information, abuse of authority, etc. The Policy provides adequate safeguard against victimization of Director(s) / Employee(s) who raise the concern and have access to the Chairman of Audit Committee who is entrusted to oversee the Whistle Blower Mechanism. Further, no personnel have been denied access to the Audit Committee during the Financial Year under review.

The details of this Policy is explained in the Corporate Governance Report and also posted on the website of the Company at www.asl.net.in.

26. Code of Conduct:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all Employees in the course of day to day business operations of the Company.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated Employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with Stakeholders.

27. Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's Shares and prohibits the purchase or sale of Company Shares by the Directors and the designated Employees while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated Employees have confirmed compliance with the Code.

However, it was observed by Compliance Officer of the Company that during the year there has been violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies' Code of Conduct by Mr. Dinesh Babel, Independent Director of the Company. Immediately, same was informed to the Board Members in the Board Meeting held on 10th August, 2018 and accordingly the Board had constituted the Insider Trading Compliances Committee for investigating the said matter and to submit their report to the Board of Directors and SEBI.

28. Prevention, Prohibition and Redressal of Sexual Harassment of Woman at the Workplace:

The Company has a zero tolerance policy towards Sexual Harassment of Woman at workplace. The Company has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment of Woman at Workplace in accordance with the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaints were received by the Company during the Year under review.

29. Investors' Relation and Grievances:

During the Year under review, the Company has not received any Complaint/Grievance from the Investors of the Company. The Company has a dedicated e-mail address investor@asl.net.in and cs@asl.net.in for communication with the Investors. Further, a section for Investors, with details of the Annual Reports, Financial Statements, Communications to Stock Exchanges and other necessary information is available on the website of the Company on www.asl.net.in. Further, the Company is registered on the website of SEBI Complaint Redressal System (SCORES).

30. Corporate Governance Report:

Your Company is committed to maintaining highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by the Securities Exchange Board of India (SEBI). As required by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a detailed Corporate Governance Report is given which forms a part of this Annual Report.

31. Management Discussion and Analysis Report:

In accordance with the Listing Regulations, the Management Discussion and Analysis Report is attached and forms part of this Annual Report.

32. Particulars of Employees:

There are no Employees drawing Remuneration of ₹ 8,50,000 (Rupees Eight Lakhs Fifty Thousand) per month or ₹ 1,02,00,000/- (Rupees One Crore Two Lakhs) and above per annum during the Year under review.

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure III** of this Report.

33. Extract of the Annual Return:

The details forming part of the extract of the Annual Return in form MGT -9 is annexed as **Annexure IV** and forms part of this Report**.**

34. Corporate Social Responsibility:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the Financial Year 2017-18 are set out in **Annexure V** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

CSR Policy is available on the website of the Company at www.asl.net.in.

35. Conservation of Energy, Technology Absorption and Foreign Exchange:

The information required to be furnished pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 is enclosed as **Annexure VI** and forms part of this Report.

36. Other Disclosures:

(i) There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future, during the Financial Year 2017-18.

(ii) There are no material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the Financial Year 2017-18 and the date of this report.

(iii) There are no details in respect of frauds reported by auditors under Section 143(12) of the Companies Act, 2013.

(iv) The Managing Director has not received any Remuneration or Commission from any Subsidiaries.

(v) The Company has complied with the Secretarial Standards I and II as issued by the Institute of Company Secretaries, India.

(vi) The Company was not required to maintain cost records under Section 148(1) of the Companies Act, 2013.

Acknowledgement:

The Board expresses its gratitude and appreciates the assistance and co-operation received from the Creditors, Banks, Government Authorities, Customers and Shareholders during the Year under review.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Annexure I

FORM NO MR-3
SECRETARIAL AUDIT REPORT
as on the Financial Year ended on 31st March, 2018
[Pursuant to Section 204(1) of the Companies Act 2013 and Rule No.9 of Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ARIHANT SUPERSTRUCTURES LIMITED,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by **ARIHANT SUPERSTRUCTURES LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory compliances and expressing our opinion thereon. Our Report is to be read along with the attached Note in **Schedule A** which form an integral part of this Report.

Based on our 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 authorised representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the company has during the Audit period covering the Financial Year ended on **31st March, 2018** complied with the Statutory provisions listed hereunder and to the extent stated in this Report and also that the Company has the proper Board-Processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I. We have examined the Books, Papers, Minute books, Forms and Returns filed, Reports issued by various fellow Professionals and other applicable Records and Registers maintained by the Company on a test check basis for the Financial Year ended on **31st March, 2018** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under;

   (*The Company has filed various e-forms with the Registrar of Companies within due date/with additional fees wherever applicable.)*

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

4. 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 (Not applicable to the Company during the Audit period)

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

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

   ii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(during the year there has been transactions undertaken by Mr. Dinesh Babel, Independent Director, violating the provisions of SEBI Insider trading Regulations and Company's Code of Conduct.)*

   iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;

   iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit period)

   v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)

vi. 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;

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period) and

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period).

7. Other laws applicable specifically applicable to the Company namely:

i. Real Estate (Regulation and Development) Act, 2016 and rules thereof.

ii. Environmental Protection Act 1986.

iii. The Water (Prevention and Control of Pollution) Act 1974.

iv. The Air (Prevention and Control of Pollution) Act 1981.

v. The Noise Pollution (Regulation and Control) Rules 2000.

vi. Building and Other Construction Workers Act, 1996.

vii. Building and Other Construction Workers Welfare Cess Act, 1996.

II. We have examined the applicable provisions of

(a) Secretarial Standards I and II as issued by the Institute of Companies Secretaries of India and notified by the Ministry of Corporate Affairs and applicable with effect from July 1, 2015.

(b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the declarations given and the information provided, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, except as stated in this Report.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the Year 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 (or consent is obtained from at least one Independent Director for issue of Notice and Agenda on a shorter notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting. Majority decision is carried through while the dissenting Members' views, if any, are captured and recorded as part of the Minutes.

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

We further report that during the Year under Report, the Company has undertaken following event / action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. referred to above viz.

i. There has been an inter-se transfer of Shares between Promoters during the Financial Year for which due Compliances have been undertaken. Mr. Ashok B. Chhajer, Chairman & Managing Director of the Company has transferred 38,61,010 Equity Shares of the Company to Mrs. Sangeeta Chhajer by means of executed gift deed.

ii. Mr. Virendra Mital [DIN: 00376830], has vacated his office U/s 167(1) w.e.f. 7th September 2017. However, on removal of such disqualification, he was re-appointed for a second term as a Independent Director on 23rd May 2018.

iii. The Company has shifted its Registered Office w.e.f 12th February 2018 within the jurisdiction of the local limits of the city. The same has been intimated to the Registrar of Companies, Mumbai.

iv. The Company has obtained approval through Postal Ballot for approval of the following:

a. To raise funds upto an amount not exceeding ₹ 300 Crores including premium if any; through issue of Securities.

b. To approve the Remuneration of Mr. Nimish Shah, Whole Time Executive Director of the Company for the Year 2017-18.

c. To approve the Remuneration of Mr. Ashok Chhajer, Managing Director of the Company for the Financial Year 2017-18.

d. To approve the proposed Material Related Party Transactions for the Year 2017-2018.

2. We further report that after the closure of the Financial Year 2017-18 and till the date of this Report the following events have taken place:

i. There has been an inter-se transfer of Shares between Promoters and their relatives for which due Compliances have been undertaken. Mr. Ashok B. Chhajer, Managing Director of the Company has transferred 60,00,000 Equity Shares of the Company to his son, Mr. Bhavik Chhajer by means of executed gift deed.

ii. The Company has obtained approval through Postal Ballot for Approval of the following:

a) To raise funds upto an amount not exceeding ₹ 300 Crores including premium if any; through issue of Securities.

b) To fix the Remuneration of Mr. Nimish Shah, Whole Time Executive Director of the Company.

c) To fix the Remuneration of Mr. Ashok Chhajer, Managing Director of the Company.

d) To consider and approve the Appointment of Mr. Virendra Mital as an Independent Director of the Company.

e) To approve the proposed Material Related Party Transactions.

f) To approve the Material Related Party Transactions for providing Corporate Guarantee to the Subsidary Company Arihant Vatika Realty Private Limited.

For D.A. Kamat & Co.
Company Secretaries

D.A. Kamat
Partner
FCS No. 3843
CP No. 4965

Place: Mumbai
Date: August 10, 2018

Note: Our Report is to be read along with the attached Note in Schedule A and other Annexures to this Report, which form an integral part of this Report.

Schedule A – Notes on the Secretarial Audit Report of Arihant Superstructures Limited dated 10th August 2018

Our report of even date is to be read along with the following Notes:

i. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

ii. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

iii. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.

iv. Where ever required, we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.

v. The Compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

vi. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Annexure II

Form No. AOC - 2

as on the Financial Year ended on 31st March, 2018

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 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 Arm's Length Transactions under third proviso thereto:

1. Details of Contracts or Arrangements or Transactions not at Arm's Length Basis:

(a) Name(s) of the Related Party and nature of relationship: NIL

(b) Nature of Contracts/Arrangements/Transactions: NIL

(c) Duration of the Contracts / Arrangements/Transactions: NIL

(d) Salient terms of the Contracts or Arrangements or Transactions including the value, if any: NIL

(e) Justification for entering into such Contracts or Arrangements or Transactions: NIL

(f) Date(s) of approval by the Board: NIL

(g) Amount paid as advances, if any: NIL

(h) Date on which the Special Resolution was passed in General Meeting as required under first provision to Section 188 of the Companies Act, 2013: NIL

2. Details of material Contracts or Arrangement or Transactions at Arm's Length Basis: (₹ in Lakhs)

Name of the Related Party and Nature of Relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts / Arrangements/ Transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Mr. Ashok Chhajer – KMP	Rent paid	On-going	4.80	Board Meeting of every Quarter	NA
Mrs. Sangeeta Chhajer – Relative of KMP	Rent paid	On-going	3.60	Board Meeting of every Quarter	NA
Arihant Technoinfra Private Limited - Entitiy in which relatives of KMP are Shareholders and Director, Arihant Superstructures Ltd. Holds 5% stake	Purchases	On-going	15.69	Board Meeting of every Quarter	NA
Arihant Paradise Realty Private Limited - Common Director	Advance for Office Purchases	NA	150.00	14.11.2017	150.00

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Annexure III

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) Ratio of the Remuneration of each Executive Director to the Median Remuneration of the Employees of the Company and Percentage increase in Remuneration of each Executive Director, Chief Financial Officer, Chief Executive Director and Company Secretary for the Financial Year 2017-18 as under:

Sr . No.	Name of Director/KMP	Designation	Ratio of Remuneration to each Director and KMP to Median Remuneration of Employees (on Gross)	% increase in Remuneration in FY 2017-18
1	Mr. Ashok Chhajer	Chairman & Managing Director and Chief Executive Officer	22.92 : 1	129
2	Mr. Nimish Shah	Whole-time Executive Director	20.83 : 1	17
3	Mr. Manish Mehta*	Chief Financial Officer	NA	NA
4	Mr. Pradeep Mehta**	Chief Financial Officer	NA	NA
5	Mr. Naval Singh Shekhawat	Company Secretary	3.50 : 1	87

*Mr. Manish Mehta had resigned on 22.01.2018.

**Mr. Pradeep Mehta had been appointed on 12.02.2018.

Since the Remuneration of both CFO is only for part of the Year, the Ratio of their Remuneration to Median Remuneration and % increase in Remuneration is not comparable and hence, not stated.

ii) The Percentage increase in the Median Remuneration of Employees in the Financial Year: NIL (there is no change in Median Remuneration as compared to previous Financial Year 2016-17)

iii) The number of Permanent Employees on the rolls of Company: 139

iv) 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 point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

Average percentage increase in salaries of Employees other than Managerial Personnel in the last Financial Year 2017-18 was approx. 11.59% (there is no change in Median Remuneration as compared to previous Financial Year 2016-17). Percentage increase in Managerial Remuneration was 33.30%.

v) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

The Company affirms Remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Annexure IV

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2018

[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	:	L51900MH1983PLC029643
Registration Date	:	26/03/1983
Name of the Company	:	Arihant Superstructures Limited
Category/Sub-Category of the Company	:	Company Limited by Shares
Address of the Registered office and Contact details	:	"Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai – 400 705 Tel: 91 22 62493333, Fax: 91 22 62493334 Email: info@asl.net.in, investor@asl.net.in Website: www.asl.net.in
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent	:	Adroit Corporate Services Pvt. Ltd. 17-20, Jafferbhoy Ind. Estate. 1st Floor, Makwana Road, Marole Naka, Andheri (E), Mumbai - 400059 Tel: 91 22 4227040 Fax: 91 22 28503784 Email: info@adroitcorporate.com Website: www.adroitcorporate.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:

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

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to the total turnover of the Company
1.	Development and construction of properties	410	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Arihant Aashiyana Pvt. Ltd. "Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai – 400 705	U45400MH2010PTC210759	Subsidiary	60%	2(87)
2	Arihant Abode Ltd. "Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai – 400 705	U70102MH2009PLC197090	Subsidiary	60%	2(87)
3	Arihant Gruhnirman Pvt. Ltd. "Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai – 400 705	U45400MH2010PTC210844	Subsidiary	60%	2(87)
4	Arihant Vatika Realty Pvt. Ltd. "Arihant Aura", 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai – 400 705	U70102MH2008PTC187732	Subsidiary	60%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	8346562	0	8346562	20.28	12207552	0	12207552	29.66	9.38
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0		0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other									
f-1) Directors	22170157	0	22170157	53.86	18309147	0	18309147	44.48	-9.38
Sub Total A(1)	**30516719**	**0**	**30516719**	**74.14**	**30516699**	**0**	**30516699**	**74.14**	**0.00**
(2) Foreign									
a) NRI - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total A(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)	**30516719**	**0**	**30516719**	**74.14**	**30516699**	**0**	**30516699**	**74.14**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	2032675	0	2032675	4.94	4.94
b) Banks / FI	0	0	0	0.00	71058	0	71058	0.17	0.17
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Foreign Portfolio Investors	0	0	0	0.00	385827	0	385827	0.94	0.94
f) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
g) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
h) FIIs	964151	0	964151	2.34	70775	0	70775	0.17	-2.17
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	**964151**	**0**	**964151**	**2.34**	**2560335**	**0**	**2560335**	**6.22**	**3.88**
(2) Non - Institutions									
a) Bodies Corporate									
i) Indian	1917570	0	1917570	4.66	3221096	0	3221096	7.83	3.17
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding Nominal Share Capital upto ₹ 1 Lakh	650940	52392	703332	1.71	1451093	52060	1503153	3.65	1.94
ii) Individual Shareholders holding Nominal Share Capital in excess of ₹1 Lakh	6363090	0	6363090	15.46	2824131	0	2824131	6.86	-8.60
c) Others (Specify)									
c-1) Non Resident Indians(Individuals)	116	0	116	0.00	317634	0	317634	0.77	0.77
c-2) Director Relatives	88400	0	88400	0.21	89862	0	89862	0.22	0.00

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c-3) Clearing Member	606613	0	606613	1.47	126481	0	126481	0.31	-1.17
c-5) Investor Education and protection Fund	0	0	0	0.00	250	0	250	0.00	0.00
c-6) Directors and KMP	0	0	0	0.00	350	0	350	0	0.00
Sub-total (B)(2)	**9626729**	**52392**	**9679121**	**23.52**	**8030897**	**52060**	**8082957**	**19.63**	**-3.89**
Total Public Shareholding(B)= (B)(1)+(B)(2)	**10590880**	**52392**	**10643272**	**25.86**	**10591232**	**52060**	**10643292**	**25.86**	**0.00**
C. Shares held by Custodian for GDRs & ADRs.									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public -	0	0	0	0	0	0	0	0	0
Sub-total (C)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**41107599**	**52392**	**41159991**	**100**	**41107931**	**52060**	**41159991**	**100**	**0**

ii. Shareholding of Promoters (including Promoter Group):

Sr. No.	Shareholder's Name	No.of Shares held at the beginning of the Year			No. of Shares held at the end of the Year			% Change during the Year
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total Shares	
1	Ashokkumar B Chhajer	22170157	53.86	0.00	18309147	44.48	0.00	**-9.38**
2	Meena Vijay Ranka	148	0.00	0.00	148	0.00	0.00	**0.00**
3	Sangita A Chhajer	2138990	5.20	0.00	6000000	14.58	0.00	**9.38**
4	Lalitkumar Parasmal Bothra	207424	0.50	0.00	207404	0.50	0.00	**0.00**
5	Parth Ashokkumar Chhajer	6000000	14.58	0.00	6000000	14.58	0.00	**0.00**
	TOTAL	**30516719**	**74.14**	**0.00**	**30516699**	**74.14**	**0.00**	**0.00**

iii. Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change):

Sr. No.		Name of Promoter's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	**At the beginning of the Year**	Ashok Kumar B Chhajer	01/04/2017	22170157	53.6	22170157	53.86
	Date wise Increase / Decrease in Promoters Shareholding during the Year		22/09/2017	-3861010	9.38	18309147	44.48
			31/03/2018	0	0.00	18309147	44.48
2	**At the beginning of the Year**	Meena Vijay Ranka	01/04/2017	148	0.00	148	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the Year			NIL		NIL	
	At the end of the Year		31/03/2018	0	0.00	148	0.00
3	**At the beginning of the Year**	Sangeeta A Chhajer	01/04/2017	2138990	5.20	2138990	5.20
	Date wise Increase / Decrease in Promoters Share holding during the Year		22/09/2017	3861010	9.38	6000000	14.58
	At the end of the Year		31/03/2018	0	0.00	6000000	14.8
4	**At the beginning of the Year**	Lalitkumar Parasmal Bothra	01/04/2017	207424	0.50	207424	0.50
	Date wise Increase / Decrease in Promoters Share holding during the Year		10/11/2017	-20	0.00	207404	0.50
	At the end of the Year		31/03/2018	0	0.00	207404	0.50

Sr. No.		Name of Promoter's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	**At the beginning of the Year**	Parth Ashokkumar Chhajer	01/04/2017	6000000	14.58	6000000	14.58
	Date wise Increase / Decrease in Promoters Share holding during the Year			NIL	NIL		
	At the end of the Year		31/03/2018	0	0.00	6000000	14.58

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

Sr. No.	For each of the Top 10 Shareholders	Name of Shareholder's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1	**At the beginning of the Year**	L&T Mutual Fund Trustee Limited-L&T Emer	01/04/2017	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the Year		28/04/2017	1900000	4.62	1900000	4.62
			05/05/2017	78675	0.19	1978675	4.81
			02/06/2017	25000	0.06	2003675	4.87
			16/06/2017	29000	0.07	2032675	4.94
	At the end of the Year		31/03/2018	0	0.00	2032675	4.94
2	**At the beginning of the Year**	Prabhudas Lilladher Financial Services P	01/04/2017	641967	1.56	50000	1.56
	Date wise Increase / Decrease in Shareholding during the Year		07/04/2017	658033	1.60	641967	3.16
			14/04/2017	350000	0.85	1300000	4.01
			21/04/2017	261200	0.63	1650000	4.64
			28/04/2017	-23000	0.06	1911200	4.59
			05/05/2017	14800	0.04	1888200	4.62
			12/05/2017	-12800	0.03	1903000	4.59
			19/05/2017	-10200	0.02	1890200	4.57
			26/05/2017	-3000	0.01	1880000	4.56
			02/06/2017	-75000	0.18	1877000	4.38
			09/06/2017	-240840	0.59	1802000	3.79
			16/06/2017	-368487	0.90	1561160	2.90
			23/06/2017	368487	0.90	1192673	3.79
			07/07/2017	-29941	0.07	1561160	3.72
			14/07/2017	-34475	0.08	1531219	3.64
			21/07/2017	-243244	0.59	1496744	3.05
			28/07/2017	-78000	0.19	1253500	2.86
			04/08/2017	40000	0.10	1215500	2.95
			25/08/2017	-18500	0.04	1197000	2.91
			01/09/2017	-89525	0.22	1107475	2.69
			08/09/2017	-10475	0.03	1097000	2.67
			15/09/2017	-16000	0.04	1081000	2.63
			27/10/2017	22000	0.05	1103000	2.68
			31/10/2017	-448	0.00	1102552	2.68
			03/11/2017	448	0.00	1103000	2.68
			17/11/2017	3000	0.01	1106000	2.69
			12/01/2018	-80000	0.19	1026000	2.49
			09/02/2018	5520	0.01	1031520	2.51
			16/02/2018	5100	0.01	1036620	2.52
			23/02/2018	6200	0.02	1042820	2.53
			09/03/2018	-7728	0.02	1035092	2.51
	At the end of the Year		31/03/2018	0	0.00	1035092	2.51

Sr. No.	For each of the Top 10 Shareholders	Name of Shareholder's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
3	**At the beginning of the Year**	Comfort Securities Ltd - Collateral Acc	01/04/2017	369675	0.90	369675	0.90
	Date wise Increase / Decrease in Shareholding during the Year		28/04/2017	100	0.00	369775	0.90
			05/05/2017	-100	0.00	369675	0.90
			16/06/2017	500	0.00	370175	0.90
			23/06/2017	-500	0.00	369675	0.90
			04/08/2017	10000	0.02	379675	0.92
			25/08/2017	-3600	0.01	376075	0.91
			15/09/2017	-1400	0.00	374675	0.91
			15/12/2017	11000	0.03	385675	0.94
			19/12/2017	4975	0.01	390650	0.95
			20/12/2017	5000	0.01	395650	0.96
			22/12/2017	2000	0.00	397650	0.97
			29/12/2017	-6000	0.01	391650	0.95
			05/01/2018	25	0.00	391675	0.95
			19/01/2018	9749	0.02	401424	0.98
			25/01/2018	22050	0.05	423474	1.03
			02/02/2018	23500	0.06	446974	1.09
			09/03/2018	16859	0.04	463833	1.13
			16/03/2018	98	0.00	463931	1.13
			23/03/2018	-25	0.00	463906	1.13
			30/03/2018	10000	0.02	473906	1.15
	At the end of the Year		31/03/2018	0	0.00	473906	1.15
4	**At the beginning of the Year**	Earnest Shipping And Ship Builders Limited	01/04/2017	250000	0.61	250000	0.61
	Date wise Increase / Decrease in Shareholding during the Year		07/04/2017	50000	0.12	300000	0.73
			14/04/2017	31741	0.08	331741	0.81
			21/04/2017	5161	0.01	336902	0.82
			28/04/2017	63098	0.15	400000	0.97
	At the end of the Year		31/03/2018	0	0.00	400000	0.97
5	**At the beginning of the Year**	Sangeeta Doshi	01/04/2017	388145	0.94	388145	0.94
	Date wise Increase / Decrease in Shareholding during the Year			NIL		NIL	
	At the end of the Year		31/03/2018	0	0.00	388145	0.94

Sr. No.	For each of the Top 10 Shareholders	Name of Shareholder's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
6	**At the beginning of the Year**	Morgan Stanley (France) S.A.	01/04/2017	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year		09/06/2017	5409	0.01	5409	0.01
			16/06/2017	48925	0.12	54334	0.13
			23/06/2017	54987	0.13	109321	0.27
			30/06/2017	40608	0.10	149929	0.36
			07/07/2017	17670	0.04	167599	0.41
			14/07/2017	3310	0.01	170909	0.42
			21/07/2017	59361	0.14	230270	0.56
			28/07/2017	51428	0.12	281698	0.68
			04/08/2017	57946	0.14	339644	0.83
			11/08/2017	48889	0.12	388533	0.94
			18/08/2017	27425	0.07	415958	1.01
			25/08/2017	7310	0.02	423268	1.03
			08/09/2017	4390	0.01	427658	1.04
			15/09/2017	3771	0.01	431429	1.05
			22/09/2017	16573	0.04	448002	1.09
			29/09/2017	4372	0.01	452374	1.10
			06/10/2017	2687	0.01	455061	1.11
			13/10/2017	32017	0.08	487078	1.18
			20/10/2017	20976	0.05	508054	1.23
			27/10/2017	20707	0.05	528761	1.28
			24/11/2017	-2759	0.01	526002	1.28
			01/12/2017	-5777	0.01	520225	1.26
			08/12/2017	-11553	0.03	508672	1.24
			15/12/2017	-7827	0.02	500845	1.22
			19/12/2017	-4378	0.01	496467	1.21
			20/12/2017	-1810	0.00	494657	1.20
			21/12/2017	-6233	0.02	488424	1.19
			22/12/2017	-6335	0.02	482089	1.17
			29/12/2017	-6939	0.02	475150	1.15
			05/01/2018	-6550	0.02	468600	1.14
			12/01/2018	-8350	0.02	460250	1.12
			19/01/2018	-8087	0.02	452163	1.10
			25/01/2018	-9942	0.02	442221	1.07
			02/02/2018	-10476	0.03	431745	1.05
			09/02/2018	-11641	0.03	420104	1.02
			16/02/2018	-3964	0.01	416140	1.01
			23/02/2018	-8078	0.02	408062	0.99
			02/03/2018	-9940	0.02	398122	0.97
			09/03/2018	-11271	0.03	386851	0.94
			16/03/2018	-7490	0.02	379361	0.92
			23/03/2018	-6034	0.01	373327	0.91
			30/03/2018	-7500	0.02	365827	0.89
	At the end of the Year		31/03/2018	0	0.00	365827	0.89

Sr. No.	For each of the Top 10 Shareholders	Name of Shareholder's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
7	**At the beginning of the Year**	Madhumati Punamchand Malu	01/04/2017	302096	0.73	302096	0.73
	Date wise Increase / Decrease in Shareholding during the Year		27/10/2017	-25000	0.06	227096	0.67
	At the end of the Year		31/03/2018	0	0.00	227096	0.67
8	**At the beginning of the Year**	Prabhudas Lilladher Pvt. Ltd.	01/04/2017	92000	0.22	92000	0.22
	Date wise Increase / Decrease in Shareholding during the Year		07/04/2017	2000	0.00	94000	0.23
			14/04/2017	86540	0.21	180540	0.44
			21/04/2017	-540	0.00	180000	0.44
			28/04/2017	5220	0.01	185220	0.45
			05/05/2017	-63645	0.15	121575	0.30
			12/05/2017	-34967	0.08	86608	0.21
			19/05/2017	-4802	0.01	81806	0.20
			26/05/2017	-923	0.00	80883	0.20
			02/06/2017	10950	0.03	91833	0.22
			09/06/2017	-9395	0.02	82438	0.20
			16/06/2017	150	0.00	82588	0.20
			23/06/2017	860	0.00	83448	0.20
			30/06/2017	1488	0.00	84936	0.21
			07/07/2017	-2384	0.01	82552	0.20
			14/07/2017	20	0.00	82572	0.20
			21/07/2017	1480	0.00	84052	0.20
			28/07/2017	11884	0.03	95936	0.23
			04/08/2017	-11709	0.03	84227	0.20
			11/08/2017	2474	0.01	86701	0.21
			18/08/2017	-2649	0.01	84052	0.20
			25/08/2017	23039	0.06	107091	0.26
			01/09/2017	-1511	0.00	105580	0.26
			15/09/2017	736	0.00	106316	0.26
			29/09/2017	14500	0.04	120816	0.29
			06/10/2017	23460	0.06	144276	0.35
			13/10/2017	-260	0.00	144016	0.35
			27/10/2017	7	0.00	144023	0.35
			31/10/2017	13701	0.03	157724	0.38
			03/11/2017	-13701	0.03	144023	0.35
			17/11/2017	-249	0.00	143774	0.35
			08/12/2017	-214	0.00	143560	0.35
			22/12/2017	1978	0.00	145538	0.35
			29/12/2017	-1978	0.00	143560	0.35
			12/01/2018	80050	0.19	223610	0.54
			19/01/2018	-79900	0.19	143710	0.35
			25/01/2018	100	0.00	143810	0.35
			02/02/2018	-100	0.00	143710	0.35
			09/02/2018	30000	0.07	173710	0.42
			23/02/2018	10800	0.03	184510	0.45
			02/03/2018	100	0.00	184610	0.45
			09/03/2018	-100	0.00	184510	0.45
			16/03/2018	207	0.00	184717	0.45
			30/03/2018	2300	0.01	187017	0.45
	At the end of the Year		31/03/2018	0	0.00	187017	0.45
9	**At the beginning of the Year**	Renu Jain	01/04/2017	150919	0.37	150919	0.37
	Date wise Increase / Decrease in Shareholding during the Year			NIL		NIL	
	At the end of the Year		31/03/2018	0	0.00	150919	0.37

Sr. No.	For each of the Top 10 Shareholders	Name of Shareholder's	As on Date	No. of Shares held at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
10	**At the beginning of the Year**	Jayine Tradecom Private Limited	01/04/2017	143048	0.35	143048	0.35
	Date wise Increase / Decrease in Shareholding during the Year			NIL		NIL	
	At the end of the Year		31/03/2018	0	0.00	143048	0.35

v. Shareholding of Directors and Key Managerial Personal:

Sr. No.		Name of Shareholder's	As on Date	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	**At the beginning of the Year**	Dinesh Chandra Babel	01/04/2017	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year		19/05/2017	3127	0.01	3127	0.1
			26/05/2017	103	0.00	3230	0.1
			30/06/2017	1183	0.00	4413	0.1
			07/07/2017	787	0.00	5200	0.01
			17/11/2017	-5200	0.01	0	0.00
	At the end of the Year		31/03/2018	0	0.00	0	0.00
2	**At the beginning of the Year**	Pradeep Mehta	01/04/2017	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year		30/03/2018	350	0.00	350	0.00
	At the end of the Year		31/03/2018	0	0.00	350	0.00

V. INDEBTEDNESS:

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year	-	-	-	**-**
i) Principal Amount	5693.36	2076.83	-	**7770.19**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	5693.36	2076.83	-	**7770.19**
Change in Indebtedness during the Financial Year	-	-	-	**-**
- Addition	-	1335.40	-	**1335.40**
- Reduction	(1125.27)	-	-	(1125.27)
Net Change	(1125.27)	1335.40	-	**210.13**
Indebtedness at the end of the Financial Year	**4568.09**	**3412.23**	**-**	**7980.32**
i) Principal Amount	4568.09	3412.23	-	7980.32
ii) Interest due but not paid iii) Interest accrued but not due	-	-	-	**-**

VI. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL:

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Ashok Chhajer	Nimish Shah	
		MD	WTD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	55.00	46.44	**101.44**
	(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	-	-	-
	- as % of profit	-	-	-
5	Others, please specify	-	-	-
	Total (A)	**55.00**	**46.44**	**101.44**
	Ceiling as per the Act (@10% of the profit calculated under Section 198 of Companies Act, 2013)			**168.32**

B. Remuneration of other Directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors						
		Dinesh Chandra Babel	Vinayak Nalavde	Virendra* Mital	Kamini Shroff	R.N. Bhardwaj	Vijaylakshmi Iyer	Total
1.	Independent Directors							
	Fee for attending Board/ Committee Meetings	5.05	5.25	2.65	1.55	2.20	2.95	**19.65**
	Commission	-	-	-	-	--	-	**-**
	Others, please specify	-	-	--	-	-	-	**-**
	Total (1)	**5.05**	**5.25**	**2.65**	**1.55**	**2.20**	**2.95**	**19.65**
2.	Other Non-Executive Directors	-	-	-	-	-	-	-
	Fee for attending Board/ Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	**5.05**	**5.25**	**2.65**	**1.55**	**2.20**	**2.95**	**19.65**
	Total Managerial Remuneration	**5.05**	**5.25**	**2.65**	**1.55**	**2.20**	**2.95**	**19.65**
Overall Ceiling as per the Act (@ 1% of the profit calculated under Section 198 of the Companies Act, 2013)								**16.83**

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Manish Mehta* (CFO)	Mr. Pradeep Mehta** (CFO)	Mr. Naval Shekhawat (Company Secretary)	Total
1	Gross salary	21.63	11.75	6.73	**40.11**
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	**-**
	(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	-	-	-	**-**
	- as % of profit	-	-	-	**-**
	- others, specify	-	-	-	**-**
5	Others, please specify	**-**	**-**	**-**	**-**
	Total	**21.63**	**11.75**	**6.73**	**40.11**

*Mr. Manish Mehta had resigned w.e.f. 22.01.2018.

** Mr. Pradeep Mehta had been appointed on 12.02.2018.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Annexure V

CORPORATE SOCIAL RESPONSIBILITY REPORT

as on the Financial Year ended on 31st March, 2018

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8(1) of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

Philosophy:

An Organisation is successful in its true sense if it ensures the progress of the society along the milestone achieved in the corporate world.

Arihant Superstructures Limited believes that as a Corporate it is our duty to give back to the society. Our focus areas of Corporate Social Responsibility (CSR) would be around Education & Skill development, Environment, Health, Heritage protection, Rural development and support to citizens during National calamities.

Objectives:

To engage in affirmative action towards Health, Education and surrounding Environment which would lead to increase in the Country's Human Development Index (HDI) and Sustainable Development for the under privileged or the common man of society.

We would like to impact and contribute to the Environmental, Economic and Social Development of the communities in which we operate and society at large by series of CSR activities.

Website Link: https://www.asl.net.in/csr.html.

Guiding Principles:

In accordance with the requirements under the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014, Arihant Superstructures Ltd CSR activities will focus on:

Education and Skill Development:

- To promote education, including special education and employment-enhancing vocational skills especially among children, Woman, elderly and the differently abled, and livelihood enhancement projects in CSR.
- To support acquiring skill building, basic education and vocational training among schools, colleges & institutes by kind or monetary contribution to enhance employability and generate livelihoods for persons from disadvantaged sections and society at large.

Health:

- To support and enhance the health awareness and actions leading to health improvement in the society Eg: eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation, and making available safe drinking water.

Environment:

- To engage in preservation and protection of ecological system by way of ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.

National Heritage, Art and Culture:

- Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.

Response to Natural Calamities:

- To provide help to the affected citizens and their families who are devastated by the natural calamities/disasters like Earthquake, Flood, Tsunami, Famine or any other nature induced calamities to the human life and its settlement area and contributions towards Prime Minister's / Chief Minister's Relief Funds.

Rural Developments:

- To provide/ repair/ restore or construct rural / village infrastructure and social amenities like community centres/ halls and schools, dams and bridges, healthcare centres and hospitals, roads and rural electrification, homes for the homeless, Irrigation and water storage structures, renovation of ponds, construction of box culverts/ drains, toilets etc.

2. Composition of CSR Committee as on 31st March, 2018:

Members	Designation
Mr. Dinesh Babel	Chairman
Mr. Vinayak Nalavde	Member
Mr. Ashok Chhajer	Member

3. Average of Net Profit of the Company for last three Financial Years:

Financial Year	Net Profit (₹ in Lakhs)
2014-15	1938.43
2015-16	2514.35
2016-17	4027.90
Total	8480.68
Average of the Net Profit of last 3 Years	2826.90

4. Prescribed CSR Expenditure (2% of the average Net Profit for last three Financial Years):

Based on above calculation the Committee noted the actual CSR liability of the Company for the Financial Year 2017-18 was ₹ 56.54 Lakhs.

In addition to the above, the CSR Committee had carried forwarded ₹ 19.80 Lakhs, pertaining to unspent CSR amount for the previous Financial Year 2016-17. Accordingly the CSR Liability for the Financial Year 2017-18 was ₹ 76.34 Lakhs.

5. Details of actual CSR spent during the Financial Year 2017-18:

a) The total amount spent on the CSR activities during the Financial Year: ₹ 30.56 Lakhs.

b) Details of unspent Amount, if Any: ₹ 45.78 Lakhs.

c) Manner in which the amount was spent:

(₹ in Lakhs)

Sr. No	CSR Project or activity identified	Sector in which the Project is covered (As per Schedule VII of Companies Act, 2013)	Project 1) Local area or other 2) Specify State and District where project was undertaken	Amount Outlay (Budget) Project wise	Amount spent on Project Subheads: 1)Direct expenditure 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Directly or through Implementing Agency
1	Contribution for project undertaking rain water harvesting and water conservation	(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the 'Clean Ganga Fund' set-up by the Central Government for rejuvenation of river Ganga.	Jakhangaon, Satara, Maharashtra	1.00	1.00	1.00	Implementing agency- Shivar Samajik Sanastha Jakhangaon
2	Contribution made towards providing food and nutrition to the underprivileged and homeless kids and promoting education amongst them in Mumbai	(i) Eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation including contribution to the 'Swachh Bharat Kosh' set-up by the Central Government for the promotion of sanitation and making available safe drinking water. AND/OR (ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Mumbai Maharashtra	0.50	0.50	1.50	Implementing agency- Salaam Baalak Trust

Sr. No	CSR Project or activity identified	Sector in which the Project is covered (As per Schedule VII of Companies Act, 2013)	Project 1) Local area or other 2) Specify State and District where project was undertaken	Amount Outlay (Budget) Project wise	Amount spent on Project Subheads: 1)Direct expenditure 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Directly or through Implementing Agency
3	Promotion of traditional arts and spreading of local heritage and culture amongst the people of the region	(v) Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts; AND/OR (x) Rural development projects.	Koynavele, Thane, Maharashtra	11.00	11.00	12.50	Implementing agency- Shree Kedarnath Koynavele Gram Vikas Mandal,
4	Promotion of traditional arts and spreading of local heritage and culture amongst the people of the region	(v) Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.	Jodhpur, Rajasthan	5.00	5.00	17.50	Implementing agency- Praband Samiti Adarsh Vidhya Mandir
5	Set up Mobile toilets under the Swacch Bharat Abhiyan	(i) Eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation including contribution to the 'Swachh Bharat Kosh' set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Panvel, Raigad Maharashtra	5.09	5.09	22.59	Implementing agency- Panvel Muncipal Corporation
6	Providing Contribution for promoting education amongst school children by providing Water storage facilities to the children	(ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Udaipur, Rajasthan	0.51	0.51	23.10	Implementing agency- Vidhya Niketen Ucch Prathmic Vidhylaya,

Sr. No	CSR Project or activity identified	Sector in which the Project is covered (As per Schedule VII of Companies Act, 2013)	Project 1) Local area or other 2) Specify State and District where project was undertaken	Amount Outlay (Budget) Project wise	Amount spent on Project Subheads: 1)Direct expenditure 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Directly or through Implementing Agency
7	Promotion of Healthcare, by providing Ambulance Services to the people of Devnhave	(i) Eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation including contribution to the 'Swachh Bharat Kosh' set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Devnhave, Raigad, Maharashtra	4.42	4.42	27.52	Implementing agency- Group Grampanchyat, Devnhave
8	Assistance to the Gurukul run by the Agency for the promotion of education and enhancement of vocational skills for under privileged children	(ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Navi Mumbai, Maharashtra	0.51	0.51	28.03	Implementing agency- Karmyog Partishtan Samajik Sanstha
9	• To support Project 'Disha' to provide treatment, equipment, aids and therapy to differently abled Children and to provide treatment and therapy for the same • Promoting educations	i) Eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. AND/OR ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Mumbai, Maharashtra	0.51	0.51	28.54	Implementing agency- Vatsalya Trust,

Sr. No	CSR Project or activity identified	Sector in which the Project is covered (As per Schedule VII of Companies Act, 2013)	Project 1) Local area or other 2) Specify State and District where project was undertaken	Amount Outlay (Budget) Project wise	Amount spent on Project Subheads: 1)Direct expenditure 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Directly or through Implementing Agency
10	Providing woolen blankets, other facilities for poor Senior Citizens, Setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens	iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically back ward group.	Mumbai, Maharashtra	0.51	0.51	29.05	Implementing agency- Indian Society of U3As
11	Contribution to the following projects: • "Mahaveer Arogyam" medical dispensary • Various medical camps for under privileged citizens of Navi Mumbai • Promoting education	i) Eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. AND/OR ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Navi Mumbai, Maharashtra	1.51	1.51	30.56	Mahavir International

6. **In case the Company has failed to spend 2% of the average net profit of the last 3 Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount:** The Company has not found any suitable opportunity to spend entire CSR amount, hence the CSR Committee in its Meeting held on 31st March, 2018 has decided to carry forward the unspent amount to next Financial Year.

7. **Responsibility statement of the CSR Committee:** The CSR Committee hereby confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and CSR policy of the Company.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Dinesh Babel
Chairman of CSR Committee
DIN: 03042254

Place: Navi Mumbai
Date: August 10, 2018

Annexure V

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE REPORT:

as on the Financial Year ended on 31st March, 2018

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY:

I. Measures adopted for conservation of conventional energy:

a. Use of CFLs, metal halide and LED light fixtures in all common areas of residential projects.

b. Use of occupancy sensors in commercial project & common areas of large scale residential projects.

c. Use of best quality wires, cables, switches and low self power loss MCCB's and RCCB's.

d. Following standard specifications like colour codes, independent neutral and earthing for each circuit to curb energy leakage.

e. Selection of high efficiency transformers (BEE rated) , DG sets and other equipments.

f. Integration of auto-correction power factor capacitors and harmonic filters in all HT/LT feeder pillars.

g. Use of energy efficient lifts with group control in residential projects.

h. Use of high performance glasses for double glazing facades of commercial buildings to maintain optimum & ambient indoor environment of occupied spaces which helps in reducing air conditioning load.

i. Use of highly energy efficient air conditioning screw chillers& compressors with VFD's for commercial building projects.

j. Use of low water flow CP fixtures for common areas of buildings.

k. Use of busduct system for high rise tower, thus achieving saving in power due to low loss factor and better insulation properties and thus increasing the safety of building and occupants by considerably reducing chances of fire.

II. Measures adopted for utilizing renewable sources of energy:

Use of solar hot water system consisting of Flat plate solar panels & insulated water storage tanks & insulated separate piping for all flats in all our projects thereby reducing almost 20% demand of conventional energy. This system is also successfully installed & in operation in 4 projects i.e Arihant Arshiya Phase 1, Arihant Anmol Phase 1 & 2, Arihant Aarohi and Arihant Amisha Phase 1.

III. Water Preservation:

a. Rainwater harvesting:

Rain water harvesting is one of the most viable options to meet increasing water requirements & also helps in restoring depleted ground water levels of surrounding areas. We have been executing ground water recharge pits & harvesting rainwater through collection tanks for roof-based runoffs in all our projects. This helps in reduction of precious potable drinking water demand of the project by using rain harvested water (after primary sedimentation & filtration) for non potable uses such as washing & cleaning needs of residents . Ground recharging system is adopted and installed in all our projects.

b. Sewage treatment plant:

The sewage treatment plants (STP) of total 1150 KLD capacities based on Moving Bio bed Reactor technology has been successfully commissioned in 3 of our projects in FY 2017-2018 and are also committed to install another 800 KLD capacity for next Financial year by inclusion of STP's in the sewerage design of all our ongoing& future projects. The generated waste water is treated up to the tertiary level conforming to applicable IS standards and is used for flushing of toilets and landscaping. This helps in reduction of fresh water requirement of projects by almost 40%. We also ensure that operation & maintenance of STP's are done by efficient STP vendors for atleast initial 3 years after installation so that it becomes an integral part of daily society maintenance affairs.

Few environment friendly measures adopted for construction phase of all projects:

a. Use of Aerated Autoclaved blocks & fly ash bricks for all our projects including affordable housing projects of upto 4 floors buildings.

b. Use of available rain harvested water for construction purposes.

c. Use of energy efficient CFL & LED lamps & highly efficient motors during construction phase.

d. Following standard specifications like colour codes, independent neutral and earthing for each electrical circuit's to curb energy leakage.

e. For FY 2017-2018, to install portable & modular STP's for treating grey water generated from Labour camps of our large scale projects such as Arihant Aspire & use the treated water for construction purposes thereby committing ourselves to reduce impact on fresh water sources.

(B) TECHNOLOGY ABSORPTION:

The efforts made towards technology absorption:

I. Membrane based waterproofing systems: Latest Membrane based waterproofing system is planned to be use in large residential projects namely Arihant Aalishan and Arihant Aspire which shall result in saving in construction time in comparision to conventional Brick bat coba and Box type waterproofing system for basements. By using this waterproofing system, also shall help in reducing environmental sustainability as there shall be no use of Red clay bricks and less amount of cement consumption.

The benefits derived:

a) Speed in construction of work.

b) Saving in cost.

c) More environment friendly in comparison to conventional Brick bat coba system & Box type waterproofing system.

II. High speed elevators with Destination dispatch system: As one accesses the elevators through the lobby, he or she passes through security, which can be cleared by an identification card, which includes the information for one's desired floor. All passengers need to do is walk to the designated elevator and wait for its arrival.

The benefits derived:

Elevators with DOAS technology not only helps improve traffic flow and reduce power consumption, it also enhances building security.

III. In case of imported technology (imported during the last three Years reckoned from the beginning of the Financial Year:

No Technology was imported during the Year under review.

(C) Foreign Exchange inflow and outgo during the Financial Year 2017-18 :

Foreign Exchange outgo during the Financial Year 2017-2018 was ₹ 4.43 Lakhs.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance:

The Company believes that sound Corporate Governance is a key element for enhancing and retaining the trust of Investors and various other Stakeholders. As a responsible corporate citizen your Company has evolved best practices which are structured to institutionalize policies and procedures that enhance the efficacy of the Board and inculcate a culture of Accountability, Transparency and Integrity across the Arihant Group as a whole.

2. Board of Directors:

Composition:

The Board as on 31st March, 2018 comprised of Six Directors out of which four Directors are Non-Executive Independent Directors including a Woman Director, one Chairman & Managing Director and one Whole-time Executive Director. The Managing Director and Whole-time Executive Director are responsible for the day-to-day Management of the Company subject to the supervision, direction and control of the Board of Directors. The Chairman of the Company is an Executive Director.

The Non-Executive Directors are eminent and experienced persons in their respective fields of industry, Banking and Finance.

Directorship held by Directors of Arihant Superstructures Limited:

Name of the Director	Category	Number of Board Meetings during the FY 2017-18			Whether attended last AGM held on September 30, 2017	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies#	
		Held	Eligible to Attend	Attended		Chairman	Member	Chairman	Member
Mr. Ashok Chhajer (CMD) DIN: 01965094	Non- Independent Executive	5	5	5	Yes	1	-	-	-
Mr. Nimish Shah (WTD) DIN:03036904	Non- Independent Executive	5	5	4	Yes	-	-	-	-
Mr. Dinesh Babel DIN:03042254	Independent, Non-Executive	5	5	5	Yes	-	-	-	-
Mr. Vinayak Nalavde DIN: 02047436	Independent, Non-Executive	5	5	5	Yes	-	1	-	-
*Mr. Virendra Mital DIN: 00376830	Independent, Non-Executive	5	3	3	NA	-	-	-	-
**Mrs. Kamini Shroff DIN:07141404	Independent, Non-Executive	5	3	3	Yes	-	-	-	-
***Mrs. Viyajalakshmi R. Iyer DIN: 05242960	Independent, Non-Executive	5	3	3	No	-	7	2	3
****Mr. Raj Narain Bhardwaj DIN: 01571764	Independent, Non-Executive	5	3	2	No	-	9	3	8

In accordance to Regulation 18 and 20 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Chairmanship/Membership of only Audit Committee and Stakeholders Relationship Committee in all public Companies (excluding Arihant Superstructures Limited) have been considered.

* Mr. Virendra Mital (DIN: 00376830) had been disqualified under Section 164(2) of the Companies Act, 2013, by the Registrar of Companies, Maharashtra, Mumbai, on account of being a Director on Behraband North Extension Mine Private Limited. Accordingly, in terms of the provisions of Section 167(1)(a) of the Companies Act, 2013, Mr. Virendra Mital (DIN: 00376830) had vacated his Office as an Independent Director from Arihant Superstructures Limited because of the said disqualification w.e.f. 7th September, 2017.

** Mrs. Kamini Shroff (DIN: 07141404) had resigned from the position of Independent Woman Director w.e.f. 11th November, 2017.

*** Mrs. Vijayalakshmi R. Iyer (DIN: 05242960) had been appointed as an Independent Woman Director in the Board Meeting held on 12th August, 2017.

**** Mr. Raj Narain Bhardwaj (DIN: 01571764) had been appointed as an Independent Director in the Board Meeting held on 12th August, 2017.

3. Board Procedures and Related Disclosures:

The Board of Directors meet at least once in each Quarter to, inter alia, review Annual operating and Capital expenditure plans and budgets, Financial Statements of business segments, Compliance report(s) of all laws applicable to the Company, major legal issues, Minutes of the Board Meetings of Subsidiary Companies, Significant transactions and arrangements entered into by the unlisted Subsidiary Companies, presentations on Risk Management, transactions involving sale of Material nature of investments, Subsidiaries and Assets, details of joint ventures or collaborations, short-term borrowings, any other proposal from the Management regarding Mergers, Acquisitions and Restructuring of investments, etc.

The Senior Management of the Company make timely disclosures to the Board of Directors relating to all Material, Financial and Commercial transactions, where they have personal interest in any transaction or matter that may have a potential conflict with the interest of the Company.

The calendar of Meetings of the Board of Directors is decided in advance in consultation with the Board Members and the schedule for Meetings of the Board of Directors is published in the Annual Report.

i. Five Board Meetings were held during the Financial Year 2017-18 and the gap between two Meetings did not exceed one hundred and twenty days. The dates on which the said Meetings were held are as follows:

   27th May, 2017, 29th June, 2017, 12th August, 2017, 14th November, 2017 and 12th February, 2018.

   The necessary quorum was present for all the Meetings.

ii. During the Financial Year 2017-18, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, has been placed before the Board for its consideration.

iii. The Company through periodical presentation to Board of Directors and various Committees of Directors provides an opportunity to Independent Directors to facilitate their active participation and familiarize themselves with the Company's business. The details of the familiarization programmes are also available on the website of the Company at www.asl.net.in.

iv. The Company has an informal plan for orderly succession for appointment of the Board of Directors, Key Managerial Personnels and Senior Managements. All appointments to the Board of Directors and Senior Management are as per the Nomination and Remuneration Policy approved by the Board of Directors as available on the website of the Company at www.asl.net.in.

v. The Company has in place a system of preparation of the Legal Compliance Report on quarterly basis of all applicable laws to the Company, and also a system to ratify any instance of Non-Compliance. The Board also reviews the Compliance Report periodically.

   The terms and conditions of appointment of Independent Directors are also available on Company's website: www.asl.net.in.

The Independent Directors have provided their declaration of Independence as per Section 149(7) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of Equity Shares of the Company held by the Directors as on March 31, 2018 are given below:

Name	Category of Director	Number of Equity Shares
Mr. Ashok Chhajer	Non Independent, Executive	18,309,147

Meeting of Independent Directors and Attendance Record:

Independent Directors meet at least once in a year to deal with matters listed out in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013 which inter-alia includes, review the performance of Non-Independent Directors, Chairman and the Board as a whole and to assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary to perform the duties by the Board of Directors.

One Meeting of Independent Directors was held on 14th March, 2018.

Attendance Record of Meetings of Independent Directors:

Name of Director	Number of Meeting held	Eligible to Attend	Number of Meeting attended
Mr. Dinesh Babel	1	1	1
Mr. Virendra Mital	1	NA	NA
Mr. Vinayak Nalavde	1	1	1
Mrs. Kamini Shroff	1	NA	NA
Mrs. Viyajalakshmi R. Iyer	1	1	1
Mr. Raj Narain Bhardwaj	1	1	1

Board Evaluation:

The Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the Board needs to undertake a formal Annual Evaluation of its own performance and that of its Committees and individual Directors. The Schedule IV of the Companies Act, 2013 read with the Rules issued thereunder states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

Keeping in line with the SEBI Guidance Note issued in this respect and the acceptable parameters, the assessment sheets were finalized to evaluate the performance of the Board, Committees of the Board and individual performance of each Director including the Chairman.

The evaluation process was facilitated by the Chairman of the Nomination and Remuneration Committee. These assessment sheets for evaluation of performance of the Directors were prepared based on various aspects which, amongst other parameters, included the level of participation of the Directors, understanding of the roles and responsibilities of Directors, etc. The parameters for performance evaluation of Board includes composition of the Board, process of appointment to the Board of Directors, understanding the different roles and responsibilities of the Board, timeliness for circulating the board papers, content and the quality of information provided to the Board, attention to the Company's long term strategic issues, evaluating Strategic Risks, overseeing and guiding major plans of action, Acquisitions, Disinvestment, etc.

Some of the performance indicators for the Committees include understanding of the terms of reference, effectiveness of the discussions at the Committee Meetings, information provided to the Committee to discharge its duties and performance of the Committee vis-à-vis its responsibilities.

The Nomination and Remuneration Committee evaluates the performance of the Managing Director and Whole-time Executive Director against their performance criteria set for the same. The performance of the Independent Directors was also evaluated taking into account the time devoted and attention given to professional obligations for independent decision making and acting in the best interest of the Company, strategic guidance to the Company and help determine important policies, external expertise provided and independent judgment that contributes objectively in the Board's deliberation, particularly on issues of strategy, performance and conflict management.

The outcome of the evaluation exercise was discussed and deliberated at the respective Meetings of the Board of Directors and Committees of the Board.

4. Director's Remuneration:

Details of Remuneration for the Financial Year ended 31st March, 2018 are as follows:

Remuneration paid to Non-Independent, Executive Directors:

Name of Director	**Salary and Allowance** (₹ in Lakhs)
Mr. Ashok Chhajer Chairman & Managing Director	55.00
Mr. Nimish Shah Whole-time Executive Director	46.44

There are no separate Stock Options or performance linked incentives payable to the Executive Directors/ Managing Director. The complete break-up of the Remuneration paid to the Directors is also enclosed in MGT-9 (Extract of Annual Return) as attached to the Director Report.

Remuneration paid to Independent, Non-Executive Directors:

Name of Director	**Sitting Fees** (₹ in Lakhs)
Mr. Dinesh Babel	5.05
Mr. Virendra Mital	2.65
Mr. Vinayak Nalavde	5.25
Mrs. Kamini Shroff	1.55
Mrs. Vijaylakshmi R. Iyer	2.95
Mr. Raj Narain Bhardwaj	2.20

There are no Stock Options or Commissions payable to Non-Executive/ Independent Directors of the Company.

5. Committees of the Board:

A. Audit Committee:

The Board of Directors has constituted an Audit Committee of Directors in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act 2013 and empowered the Committee to deal with all such matters which it may consider appropriate to perform as Audit Committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time), items specified in Part C of Schedule II in SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 under the head role of Audit Committee (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors.

The Chairman of the Audit Committee is an Independent Director of the Company.

Terms of reference:

i. Overseeing Financial Reporting process and disclosure of Financial information, to ensure that the Financial Statements are correct, sufficient and credible;

ii. Recommending appointment and removal of the Statutory Auditors, fixation of Audit fee and approval for payment of any other services;

iii. Reviewing with the Management, the periodical Financial Statements including of Subsidiaries/ Associates, in particular the investments made by the unlisted Subsidiaries of the Company, before submission to the Board for approval;

iv. Reviewing with the Management and the Statutory and Internal Auditors, the adequacy of Internal Control Systems and recommending improvements to the Management;

v. Reviewing the adequacy of Internal Audit function, approving Internal Audit plans and efficacy of the functions including the structure of the Internal Audit department, staffing, reporting structure, coverage and frequency of Internal Audit;

vi. Discussion with Internal Auditor on any significant findings and follow-up thereon;

vii. Reviewing the findings of any internal investigations by Internal Auditors into matters where there is suspected fraud or irregularity or failure of Internal Control Systems of a material nature and reporting the matter to the Board;

viii. Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit, as well as post-audit discussions to ascertain any area of concern;

ix. Reviewing the Management Discussion and Analysis of financial condition and results of operations, statement of significant Related Party Transactions, Management letters/letter of Internal Control Weakness issued by Statutory Auditors, Internal Audit Reports etc;

x. Reviewing the Company's Financial and Risk Management System;

xi. Scrutiny of Inter-corporate Loans and Investments;

xii. Reviewing any subsequent modification of transactions with the Related Parties;

xiii. Reviewing the reasons for substantial defaults in the payments to the Depositors, Debentures holders, Shareholders (in case of non-payment of declared Dividends) and Creditors if any;

xiv. Besides the Committee Members, Whole-time Executive Director, Chief Financial Officer and partners/other representatives of the firms of Statutory Auditors and Internal Auditors were also present at the Meetings to answer the queries raised by the Committee Members;

xv. Establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed;

xvi. The Chairman of Audit Committee was present at 34th Annual General Meeting of the Company held on 30th September, 2017;

xvii. To perform such other function(s) as may be delegated by the Board from time to time;

xviii. The Company Secretary acts as the Secretary of the Committee.

Five Audit Committee Meetings were held during the Financial Year 2017-18. These were held on 27th May, 2017, 29th June, 2017, 12th August, 2017, 14th November, 2017 and 12th February, 2018.

The Composition of the Audit Committee and the details of Meetings attended by its Members are given below:

Name	Category	Number of Meetings during the Financial Year 2017-18		
		Held	Eligible to Attend	Attended
Mr. Dinesh Babel (Chairman)	Independent, Non-Executive	5	5	5
Mr. Virendra Mital	Independent, Non-Executive	5	3	3
Mr. Vinayak Nalavde	Independent, Non-Executive	5	5	5
Mr. Nimish Shah	Non-Independent, Executive	5	5	4

B. Nomination and Remuneration Committee:

The Board of Directors has constituted a Nomination and Remuneration Committee of Directors in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act 2013. The role of the Committee is to perform all such matters as prescribed under the Companies Act, 2013 and Schedule II - Part D about Role of Nomination and Remuneration Committee of Directors under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which interalia includes - recommendation to Board of Directors, the Remuneration Policy for the Company, formulation of criteria for performance evaluation of Directors, Board and Committee, appointment of Director, appointment and Remuneration of Whole-time Director, Key Managerial Personnels and Senior Management of the Company. The Committee will also deal with matters as may be assigned from time to time by the Board of Directors.

The Chairman of the Nomination and Remuneration Committee is an Independent Director.

Terms of reference:

i. Determining Remuneration Policy of the Company;

ii. Recommend to the Board the setup and composition of the Board and its Committees;

iii. Recommend to the Board the appointment or reappointment of Directors;

iv. Recommending Remuneration including periodic revision, performance bonus, incentives, commission, stock options, other services, perquisites and benefits payable to the Managing, Whole-time and other Director(s) Key Managerial Personnels and Senior Management of the Company including their relatives;

v. Framing policies and fixation of compensation including salaries, incentives, bonuses, promotions, benefits, stock options and performance targets for executives of the Company;

vi. Oversee familiarization programmes for Directors;

vii. The Company does not have any Employee Stock Option Scheme;

viii. The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee;

ix. Performing such other duties and responsibilities as may be consistent with the provisions of the Committee charter;

x. The Company Secretary acts as the Secretary of the Committee.

Four Nomination and Remuneration Committee Meetings were held during the Financial Year 2017-18. These were held on 27th May, 2017, 29th June, 2017, 12th August, 2017 and 12th February, 2018.

The Composition of the Nomination and Remuneration Committee and the details of Meetings attended by its Members are given below:

Name	Category	Number of Meetings during the Financial Year 2017-18		
		Held	Eligible to Attend	Attended
Mrs. Vijaylakshmi R. Iyer (Chairperson)	Independent, Non-Executive	4	1	1
Mr. Dinesh Babel	Independent, Non-Executive	4	4	4
Mr. Raj Narain Bhardwaj	Independent, Non-Executive	4	1	1
Mr. Virendra Mital	Independent, Non-Executive	4	3	3
Mr. Vinayak Nalavde	Independent, Non-Executive	4	3	3

C. Stakeholders' Relationship Committee:

The Board of Directors has constituted a Stakeholders' Relationship / Grievance Committee of Directors in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act, 2013. The role of the Committee is to consider and resolve the Grievances of Security holders and perform such roles as may require under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Continuous efforts are made to ensure that Grievances are expeditiously redressed to the satisfaction of Investors. A status report of Shareholders complaints and redressal thereof is prepared and placed before Stakeholders' Relationship/Grievance Committee of Directors.

Terms of reference:

i. The Committee looks into the Redressal of Shareholders'/Investors' Complaints/ Grievances pertaining to transfer or credit of Shares, non-receipt of Annual Reports, Dividend payments and other miscellaneous Complaints/Grievances;

ii. The Committee reviews performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of Investor services;

iii. The Company Secretary acts as the Secretary of the Committee;

iv. Details of Investor Complaints received and redressed during the Financial 2017-18 are as follows:

Complaint at the beginning of the Year	Received during the Year	Disposed of during the Year	Unresolved as on 31st March, 2018
Nil	Nil	Nil	Nil

v. Name, designation and address of Compliance Officer:

Naval Singh Shekhawat
Company Secretary & Compliance Officer
Arihant Superstructures Limited
Arihant Aura, 25th Floor, B-Wing, Plot No. 13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai - 400705
Tel.: 022 - 62493333 Fax: 022 – 62493334

Four Stakeholder's and Relationship Committee Meetings were held during the Financial Year 2017-18. These were held on 27th May, 2017, 12th August, 2017, 14th November, 2017 and 12th February, 2018.

The Composition of the Stakeholders' Relationship Committee and the details of Meetings attended by its Members are given below:

Name	Category	Number of Meetings during the Financial Year 2017-18		
		Held	Eligible to Attend	Attended
Mr. Vinayak Nalavde (Chairman)	Independent, Non-Executive	4	4	4
Mr. Dinesh Babel	Independent, Non-Executive	4	2	2
Mr. Virendra Mital	Independent, Non-Executive	4	2	2
Mr. Raj Narain Bhardwaj	Independent, Non-Executive	4	2	2
Mrs. Vijaylakshmi R. Iyer	Independent, Non-Executive	4	2	2

The Company is registered on the SCORES Platform as provided by SEBI.

D. Corporate Social Responsibility Committee:

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors in line with the provisions of Section 135 of the Companies Act, 2013. The Role of the Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, recommend the amount of expenditure to be incurred on CSR Projects and Programmes and monitor them.

The extract of the CSR Policy along with the projects undertaken by the Company during the Financial Year 2017-18 is attached to the Directors Report of this Annual Report.

Terms of reference:

i. Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;

ii. Recommend the amount of expenditure to be incurred on the activities referred to above;

iii. Monitor the CSR Policy of the Company from time to time;

iv. The Company Secretary acts as the Secretary of the Committee.

Two Meetings of Corporate Social Responsibility Committee were held during the Financial Year 2017-18. These were held on 27th May, 2017 and 31st March, 2018.

The Composition of the CSR Committee and details of the Meeting attended by its Members are given below:

Name	Category	Number of Meetings during the Financial Year 2017-18		
		Held	Eligible to Attend	Attended
Mr. Dinesh Babel (Chairman)	Independent, Non-Executive	2	2	2
Mr. Vinayak Nalavde	Independent, Non-Executive	2	2	1
Mr. Ashok Chhajer	Non-Independent, Executive	2	2	2
Mr. Nimish Shah*	Non-Independent, Executive	2	1	1

* Mr. Nimish Shah was Member of the CSR Committee till 27th May, 2017

6. Other Non-Mandatory Committees:

i. Executive Committee:

The Executive Committee is responsible for undertaking regular, routine administrative decisions as may be required from time to time. The Executive Committee is ensuring that the decisions made by the Board of Directors are executed and reported back to the Board on a regular and systematic basis. The Executive Committee is required to work within the mandate and limits set by the Board of Directors from time to time.

Five Executive Committee Meetings were held during the Financial Year 2017-18. These were held on 8th December, 2017, 27th December, 2017, 13th February, 2018, 23rd March, 2018 and 28th March, 2018.

The Composition of the Executive Committee and details of the Meeting attended by its Members are given below:

Name	Category	Number of Meetings during the Financial Year 2017-18		
		Held	Eligible to Attend	Attended
Mr. Ashok Chhajer	Non-Independent, Executive	5	5	5
Mr. Nimish Shah	Non-Independent, Executive	5	5	5
Mrs. Sangeeta Chhajer	Member	5	5	5

ii. Disinvestment Committee:

The Disinvestment Committee was constituted for the purpose of ensuring that any Disinvestment made by the Company in any of its Material/Non-material Subsidiaries, Associate Companies or LLPs or any other entities where the Company has a substantial stake is undertaken in a fair and transparent manner. The Disinvestment Committee works in tandem with the Audit Committee to ensure that any Disinvestments undertaken by the Company follow the laid-out standard operating procedures by the Board of Directors and on an Arms' Length Basis. The Composition of the Disinvestment Committee includes both Independent and Non-Independent Directors of the Company.

During the Financial Year 2017-18 no Meeting of the Disinvestment Committee was held.

The Composition of Disinvestment Committee of the Company as on 31st March, 2018:

Name	Category
Mr. Dinesh Babel (Chairman)	Independent Non-Executive
Mr. Vinayak Nalavde	Independent, Non-Executive
Mr. Nimish Shah	Non-Independent, Executive

7. General Body Meeting:

Annual General Meeting:

a) Information about last three Annual General Meetings:

Year	AGM	Date	Time	Location
2015	32nd AGM	25.09.2015	11:00 A.M.	Hotel, The Regenza by Tunga, Plot No 37, Sector 30A, Vashi, Navi Mumbai - 400703
2016	33rd AGM	20.09.2016	11: 00 A.M.	Hotel, The Regenza by Tunga, Plot No 37, Sector 30A, Vashi, Navi Mumbai - 400703
2017	34th AGM	30.09.2017	12:00 Noon	Hotel, The Regenza by Tunga, Plot No 37, Sector 30A, Vashi, Navi Mumbai - 400703

b) Information about Special Resolutions passed in previous three Annual General Meetings:

Year	AGM	Date	Particulars of Resolution Passed
2015	32nd	25.09.2015	To fix the Remuneration of Mr. Dinkar Samant (DIN: 00023459), Whole-time Executive Director of the Company.
2015	32nd	25.09.2015	Re-appointment of Mr. Nimish Shah (DIN: 03036904), Whole-time Executive Director, liable to retire by rotation and to fix his Remuneration in this regard.
2016	33rd	20.09.2016	To fix the Remuneration of Mr. Nimish Shah (DIN: 03036904), Whole-time Executive Director of the Company.
2016	33rd	20.09.2016	To take the Approval of Shareholders for Material Related Party Transactions.
2016	33rd	20.09.2016	To approve the Remuneration paid/payable to Mr. Dinkar Samant (DIN: 00023459), Whole-time Executive Director of the Company from 1st April, 2016 till 20th September, 2016.
2016	33rd	20.09.2016	To approve the Remuneration paid to Mr. Rajesh Agarwal (DIN: 07327161), Additional Whole-time Executive Director of the Company from 01st November, 2015 till 24th July, 2016.
2017	34th	30.09.2017	No Special Resolution was passed.

c) Extra Ordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the Financial Year 2017-18.

d) Postal Ballot:

Information about Special Resolutions passed in Postal Ballot conducted during the Financial Year 2017-18:

Postal Ballot Result Date	Particulars of Resolution Passed
12.08.2017	To Raise funds upto an amount not exceeding ₹ 300 Crores including premium if any; through issue of Securities.
	To fix the Remuneration of Mr. Nimish Shah (DIN: 03036904), Whole-time Executive Director of the Company for the Year 2017-18.
	To fix the Remuneration of Mr. Ashok Chhajer (DIN: 01965094) Managing Director of the Company for the Financial Year 2017-18.
	To approve the proposed Material Related Party Transactions for the Year 2017-18.

CS Rachana Shanbhag, RHS & Associates, Company Secretaries in Practice, Mumbai was appointed as the Scrutinizer for the purpose of the said Postal Ballot.

8. Disclosures:

i. Related Party Transaction:

None of the transactions with any of the Related Parties were in conflict with the interest of the Company. Details of transactions with Related Parties are disclosed in notes to the Accounts in this Annual Report. All Related Party transactions are negotiated at Arms' Length Basis and are only intended to further the interest of the Company. The Company has a Related Party Transaction Policy to determine the basis and means of entering into Related Party Transactions (in ordinary course of business or otherwise). The Audit Committee approves all the Related Party Transactions undertaken by the Company. Any recurring and routine Related Party Transactions are granted Omnibus Approval for every Financial Year, by the Audit Committee. However, all transactions covered under Omnibus Approval are also placed and approved subsequently by the Audit Committee. Any Material Related Party Transactions, i.e. Related Party Transactions exceeding 10% of the Consolidated Annual Turnover of the Company, are undertaken only pursuant to the approval of the Shareholders in a General Meeting/through Postal Ballot.

ii. Compliances:

The Company has complied with all the mandatory requirements specified in SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Company has also complied with mandatory and Non - Mandatory applicable rules and regulations prescribed by Stock Exchanges, SEBI or any other Statutory Authority relating to the Capital Markets. All returns/reports were filed with Stock Exchanges/ other Authorities. The Company further strives and has obtained unmodified Audit opinion on Financial Statement for the Financial Year 2017-18. Further the Internal Auditor has access and report to Audit Committee.

iii. Reconciliation of Share Capital Audit:

M/s D.A. Kamat & Co. Practicing Company Secretaries carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed Equity Share Capital. The Audit report confirms that the total issued / paid-up capital is in agreement with the total number of Shares in Physical form and the total number of Dematerialized Shares held with NSDL and CDSL.

iv. Code of Conduct:

The Members of the Board, Key Managerial Personnels and Senior Management have affirmed the Compliance with Code applicable to them during the Financial Year 2017-18. The Annual Report of the Company contains a Certificate by the Managing Director in terms of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 on the compliance declarations received from Independent Directors, Non-executive Directors, Key Managerial Personnels and Senior Management.

All Directors and the designated Employees have confirmed compliance with the Code.

However, it was observed by Compliance Officer of the Company that during the year there has been violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies' Code of Conduct by Mr. Dinesh Babel, Independent Director of the Company. Immediately, same was informed to the Board members in the Board meeting held on 10th August, 2018 and accordingly the Board had constituted the Insider Trading Compliances Committee for investigating the said matter and to submit their report to the Board of Directors and SEBI.

9. Vigil Mechanism and Whistle Blower Policy:

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure Whistle Blowing System for Directors and Employees of the Company to raise concern. The Policy broadly cover instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct, alteration of documents, fraudulent financial reporting, misappropriation/misuse of Company's assets, manipulation of Company's data, pilferage of proprietary information, abuse of authority, etc. The Policy provides adequate safeguard against victimization of Director(s) / Employee(s) who raise the concern and have access to the Chairman of Audit Committee who is entrusted to oversee the Whistle Blower Mechanism. The Policy is available on the website of the Company at www.asl.net.in. Further, no Personnel have been denied access to the Audit Committee during the Financial Year under review.

10. Subsidiaries Companies:

The Subsidiaries of the Company are as follows:

i. Arihant Abode Limited.

ii. Arihant Vatika Realty Private Limited.

iii. Arihant Gruhnirman Private Limited.

iv. Arihant Aashiyana Private Limited.

The Audit Committee reviews the Consolidated Financial Statements of the Company, Financial Statements of the unlisted Subsidiary Companies and the investments made by its unlisted Subsidiary Companies. The Minutes of the Board Meetings along with a report on significant developments and transactions of the unlisted Subsidiary Companies are periodically placed before the Board of Directors of the Company.

The Company does not have any Material Listed Subsidiary Companies.

The Company has a policy for determining 'Material Subsidiaries' which is disclosed on its website www.asl.net.in.

11. Means of Communication:

The Company regularly intimates information like Quarterly/Half yearly/Annually Financial Results, updates and outcomes of Board and General Meetings, Investor and Earnings Presentation (Invitations and Outcomes) and media releases on significant developments in the Company to the Stock Exchanges. The Financial Results are normally published in Free Press Journal (English) and Navshakti (Marathi) News papers. All updates are also uploaded on the website of the Company on www.asl.net.in.

Website and Exclusive Designated E-mail id:

The Company's website www.asl.net.in has a separate dedicated section namely "**Investors**" where all the information relating to Shareholders are available (including the Annual Report) and to enable Investors to register their queries and/or Grievances, the Company has dedicated an exclusive e-mail investor@asl.net.in . All investors are requested to avail this facility.

Further the Policies of Companies required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available at http://www.asl.net.in/corporate-governance-report.html.

12. General Shareholder's Information:

a) Annual General Meeting:

Day : Friday

Date : 28th September, 2018

Time : 10:30 A.M.

Venue : Arihant Aura, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai – 400705.

b) Financial Calendar:

The Financial Calendar of the Company is from 1st April, 2018 to 31st March, 2019.

Board Meetings for Quarterly Results:

(Tentative and subject to change)

Quarter ended	Latest by
30th June, 2018	7th August, 2018
30th September, 2018	31st October, 2018
31st December, 2018	25th January, 2019
31st March, 2019	21st May, 2019

c) Book Closure Dates:

From 22nd September, 2018 to 28th September, 2018 (both days inclusive).

d) Dividend Payment Date:

Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting.

e) Liquidity of Shares:

The Equity Shares of the Company are listed on the BSE Limited and on National Stock Exchange of India Limited. The Shares of the Company are currently traded under the B Group Category. The Company has paid the listing fees to both the Stock Exchanges for the Financial Year 2017-18 and 2018-19.

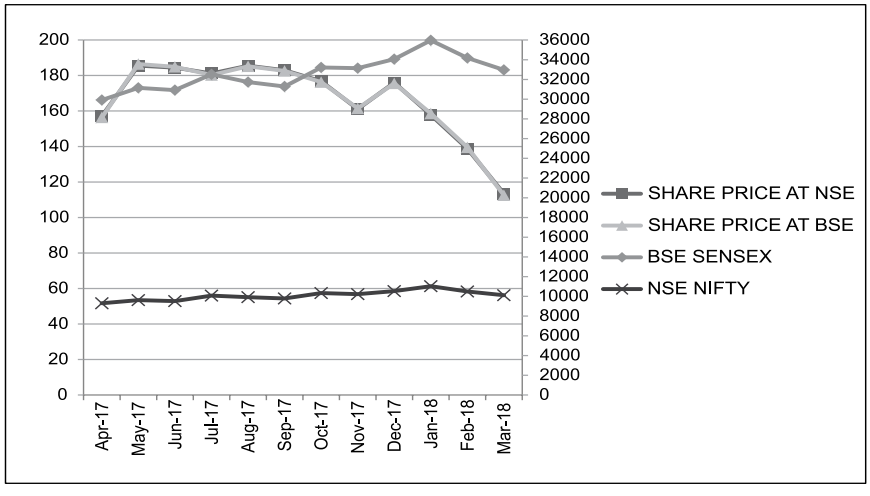
f) Listing of Equity Shares on Stock Exchanges:

Name and Address of Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
ISIN	INE643K01018	INE643K01018
Scrip Code/Symbol	506194	ARIHANTSUP
Class/Series	Equity	EQ

g) Stock Price Data: **Share Price** (in ₹)

Month	BSE Limited		National Stock Exchange of India Limited	
	High Price	Low Price	High Price	Low Price
April 2017	169.70	118.05	160.90	118.00
May 2017	192.00	151.00	192.15	150.00
June 2017	200.80	179.95	200.95	180.00
July 2017	211.00	180.00	208.80	180.00
August 2017	194.00	156.20	190.75	150.00
September 2017	194.00	172.00	194.50	174.60
October 2017	187.40	152.00	188.00	142.20
November 2017	182.00	155.15	179.90	154.10
December 2017	183.00	139.05	183.50	139.00
January 2018	190.60	150.00	192.00	153.00
February 2018	170.00	132.30	173.80	131.95
March 2018	140.4	110.00	140.95	111.20

Stock Performance:



h) Registrar and Transfer Agent (RTA):

Adroit Corporate Services Private Limited
19/20, Jafferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka, Andheri (East)
Mumbai 400059

i) Share Transfer Mechanism:

The Equity Shares of the Company being in compulsory Dematerialized form are transferable through the Depository system. Shares in Physical form should be lodged for transfer with the office of the Company's Registrar and Transfer Agent. Transfers are processed if technically found to be in order and complete in all respects.

Distribution of Equity Shareholding as on 31st March, 2018:

No. of Equity Shares held	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Upto 100	2126	50.28	86650	0.21
101-500	1275	30.16	347733	0.84
501-1000	347	8.21	273982	0.67
1001-2000	188	4.45	275868	0.67
2001-3000	55	1.30	142730	0.35
3001-4000	35	0.83	126489	0.31
4001-5000	34	0.80	160685	0.39
5001-10000	62	1.47	480300	1.17
10001 -20000	38	0.90	519076	1.26
20001-50000	27	0.64	1027392	2.50
50001 & above	41	0.97	37719086	91.64
Total	**4228**	**100.00**	**41159991**	**100.00**

Category of Shareholders as on 31st March, 2018:

Category	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Residential Individuals	3875	91.65	4327634	10.51
Non Resident Indians (Individuals)	124	2.93	317634	0.77
Corporate Bodies	174	4.12	3217146	7.82
Mutual Funds	3	0.07	2032675	4.94
Banks	1	0.02	19872	0.05
Director (Promoter)	3	0.07	18309147	44.48
Director Relatives	2	0.05	89862	0.22
Promoters	5	0.12	12207552	29.66
Financial Institutions	1	0.02	51186	0.12
Foreign Institutional Investors	1	0.02	70775	0.17
Clearing Members	35	0.83	126481	0.31
Corporate Body- Broker	1	0.02	3950	0.01
Investor Education and Protection Fund	1	0.02	250	0.00
Foreign Portfolio Investors	2	0.05	385827	0.94
Total	**4228**	**100.00**	**41159991**	**100.00**

j) Dematerialization of Shares:

The Shares of the Company are in compulsory Dematerialized segment and are available for trading in depository system of both National Securities Depository Limited and Central Depository Services (India) Limited. As on 31st March, 2018 41,107,931 Equity Shares (constituting 99.87 %) were in Dematerialized form.

k) Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 123, 124 and 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed / unpaid Dividend, Application money, Debenture interest and interest on Deposits as well as the principal amount of Debentures and Deposits, as applicable, remaining unclaimed / unpaid for a period of Seven Years from the date they became due for payment, in relation to the Company, Arihant Superstructures Ltd. have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for

the amounts so transferred prior to March 31, 2018, nor shall any payment be made in respect of such claims. Members who have not yet enchased their Dividend Warrant(s) pertaining to the Final Dividend for the Financial Year 2011-12 and onwards are requested to make their claims without any delay to Company's Registrars and Transfer Agent. Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company at www.asl.net.in.

An amount of ₹ 3,184 for the Financial Year 2009-10, being unclaimed/ unpaid Dividend has been transferred to IEPF during the Financial Year 2017-18.

Further, The Company is under process to transfer an Amount of ₹1492.20 for the Financial Year 2010-11, being unclaimed/ unpaid Dividend as on 02nd August, 2018 to IEPF under Section 124(5) and Section 125(1) of Companies Act, 2013.

The following table gives information relating to outstanding Dividend accounts and the dates by which they can be claimed by the Shareholders:

Financial Year	Date of declaration of Dividend	Last Date for claiming unpaid/ unclaimed Dividend
2010-11	August 03, 2011	August 02, 2018
2011-12	September 22, 2012	September 21, 2019
2012-13	September 26, 2013	September 25, 2020
2013-14	September 25 2014	September 24, 2021
2014-15	September 25, 2015	September 24, 2022
2015-16	September 20, 2016	September 19, 2023
2016-17	September 30, 2017	September 29, 2024

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the IEPF Rules, all Shares on which the Dividend has not been paid or claimed for Seven Consecutive Years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs, in due course. In accordance with the IEPF Rules, after dispatching notices and publishing Newspaper Advertisement in this regard the Company has transferred 250 Equity Shares pertaining to Financial Year 2008-09 to the IEPF Authority.The Shareholders whose Dividend/Shares is/ are will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of the IEPF Authority http://iepf.gov.in/IEPFA/refund.html.

l) Address for Investor Correspondence:

For Transfer/Dematerialization of Shares, payment of Dividend on Shares and any other queries relating to the Shares, the Investors may contact the Registrar and Transfer Agents on:

Adroit Corporate Services Private Limited
19/20, Jafferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059
Telephone: 022-28594060/022-40052115
Fax: 022 - 28503748
Email: info@adroitcorporate.com
Website: www.adroitcorporate.com

m) Details of penalties imposed by Stock Exchange or SEBI:

No penalties have been imposed by Stock Exchanges or SEBI during the Financial Year 2017-18.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

Green Initiative in Corporate Governance

Dear Shareholders,

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative in Corporate Governance' the initiative taken by the Ministry of Corporate Affairs, Government of India, vide its Circular nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011 by virtue of which Companies are now permitted to send the documents, such as Notices convening General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report. etc. through electronic mode on the e-mail address of the Shareholders/Members.

Accordingly, we would like to take this opportunity to inform you that as per 'Green Initiative', Companies are permitted to send Annual Reports, Balance Sheets and other related documents to their Members through the electronic mode on their e-mail addresses as registered with the Company.

Pursuant to the same, your Company proposes to send the documents including Annual Report in electronic form at their e-mail addresses. We hereby request the Members to inform the Company or Company's Registrar and Transfer Agent about their e-mail addresses or any changes in their already registered e-mail addresses with the Company. The Company will continue to provide an option to the Members to continue to receive physical copies of the relevant documents / Annual Report, provided a specific request/response is received from them to that effect.

Members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses by sending an email at **info@adroitcorporate.com** or **investor@asl.net.in,** mentioning your **DP ID, Client ID or Registered Folio Number** with the message "Save paper". Your mail will be considered as an affirmation and accordingly the above mentioned documents will be sent to you in electronic form.

In case we do not receive any mail from you, then the Company will send you physical copy of the said documents.

The Annual Report will also be displayed on Company's website **www.asl.net.in** in due course of time.

Please note that you will be entitled to be furnished, free of cost, with a copy of the Annual Report upon receipt of a requisition from you, any time, as a member of the Company.

Looking forward to your co-operation in the protection of our Environment.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

CEO & CFO CERTIFICATION

To
The Board of Directors
Arihant Superstructures Limited

We, Ashok Chhajer, Chairman & Managing Director and Pradeep Mehta, Chief Financial Officer of Arihant Superstructures Limited ('the Company') to the best of our knowledge & belief certify that:

(A) We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March, 2018 and that to the best of their knowledge and belief:

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

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

(B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(C) We accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit committee that:

(i) there were no significant changes in Internal Control over Financial Reporting during the year;

(ii) The Company is following Accounting Policy based on Indian Accounting Standards as applicable to the Company w.e.f. 1st April, 2017, and the same has been disclosed in the notes to the Financial Statements.

(iii) there were no instances of fraud of which we have become aware and the involvement therein of the Management or an Employee having a significant role in the Company's Internal Control System over Financial Reporting.

Ashok Chhajer — **Pradeep Mehta**
Chairman & Managing Director — **Chief Financial Officer**
DIN: 01965094

Place; Navi Mumbai
Date: May 23, 2018

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

All the Members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct, framed pursuant to Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in so far as it is applicable to them and there is no other Non-compliance thereof other than those stated in the Directors' Report, during the Financial Year ended 31st March, 2018.

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Arihant Superstructures Limited

1. We, D. A. Kamat & Co, Company Secretaries in Practice, have examined the Compliance of conditions of Corporate Governance by Arihant Superstructures Limited ("the Company"), for the Financial Year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of Internal Control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.
3. Our responsibility is limited to examining 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.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the Compliance with Corporate Governance requirements by the Company.
5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the Year ended March 31, 2018. *(during the year there has been transactions undertaken by Mr. Dinesh Babel, Independent Director, violating the provisions of SEBI Insider trading Regulations and Company's Code of Conduct.)*
6. 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.

For D.A. Kamat & Co.
Company Secretaries

D.A. Kamat
Partner
FCS No. 3843
CP No. 4965

Place: Mumbai
Date: August 10, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Review

The global economy registered a stellar 3.8% growth for the calendar year 2017 (i.e CY17). This was the fastest yearly growth rate since CY11, primarily driven by global trade which reported 4.9 % yearly growth and investment recovery in advanced economies. Going forward, CY18 is expected to be another year of 3% plus global growth as suggested by lead economic indicators like the composite purchase managers Index (PMI) and consumer confidence surveys.

The global real-estate market reported a transaction volume growth of 6% Year -on-Year (YoY), with total transactions amounting to USD 698 billion in CY17. This was largely bolstered by a 10% YoY surge in transaction volume in Q4CY17; a USD 228 billion addition to the total transaction volume for the year. For CY17, office leasing volumes grew at 4% YoY, exceeding consensus expectations on the back of a quarter four uptick. Across 96 global markets, leasing volume increased by 11 million square feet (msf) in Q4CY17 which is the strongest quarterly volume increase in a decade. Additionally, global vacancy rates fell marginally (to 11.9% in Q4CY17) against the consensus view, due to lower vacancies in the European region. A survey of the 26-major real-estate markets showed that lower vacancy rates helped spur office rental growth to 4.1% for CY17, which is the strongest increase since CY11 (which was reported at 8%).Despite a high base in CY17, the real estate sector globally is expected to register a strong growth in CY18.

Indian Economic Review

The Indian economy continued its strong growth into FY17-18. The uptick in quarterly GDP growth for the year at 5.6%, 6.3%, 7% and 7.7% respectively reaffirmed the anticipated recoveryin the economy post the short-term strife sparked bythe implementation of demonetisation and GST. For the year,growth was largely driven by the construction and manufacturing sectors, especially in the last two quarters.With GDP growth rising by 7.7% India is expected to register a full year growth for FY18 of 6.7% , thusmaking it the fastest growing major economy as per the International Monetary Fund (IMF) and the Central Statistics Organisation (CSO) and has become the 6th largest economy in the world, ahead of France. As per the IMF, the Indian economy's growth rate is expected to move up to 7.4% in FY19 backed by a good monsoon, a revival in consumption and continued investment traction.

The market size of the Indian real estate sector currently stands at about USD 140 billion and is the second largest employer in the country after the agriculture sector.The sector is segregated into four major categories including retail, hospitality, commercial and finally housing, which alone contributes ~5% to the country's Gross domestic product GDP. The real estate sector has had a significant impact in attracting foreign direct investment into India. The sector stands fourth in the amount of capital inflow received from foreign direct investment (FDI) with cumulative FDI inflows of US$ 24.66 billion from April 2000 to September 2017. With a significant portion of the Indian population between the ages of 15-35 years and rapid urbanisation with the migration of close to 10 million people to cities on a yearly basis, structural drivers for the housing, retail & commercial real estate sectors are largely in place.

Over the past decade, India's demand for housing has largely been underpinned by a burgeoning population (i.e 1.3% yearly growth), the trending shift from traditional joint family to smaller 'nuclear' families and the 'rural to urban' migration. India's housing shortage is estimated at 4 to 5 crore for both rural and urban areas. Despite this latent demand, the last 4 years, has witnessed an evident slowdown in the real estate sector primarily as a result of lack of transparency, project execution delays, regulatory uncertainties and low affordability. However, India's real estate sector is currently in a transformational phase. The change in customer profiles and the implementation of the Real Estate Regulatory Authority (RERA) Bill in 2016 are pushing the real estate sector towards consolidation, which augurs well for branded Tier -1 developers.

Customer profiles are changing from investors who could take on execution risk to end-users with an overall low risk appetite and who are focused on affordability. Additionally, post RERA, profitability of unorganized developers has declined to10% internal rate of return as against 30% initially. Furthermore, compliance with RERA norms by such unorganised developers could result in large contingent liabilities for such developers.

Market share of India's top -10 developers has shifted from 13% in FY15 to 19% in FY17 and this is expected to increase going forward as the sector continues to consolidate. The Mumbai real-estate market in particular has witnessed the highest consolidation across the most key cities in India, with unorganized developers tying up with Tier-1Developers in order to improve their return profiles and alleviate regulator risks. Maharashtra RERA information suggests that Tier-1developers would have an approximate 35% launch share in Mumbai along with a significantly higher sales share.

Thus with implementation of RERA addressing the concerns regarding transparency, executional efficiency & regulatory uncertainty and with the level of affordability improving on the back of low interest rates and pass on of GST input tax credits to buyers, we believe the Indian real estate sector is poised for significant growth going forward.

Company overview

Arihant Superstructures is one of the leading developers in Mumbai Metropolitan Region and Jodhpur. Both these locations are witnessing rapid development on back of several government led initiatives. Arihant has been present in both these regions from the past two decades. Till date, the Arihant Group has delivered 8,863 homes worth 7.5 msf across 50+ projects over past 25 years. Arihant entered the affordable housing segment in 2009. With the government's current focus on affordable housing through initiatives like 'Housing for all by 2022', Arihant could be a major beneficiary.

While Arihant is present across all segments of the market, our main focus remains on the mid and affordable housing segments. The affordable housing segment accounts for 68% of the area of our project portfolio as on date. The other two segments catered to by your company are the Middle and Upper-Medium Income real estate segments.

Arihant's project selection process entails a targeted population matrix segregated between the affordable housing (INR 2000-4000 per sq ft), middle-income **housing** segment group (INR 4000-7000 per sq ft) and upper-middle-income **housing** segment (INR 8000 per sq ft). This enables the company to complement the demand supply for individual segment and have a market share in each segment. Within the real estate sector, land acquisition is a major concern due to rising land prices as well as the litigious nature of acquisition which makes the process cumbersome and time consuming. Arihant's long standing presence in the real-estate industry space has allowed for the creation of a land bank at low historical prices and land owners are more favourably inclined towards Arihant. A few of our projects are facilitated through joint ventures with the land owners in an asset light model.

Arihant keeps critical activities of focus like design, engineering and sales-marketing in-house while it outsources labour and building equipment to third party vendors. For Arihant Aspire, we have engaged Capacite Infra Projects Ltd which is among the leaders in project execution.

Currently, Arihant has a total of sixteen on-going projects amounting to 13.5 million square feet (msf). Of these, Ten on-going projects are in Mumbai which amount to 8.1 msf (i.e 8659 units) and the remaining six on-going projects are in Jodhpur and amount to 5.4 msf (i.e 4529 units). The company is looking to complete these projects over the next six years by FY23.In Mumbai MMR, Arihant has consciously initiated projects at different locations which fall under different local bodies which reduces the risk of approval process and the risk to revenue from location concentration is mitigated.

Operational Highlights

Our company reported revenues of INR 1893 mn for FY18 as compared to INR 1862 mn in FY17 . Slow-down in unit sales in FY17 which affected the revenues for FY18. We reported an EBITDA of 384.90 mn and net profit of INR 126 mn which resulted in margins of 20 pct and 7 pct respectively. Demonetization did leave an impact on real estate sector resulting in delayed bookings and inconsistent cash flows . Larger volumes of low-ticket size projects along with increased expenditure for new projects had an effect on the margins. Despite the paucity of funds in the real estate sector, ASL managed to reduce its secured debt from INR 1.28 bn ending FY17 to INR 0.98 bn ending FY18 without raising any new facility. The average cost of borrowings was brought down by 100 bps.

We achieved sales of 931 units across both Mumbai MMR (717) and Jodhpur (214) at an average realization of INR 4,070 per sq. ft indicating an increase of 77 pct and 7 pct respectively over the previous year. Our Standard Operating Procedures for the last two decades were similar to the provisions of ReRa especially our discipline in utilization of funds for construction. This resulted in timely completion of projects. In FY18, ASL delivered 863 completed homes across various projects. To ensure continuous inflow of fresh bookings, we had 3 Mega Sales Events and got overwhelming response, despite the fact that the year was not very conducive for Real Estate.

In FY18, ASL launched 1293 units, 1,279,051 sq. ft across MMR/Navi Mumbai and Jodhpur as follows :

- Arihant Aspire (622 units) (Nov, 2017)
- Arihant Anchal Phase 2 (252 units) (May, 2017)
- Arihant Anaika Phase 2 (267 units) (Jan, 2018)

- Arihant Arshiya Phase 3 (67 units) (April, 2017)
- Arihant Anmol Phase 3 (85 units,) (March, 2018)

Financial Highlights

INR Mn (except as stated)	FY18	FY17	Amount - Increase / Decrease	% - Increase / Decrease
Revenue	1892.52	1862.46	30.06	1.61%
Total Expenditure	1507.62	1218.94	288.68	23.68%
EBITDA	384.90	643.52	-258.62	-40.19%
EBITDA Margin (%)	20.3%	34.6%	-14.3%	-41.14%
Interest	150.10	101.22	48.88	48.29%
Depreciation	13.36	10.20	3.16	30.98%
PBT	221.44	532.10	-310.66	-58.38%
Tax	74.96	172.93	-97.97	-56.65%
PAT	146.48	359.16	-212.68	-59.22%
PAT Margin (%)	7.7%	19.3%	-11.6%	-59.86%
Minority Interest	20.83	32.36	-11.53	-35.64%
Attributable PAT	125.66	326.81	-201.15	-61.55%
EPS	3.05	7.94	-4.89	-61.59%

Outlook

Your company has created a strong projects pipeline going into FY19, with the planning and sales off-take of marquee projects namely Aspire Phase I and II. Additionally, the revenue for the 931 unit sales achieved in FY18 would be recognized over the next few quarters. We continue to strengthen our land bank through prudent acquisition of new land parcels and projects in MMR region- need pipeline details and land bank details. We at Arihant are committed to achieving are target capital structure and as a result look to stabilise the debt proportion in our balance sheet over the next 4-5 years.

Market Opportunities

As land prices continue to remain high, home-buyer affordability has been a challenge for the Real Estate industry despite huge latent demand combined with lower home loan interest rates vs large supply of saleable housing inventory. Bridging the housing demand – supply gap would entail not just the readying of inventory of developed housing property but also a significant focus on affordability. With this in mind, the Government in 2015 launched the 'Housing for all by 2022' (i.e the Pradhan Mantri Awas Yojana) with a target of 5 crore houses to be built by 2022. The government's intent to make available affordable housing especially the low to middle income groups can be underscored by the fact that budgetary allocation to the scheme has risen from ₹116 billion in FY16 to ₹ 290 billion in FY18.

Thus far, under the scheme the government has sanctioned the construction of 1.87 lakh houses. States like Maharashtra are providing significant impetus to the affordable housing sector and plan to build 12,123 houses in 13 cities & towns at an investment of ₹ 8.7 billion, of which ₹1.9 biillion will be provided through central government support.

Additionally, to create an enabling environment for the affordable housing sector, the Government has recently granted it infrastructure status which will now entitle developers of these projects to avail benefits such as lower rates of borrowing, tax concessions and access to an increased flow of domestic private capital as well as foreign capital. Further, a convenient subsidy mechanism with direct credit of the entire subsidy amount to the bank account of the applicant thus reducing EMI paid and the permission granted for significant withdrawals (i.e upto 90% of the overall amount) an individual's Employees' Provident Fund given certain specific conditions has also helped spur the demand within the sector.

As a result a number of developers are gradually venturing into the affordable housing segment, with offerings of compact residential apartments which align with the budget ranges that dictate home-buyer demand. Last year, the members of the Confederation of Real Estate Developers' Association of India (CREDAI) announced the launch of 375 affordable housing projects across the country with an investment commitment of INR 70,000 crore. In FY18, about 44% of the total launches i.e 55,000 residential property units across the top seven property markets in India were priced below INR 40 lakh, as per ANAROCK property consultants. Average apartment sizes of properties sold across the top seven cities have declined given

that developers find it far easier to alter apartment sizes to fit budget ranges than to reduce property prices to stoke demand. Apart from the pick-up in housing demand the shift to affordable housing would also result in better cash management for developers given a higher sales velocity for the segment as compared to that of other housing segments. Your company expects the pick-up in the affordable housing segment to continue going forward aided by incentives and sops for both developers as well as home buyers which will help match supply with demand.

Risks & Concerns

A number of factors could undermine the future performance of your company. Some of these include

Impact on market demand

The Real Estate sector is largely cyclical in nature and hence an economic downturn would result in lower property prices which are detrimental to your company's sales realisations and profitability. Additionally, implementation of government initiatives like the Goods & Service Tax (GST) regime & Demonetisation dented the real-estate demand for certain segments resulting in a short-term price correction. Initially, the limited pass on of input tax credit available under GST to home buyers within most real-estate segments resulted in an increase in their overall prices. This was met with lower demand followed by certain developers having to reduce their base price to spur sales. Even a complete pass on of input tax credit under GST for properties in the middle , upper-middle and premium housing segments, where land cost is greater than 60% of the overall project cost, resulted in higher overall prices. Hence to alleviate the detrimental impact on demand within these segments developers were forced to reduce their base price on properties. However, since the majority of Arihant's real estate portfolio consists of affordable housing where land is below 25% of the overall project cost, implementation of GST did not have any significant impact on demand and subsequently pricing.

Demonetisation had a fairly lower impact on the sales of your company compared to the overall real estate basket of Mumbai MMR as the average revenue ticket size is below INR 90 Lakh and with transactions mostly financed through formal channels of banks & housing finance institutions.

Land Costs & Availability

Land acquisition is a substantial part of the overall real estate project cost, particularly in Metro & Tier-I cities in India. Thus the success of your company's financial performance is based on the availability of land parcels at strategic locations and the costs incurred to acquire developmental rights for such land.

Rise in costs associated with business operations

The nature of your company's business is such that it is detrimentally affected by rising input costs related to raw materials for construction, repair & maintenance, sub-contracted service contracts and labour. A significant increase in operating expenses cannot be offset by substantial increase in property prices as demand might be adversely affected as a result. Your company with over two decades of experience, has proven systems & processes to mitigate the effects of increase of input & other costs.

Executional Slowdowns

A number of factors like determine the successful timely execution and completion of projects. Availability of skilled labour, regulatory clearances & approvals, access to utilities at project sites, availability & timely delivery of raw materials to project sites, unexpected natural calamities are a few of the factors that contribute to affect project execution detrimentally and thus extend project cost.

Funding

Significant capital outflows especially for land acquisition are part of the regular business operations of your company. Apart from our strong relationships with bankers & financers, set-up of the construction linked payment plan with customers ensures self-financing of the project and non-diversion of funds.

Our People – Human Resources

Our employee base is one of the key driving forces behind the successful functioning of your company. Our **prudent hiring processes** has allowed us to attract the right kind of talent which has put us in position to achieve our strategic goals as a company. The current overall strength of the company stands at 262 as of 31st March 2018.

Your company feels strongly about honing the talent it attracts. Arihant, believes that regular engagement programmes at all designation levels can help bring out the maximum potential in our employees. Your company has set aside dedicated days to provide developmental training programmes to employees. Additionally, your company has conceptualised and implemented a programme to fast-track the growth of those fresh-hires & junior level employees who have shown exemplary performance.

A self -motivated workforce is a well-functioning workforce. Your company appraises the performance of individual employees and provides recognition & reward to the stand-out performers. This has helped us build a productive office environment and has aided the company in achieving its growth targets.

Internal Controls and Adequacies

The Company has an adequate system of internal controls, commensurate with the size and nature of its business, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and to ensure all transactions are authorized, recorded and reported correctly. Company is maintaining function wise Standard Operating Procedures (SOP). It has in place internal controls covering all fields across all financial and operating functions. Independent audit firms appointed by the company conduct periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with the applicable laws and regulations. The key findings of their audit along with implementation plan of their recommendations are discussed with the senior management and also the Audit Committee. The Audit Committee of the Board reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

Your Company has also focused on upgrading the IT infrastructure both hardware and software. In addition to the existing ERP platform, your Company is presently reviewing the process documentation to ensure effectiveness of the controls in all the critical functional areas of the Company."

Cautionary statement

The management discussion and analysis may contain forward looking statements which are based on the current views of management with regard to expected financial performance given the occurrence of expected future events. However, the actual results may differ materially from those anticipated in the forward looking statements as a result of factors either mentioned above or those that cannot be predicted at this current point in time.

Awards & Recognition –

At Arihant, it is our constant endeavour to set industry precedent with regard to process efficiency and quality delivery. Ourfocus been recognised and validated by industry bodies and has led to the following accolades:-

The MCHI CREDAI in their prestigious "Golden Pillar" award 2018 has given Affordable Housing Project of the Year award to Arihant Superstructures Ltd (ASL).

The Economic Times (ET) Realty Convention 2018 has recognized Arihant Superstructures Ltd (ASL) for the excellent quality in low cost affordable housing.

"Excellence in Quality Construction", 2018 award by Dainik Bhaskar (94.3 MY-FM).

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

MANAGEMENT DISCUSSION ON RISKS AND CONCERNS:

Risk Management is a structured process to manage uncertainties and threat/s to business, through a systematic process of risk identification, its management and mitigation. For all businesses its a strategy to overcome the threats and achieve their objectives, undetered. Essentially, Risk Management involves:

- Identification of events or circumstances relevant to objectives of the organisation
- Assessment of magnitude of their impact
- Implementation of all planned methods to mitigate the effect of the risks
- Clear Assignment of responsibilities and accountability
- Management Reporting
- Prioritisation of risks, Assessment of probabilities of their occurrence
- Ensuring fulfillment of Corporate Objective by Monitoring progress of risk mitigation measures

By identifying and proactively addressing risks and opportunities, business enterprises protect and create value for their stakeholders, including owners, employees, customers, regulators, and the society at large. Our Company has appropriate and adequate internal control systems for its business process at all the levels. The management has identified certain areas of risks to which the Company is susceptible.

Listed below are the various events and their possible impacts alongwith the actions taken to mitigate and control such probabilities:

INDUSTRY RISKS & APPROACH TO MITIGATE:

Sl. No.	Inherent Risk	Business Process	Impact Factors	Proposed Mitigation
1.	Receivable Risk	Accounts department	• A decline in the economy or the salaries of the people can have a negative impact on the receivables from the customers.	• Maximise sales via home loans and various schemes. • Book sales of customers who have steady source of income or who have finance available with them. • Back office - advance reminders via letters, sms & call.
2.	Govt Regulation Risk	Approvals department	• New regulations may slow down approvals and impact approvals.	• Anticipate the impact and prepare for contingencies. • Adopt the policies in advance for new regulations.
3.	Product selection Risk	Design department	• Any mismatch in gazing the demand of the product would result in no buyers or less response to the project launched.	• Project feasiility before starting of a project. • Survey of market- customer demand.
4.	Geographical Concentration	Revenue Department	• Projects running in the same locations may have internal competition which may impact sales.	• To keep time lag between lauch timings of such projects. • To create different product mix for projects in close locations.

Sl. No.	Inherent Risk	Business Process	Impact Factors	Proposed Mitigation
5.	Competition Risk	Sales & Marketing Department	• Lower demand for the flats sold. This may affect the revenue of the company. Also competition may forced to reduce margins as the flats may be sold at lesser price.	• Training & skilling of Sales team. • Increase Channel partner engagement and strength. • Improve marketing plan & media planning. • Enhance Digital marketing Track competitors schemes & beat with better ones.
6.	Land Acquisition Risk	Revenue Department	• Unavailability or shortage of suitable parcels of land for development could lead to escalation in land prices. • A drop in land prices may erode the book value carrying cost of land.	• Procurement of Agricultural land Direct procurement from the owners Venture in lesser exploited territories.
7.	Loss due to natural calamities	Engineering Department	• Financial Loss, Inability to complete projects on schedule.	• Appropriate Insurance policies. • Project started with phase wise strategy. Hence control in terms of limited selling and developing. 2nd with Pre launch strategy get atleast 15% booking and amount collected which takes care of the initial construction cost. • Strategy of collection of major amount from customers only when a project building structure is ready ensures self-financing and completion of project.
8.	Contractors Manpower Risk	Engineering Department	• Shortage of skilled manpower could result in the delay of the completion of the project. This inturn would lead to increase in the cost of the project.	• Increased usage of mechanized equipment. • Supply of labour outsourced to sub-contractors. • Dedicated Planning Department. • Contracts with Penalty clauses for delay in agreements with contractors. • Build inhouse team of labours Tie up with large brokers for bulk sales
9.	Environment Risk	Approvals department	• Any delay in approval from the environment committee would result in hampering the launch of the project.	• Improve relationship with the government departments Associate with the government ministry at platforms. • Use Industry associations platform to raise appropriate concerns & resolve.

Sl. No.	Inherent Risk	Business Process	Impact Factors	Proposed Mitigation
10.	Input Costs Risk Fluctuating input cost is a risk inherent to the real estate business	Purchase Department	• Increase in construction costs (raw materials), repair and maintenance costs, sub-contracted service costs and labour costs. • Increased operating expenses may affect profit margins as the prices of properties sold cannot be altered. Correspondingly, if the selling price of unsold properties is increased, the demand may be adversely affected.	• Creation of Master Vendor list Multiple vendors with approved products. • Evaluate import vs local procurement. • Advertise and use brand for attratcting good vendors. • Long term contracts & Full project contracts for unfluctuating cost and uninterrupted delivery.
11.	Funding Risk	Finance Department.	• Tightening of liquidity in the market may result issues in funding. • Issues in funding may delay payments to vendors & projects.	• Enhancing good relationship with Bankers & Financers results in finance available and at low cost. • Strategy of construction linked payment with the customer with maximum payment for finishes ensures self financing of the project and non diversion of funds.

INDUSTRY RISKS & APPROACH TO MITIGATE:

Sl. No.	Risk description	Business process	Impact factors	Mitigation measures
1.	Loss due to natural calamities	Project execution	• Financial loss. • Inability to complete projects on schedule.	• Appropriate insurance policies. • Disaster recovery plan/Business continuity plan to be rolled out.
2.	Compulsory land acquisition by government due to development of infrastructure projects	Land acquisition	• Delay in project completion. • Exposure to legal disputes and related costs. • Exposure to additional costs if changes are required to be made to the master plan.	• Review of city infrastructure plan/ possibility of future expansion of roads considered. • NOC's from government prior to purchase. • Project commenced only after receipt of sanctions from relevant authorities.
3.	Slump in the real estate market/significant decline in property prices	Business development	• Reduction in property prices. • Impact on demand for properties.	• Land acquired at historical low prices don't hurt even in recession. • Arihant has 68% of portfolio in the 'Affordable housing' of ₹ 2000 to 4000 per sq ft. While 27 % of portfolio falls in MIG housing from ₹ 4000 to ₹ 7000 per sq ft. • Economies of scale due to inhouse integrated capabilities ensures low cost of construction & overheads. • Working in phase wise on a project gives flexibility to start /stop of the project.

4.	Inability to grow existing land bank as desired due to inability/delay in procuring contiguous land for large projects, inability to build land bank at strategic locations at low costs, among others	Business development	• Inability to grow business.	• Arihant brand as ensured land owners prefer dealing with Arihant. • JV / Development model being received from land owners. • The current 13.5 sq ft development will suffice for atleast 6 years.
5.	Declining affordability due to factors of demonetisation, GST & economy slow down	Business development	• Decreased demand for properties above ₹ 90 Lakhs.	• 95% of housing portfolio falls under ₹ 90 Lakhs budget. • Arihant Brand will be pulling factor for properties > ₹ 90 Lakhs. • Premium houses are in Kharghar & Panvel location which are future premium residences. • Low cost affordable housing – Provident.

DETAILS OF PENDING LITIGATIONS:

Sr. No.	Parties	Village	Suit / Petition No.	Court	Type of Litigation	Present Status
1.	Arihant Arham CHS Vs Arihant Superstructures Ltd.	Koproli, Maharashtra	Civil Writ Petition No. 9032 of 2017.	High Court of Judicature at Bombay	Civil Writ Petition	Pre-Admission
2.	Arihant Arham CHS Vs Arihant Superstructures Ltd.	Koproli, Maharashtra	Consumer Complaint No. 200 of 2016	Consumer Dispute Redressal Forum Raigad District at Alibaug	Consumer Complaint	WS filed by us
3.	Arihant Arham CHS Vs Arihant Superstructures Ltd.	Koproli, Maharashtra	RTS-2817/CASE NO. 469/J-4A	In the Court of Revenue Minister, Mah. State	Revision Application	Revision Application accepted & Order of Dy. Director Land Records quashed
4.	Arihant Superstructures Ltd. Vs Dharma Attmaram Patil & 4 others	Ove, Maharashtra	Special Civil Suit No. 321 of 2013.	Civil Court Sr. Division, Panvel	Special Civil Suit	Referred to Arbitrator

For and on behalf of the Board of Directors
Arihant Superstructures Limited

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: August 10, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ARIHANT SUPERSTRUCTURE LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **ARIHANT SUPERSTRUCTURE LIMITED** ("the Company") having its CIN L51900MH1983PLC029643, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS 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 standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 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 standalone Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

OPINION

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its Profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements are comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   (g) With respect to the other matters to be 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:

      1. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements,

      2. The company does not have any long term contracts including derivatives contracts for which there were any material foreseeable losses, and

      3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For **Kailash Chand Jain & Co.**
Chartered Accountants
Firm Registration No.: 112318W

Dipesh Mehta
Partner
Membership No.: 134607

Place: Mumbai
Date: May 23, 2018

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ARIHANT SUPERSTRUCTURE LIMITED.

Referred to in Paragraph 2 (f) of 'Report on Other Legal and Regulatory Requirements' section of our Report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Arihant Superstructure Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kailash Chand Jain & Co.
Chartered Accountants
Firm's Registration Number: 112318W

Dipesh Mehta
Partner
Membership Number: 134607

Place : Mumbai
Date : May 23, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2018 we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Fixed assets of the company have been physically verified by the management during the year and no material discrepancies have been identified on such verification. In our opinion the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) Physical verification of Inventory has been conducted at regular intervals by the management and no material discrepancies were noticed on such verification.

(iii) The Company has granted loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made, and guarantees and securities provided by it.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) The Central Government of India has not specified the maintenance of cost records under sub section (1) of 148 of the Companies Act for any of the products of the company.

(vii)(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues though there has been a slight delay in few cases, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable except as stated below.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise duty, value added tax as at March 31,2018 which have not been deposited on account of a dispute, are as follows:

Name of the statue	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Service Tax Act, 1994	Service Tax	90.95	Oct-11 to Mar-16	Commissioner Appeal
Maharastra Vat Act, 2002	MVAT	59.78	F.Y.2009-10	Commissioner Appeal
Maharastra Vat Act, 2002	MVAT	2.02	F.Y. 2010-11	Commissioner Appeal
Maharastra Vat Act, 2002	MVAT	1.78	F.Y. 2011-12	Commissioner Appeal
The Income Tax Act, 1961	Income Tax	4.17	F.Y. 2009-10	ITAT – Mumbai
The Income Tax Act, 1961	Income Tax	15.35	F.Y. 2010-11	ITAT – Mumbai
The Income Tax Act, 1961	Income Tax	NIL	F.Y. 2011-12	ITAT – Mumbai

(viii) According to the information and explanation given to us and based on our examination of the records, the company has not defaulted in the repayment of loans or borrowing to any financial institutions, banks, governments and debenture holders as at balance sheet date.

(ix) In our opinion and according to information and explanation given to us the money raised by way of term loan has been applied, on an overall basis, for the purpose for which they were obtained.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Kailash Chand Jain & Co.
Chartered Accountants
Firm Registration No. : 112318W

Dipesh Mehta
Partner
Membership No. : 134607

Place: Mumbai
Date : May 23, 2018

STANDALONE BALANCE SHEET

CIN : L51900MH1983PLC029643

(₹ in Lakhs)

Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
A ASSETS				
Non Current Assets				
Property, Plant & Equipment	4	234.81	196.77	250.70
Intangible Assets	4a	11.84	14.48	17.30
Investment in Property	5	150.00	305.00	500.00
Financial Assets				
Investments	5	5.41	5.41	5.41
Loans	6	-	1,575.00	1,815.00
Other Financial Assets	7	122.91	122.91	321.71
		524.96	**2,219.55**	**2,910.11**
Current Assets				
Inventories	8	17,005.85	17,842.87	15,796.92
Financial Assets				
Investments	5	17.07	17.07	17.20
Trade Receivable	9	3,204.85	2,595.21	748.65
Cash & Cash Equivalents	10	345.33	320.44	113.51
Loans	6	1,902.36	480.82	630.32
Other Financial Assets	7	371.28	402.66	268.16
Current Tax Assets	11	263.42	620.67	-
Other Current Assets				
Land	12	3,441.66	2,942.27	4,644.29
Other	13	464.33	321.34	251.76
		27,016.14	**25,543.33**	**22,470.80**
TOTAL		**27,541.09**	**27,762.88**	**25,380.91**
B EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	14	4,116.00	4,116.00	4,116.00
Other Equity		7,888.01	7,722.33	5,506.12
		12,004.01	**11,838.33**	**9,622.12**
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Borrowings	15	5,568.10	5,993.36	4,721.05
Deferred Tax Liabilities (net)	21	7.58	1.79	8.17
		5,575.68	**5,995.14**	**4,729.22**
Current Liabilities				
Financial Liabilities				
Borrowings	15	2,412.23	1,776.83	1,519.15
Trade Payables	16	1,807.38	1,505.08	946.47
Other Financial Liabilities	17	694.40	735.50	446.68
Other Current Liablities				
Advance from Customers	18	4,424.90	4,300.46	7,586.73
Other Current Liablities	19	49.29	57.32	58.53
Provisions	20	31.27	181.82	22.53
Current Tax Liabilities	21	541.94	1,372.41	449.49
		9,961.40	**9,929.41**	**11,029.58**
TOTAL		**27,541.09**	**27,762.88**	**25,380.91**
See accompanying Notes forming part of the Financial Statements	1 to 38			

In terms of our Report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Managing Director
DIN: 01965094

Nimish Shah
Whole Time Director
DIN: 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

CIN : L51900MH1983PLC029643

(₹ in Lakhs except EPS)

	Particulars	Note No.	31st March 2018	31st March 2017
1	**Income from Operations**			
	(a) Revenue from Operations	22	10,506.41	12,879.04
	(b) Other Income	23	215.46	243.84
	Total revenue		**10,721.87**	**13,122.88**
2	**Expenses**			
	(a) Cost of construction, land and development expenses	24.a	5,628.42	9,271.55
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.b	837.02	(2,114.35)
	(c) Employee benefits expense	25	668.05	373.04
	(d) Finance costs	26	629.72	759.07
	(e) Depreciation expense	4&4a	62.33	58.07
	(f) Other expenses	27	1,314.54	747.41
	Total expenses		**9,140.08**	**9,094.79**
3	**Profit / (loss) before exceptional items and tax (1 - 2)**		1,581.79	4,028.09
4	Exceptional Items (net)		-	-
5	**Profit / (loss) before tax (3 + 4)**		**1,581.79**	**4,028.09**
6	**Tax expense:**			
	(a) Current tax expense		541.94	1,372.41
	(b) Deferred tax		5.80	(6.39)
			547.74	1,366.02
7	**Profit / (loss) after tax (5 - 6)**		**1,034.05**	**2,662.06**
8	**Other Comprehensive Income**			
	(a) Items that will not be classified to profit & loss		-	-
	(b) Items that will be reclassified to profit & loss		-	-
	Other Comprehensive Income		**-**	**-**
9	**Total Comprehensive Income for the period (7 + 8)**		**1,034.05**	**2,662.06**
10	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic		2.51	6.47
	(b) Diluted		2.51	6.47
	See accompanying Notes forming part of the Financial Statements	1 to 38		

In terms of our Report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Managing Director
DIN: 01965094

Nimish Shah
Whole Time Director
DIN: 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

(₹ in Lakhs)

Particulars	Equity Share Capital	Other Equity		Other Comprehensive Income	Toal Equity Attributable to Equity Holders of the Company
		Reserves & Surplus			
		Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2016	4,116	524	4,982	-	9,622
Dividends			(446)		(446)
Changes in Equity for the period Ended March, 31 2017					
Dividends	-	-	-	-	-
Profit for the period			2,662		2,662
Balance as of March, 31 2017	4,116	524	7,198	-	11,838

Particulars	Equity Share Capital	Other Equity		Other Comprehensive Income	Toal Equity Attributable to Equity Holders of the Company
		Reserves & Surplus			
		Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2017	4,116	524	7,198		11,838
Dividends	-	-	(495)	-	(495)
Changes in Equity for the period Ended March, 31 2018					
CSR Written Off	-	-	(32)		(32)
Earlier Year Income Tax Provision	-	-	(341)		(341)
Profit for the period			1,034		1,034
Balance as of March, 31 2018	4,116	524	7,364	-	12,004

In terms of our Report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Managing Director
DIN: 01965094

Nimish Shah
Whole Time Director
DIN: 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lakhs)

Particulars	31st March 2018	31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items	1,581.79	4,028.09
Adjustment for Non Cash Items		
Depreciation & Amortisation	62.33	58.07
Interest paid	615.70	693.17
Less :- Non Operating Income		
Profit on Sale of Investment	-	(0.39)
Loss on Sale of Car	1.17	1.44
Interest Received	(198.40)	(225.82)
	2,062.59	4,554.55
Changes in Working Capital		
(Increase)/ Decrease in Inventories	837.02	(2,045.95)
(Increase)/ Decrease in Term Loans & Advances	184.83	453.81
(Increase)/ Decrease in Trade & Other Receivable	(1,097.02)	(19.12)
Increase/ (Decrease) in Current Liabilities & Provision	333.53	(2,516.88)
Cash flow from Operating Activities before Tax and Extraordinary Items	2,320.96	426.41
Income Tax paid	(1,386.98)	(1,069.05)
Cash flow from Operating Activities before Extraodinary Items	933.98	(642.64)
Adjustment for Extraordinary Items	-	-
Cash Generated from Operating Activities	**933.98**	**(642.64)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(100.11)	(4.16)
(Purchase)/Sale of Investments	-	0.47
Sale of Fixed Assets	1.21	1.41
Interest Received	198.40	225.82
Loss on Sale of Fixed Asset	(1.17)	(1.44)
Profit on Sale of Investment		0.39
Cash Generated from Investment Activities	**98.34**	**222.49**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Secured Loans	(1,125.26)	972.31
Increase/(Decrease) in Unsecured Loans	1,335.39	557.68
Interest paid	(615.70)	(693.17)
Dividend and Dividend Distribution Tax Paid	(495.39)	(445.85)
Cash Generated from Financing Activities	**(900.96)**	**390.97**
Net Increase in Cash & Cash Equivalents	131.35	(29.18)
Opening Balance of Cash & Cash Equivalents (Net of Book o/d)	**(138.13)**	**(108.95)**
Closing Balance of Cash & Cash Equivalents	**(6.78)**	**(138.13)**
(i) Cash in Hand	15.24	20.31
(ii) Balance with Bank (Net of Book O/D)	(22.01)	(158.44)
Closing Balance of Cash & Cash Equivalents	**(6.78)**	**(138.13)**

In terms of our Report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Managing Director
DIN: 01965094

Nimish Shah
Whole Time Director
DIN: 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1 Corporate information

Arihant Superstructures Limited ("the Company") having CIN L51900MH1983PLC029643 is a Public Limited Company domiciled and incorporated in India and its shares are publically traded on National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India. The Company's Registered Office is located at Arihant Aura, B-Wing, 25th Floor, Plo no. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai, Maharashtra - 400705. The operation of the Company spanned in all aspect of Real Estate Development, from the identification and Acquisition of Land, planning, execution, construction and marketing of projects. The Company has its presence in the States of Rajasthan and Maharashtra.

The Financial Statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 23rd May, 2018.

2 Summary of Significant Accounting Policies

2.1 Basis of preparation of financial statements

The Financial Statements have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the provisions of the Companies Act, 2013.

For all periods up to and including the year ended 31st March 2017, the Company prepared its Financial Statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP). These Financial Statements for the year ended 31st March 2018 are the first Financial Statements of the Company which has been prepared in accordance with Ind AS. Refer to note 3 for an explanation of how the transition from previous GAAP to Ind AS has effected the Company's Financial position, Financial performance and cash flows.

The Financial Statements have been prepared on accural and going concern basis under historical cost convention except for certain Financial Assets and Liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognised.

The Financial Statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest Lakhs, except as stated otherwise.

2.2 Use of estimates and Judgements

'The preparation of the Financial Statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of Accounting Policies and the reported amounts of Assets and Liabilities, the disclosures of contingent Assets and Liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period and actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the Financial Statements. The basis of the description is as under:

1) Evalution of Percentage Of Completion for the purpose of revenue recognition:

   Determination of revenue under the Percentage Of Completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevent, the percentage of completion, cost of completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed perodically. The effect of changes, if any, to estimates is recognised in the Standalone Financial Statements for the period in which such changes are determined.

2) Useful life and residual value of Property, Plant and Equipment and Intangible Assets:

   Useful lives of Tangible Assets are based on the life prescribed in Schedule II of the Companies Act, 2013 or based on internal technical evalution. Assumption are also made when the Company assesses, whether an Asset may be capitalised and which components of the cost of the Asset may be capitalised.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

3) Recognition of Deferred Tax Asset:

The extent of which Deferred Tax Asset can be recognised is based on an assessment of the probablity of the future taxable income against which the Deferred Tax Assets can be utilised.

4) Provisions and Contingencies:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experiance and circumstances known at the Balance Sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisons.

2.3 Current versus Non-Current classification as required by Ind AS 1

The Company presents Assets and Liabilities in the Balance Sheet based on Current/Non-Current classification. The normal operating cycle, in the context of the Company, is the time between the acquisition of Land for a real estate project and its realisation in Cash and Cash Equivalents by way of sale of developed units.

An Asset is treated as Current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other Assets are classified as Non-Current.

A Liability is Current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-Current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

2.4 Property, Plant and Equipment

Freehold/Leasehold Land and Capital Work-in- progress is carried at cost. All other items of Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost of an item of Property, Plant and Equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Profit or Loss Statement during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant and Equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrting value as the deemed cost of the Property, Plant and Equipment.

Depreciation on Property, Plant and Equipment is calculated using the Straight-Line Method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of Property, Plant and Equipment are as follows:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Class of Property, Plant and Equipment	Useful life (in years)
Buildings	60
Rented Premises	Lease Period
Pant & Machinery	5-15
Furnitures & fixtures	8-10
Vehicles	5-10
Electrical Installations	10
Equipments and facilities	5
Computer Hardware	3

The useful lives have been determined based on technical evaluation done by the management's experts, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the Asset. The asset' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the Asset is included in the Statement of Profit and Loss when the Asset is derecognised.

Assets under construction includes the cost of Property, Plant and Equipment that are not ready to use at the Balance Sheet date. Advances paid to acquire Property, Plant and Equipment before the Balance Sheet date are disclosed under other Non Current Assets. asset under construction are not depreciated as these Assets are not yet available for use.

Capital Work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under developement and includes any attributable/allocable cost and incidental expenses. Revenues earned, if any, from such capital projects before capitalisation are adjusted against the Capital Work in progress.

2.5 Dividends

Provision is made for the amount of any Dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.6 Investment Properties

Investment properties are measured initially at cost, including transaction costs and borrowing costs, wherever applicable. Subsequent to initial recognition, Investment Properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Investment Properties recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment Properties.

Investment Properties are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of Investment Properties are included in Profit and Loss in the period of de-recognition.

2.7 Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and impairment loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortised on a Straight-Line Method over the useful economic life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an Intangible Asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of Intangible Assets are as follows:

Class of Intangible Assets	Useful life (in years)
Goodwill	5
Trademark and Logo	10
Software	3

Intangible Assets with indefinite useful lives are not amortised, but are tested for impairment annually.

2.8 Finance Costs

Borrowing costs that are directly attributable to the acquisition/construction of qualifying Assets or for long term project developement are capitalised as part of their cost of such land till the revenue is recognised for the project.

Other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.9 Non-current Assets held for Sale

Non-Current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current Assets classified as held for sale and their related Liabilities are presented separately in the Balance Sheet. Non-current Assets are not depreciated or amortised while they are classified as Held for Sale.

2.10 Inventories

Construction Materials and Consumables

Construction material are valued at lower of cost and net realisable value .

Land/Development Rights

Land/Development Rights are valued at lower of cost and net realisable value.

Construction Work in Progress

Completed units and project development forming part of Work in Progress are valued at lower of cost and net realisable value. Cost includes direct materials, labour, project specific direct indirect expenses.

Finished Goods

Finished goods of completed projects and Stock in trade of units is valued at lower of cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.11 Cash and Cash Equivalent

Cash and Cash Equivalent in the Balance Sheet comprise Cash at Banks and on Hand and Short- Term Deposits maturing within twelve months from the date of Balance Sheet, which are subject to an insignificant risk of changes in value.

2.12 Financial Instruments

A. Financial Instruments - Initial recognition and measurement

Financial Assets and Financial Liabilities are recognised in the Company's Statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its Financial Assets and Liabilities at initial recognition. All Financial Assets are recognised initially at fair value plus, in the case of Financial Assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

B.1. Financial Assets–Subsequent measurement

The Subsequent measurement of financial Assets depends on their classification which is as follows:

a. Financial Assets at fair value through Profit or Loss

Financial Assets at fair value through Profit and Loss include Financial Assets Held for Sale in the near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial Assets measured at amortised cost

Loans and Receivables are non derivative Financial Assets with fixed or determinable payments that are not quoted in an active market. Trade Receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor Receivables are grouped into homogenous groups and assessed for impairment collectively. Individual Trade Receivables are written off when management deems them not to be collectible.

c. Financial Assets at fair value through OCI

All Equity Investments, except Investments in Subsidiaries, Joint Ventures and Associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The Company makes an irrevocable election on an instrument by instrument basis to present in Other Comprehensive Income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the Company decides to designate an Equity Instrument at fair value through OCI , then all fair value changes on the instrument, excluding Dividends, are recognized in the OCI.

B.2. Financial Assets–Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the Assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon derecognition of Equity Instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

C. Investment in Subsidiaries, Joint Ventures and Associates

Investments made by the Company in Subsidiaries, Joint Ventures and Associates are measured at cost in the Standalone Financial Statements of the Company.

D.1. Financial liabilities–Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial Liabilities at fair value through Profit or Loss

Financial Liabilities at fair value through Profit or Loss include Financial Liabilities Held for Trading, if any.

b. Financial Liabilities measured at amortised cost

Interest bearing loans and borrowings including debentures issued by the Company are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of Profit and Loss

D.2. Financial Liabilities –Derecognition

A Financial Liability is derecognised when the obligation under the liability is discharged or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substanitally modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of new liability. The difference in the respective carrying amount is recognised in the Standalone Statement of Profit and Loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

E. Offsetting Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial Position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the Assets and settle the Liabilities simultaneously.

F. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an Asset or paid to transfer a Liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the Assets or Liability or
- In the absence of a principal market, in the most advantageous market for the Asset or Liability.

The principal or the most advantageous market must be accessible to the Company.

The Company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active market for identical Assets or Liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

2.13 Selling Costs

Selling expenses related to specific projects/units are being charged to Statement of Profit and Loss in the year in which the revenue thereof is accounted. Such costs are carried forward till such charge off as unaccrued selling expenses under the head Other Current Assets.

2.14 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, duties or other charges collected on behalf of the government/authorities.

The specific recognition criteria for the various types of the Company's activities are described below:

Revenue from Real Estate Projects

In accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), construction revenue on such Projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised based on Percentage Of Completion Method provided the following thresholds have been met:

a) All critical approvals necessary for commencement of the Project have been obtained.

b) When the stage of completion of the Project reaches a reasonable level of development. A reasonable level of development is not achieved if the expenditure incurred on construction and development costs is less than 25 % of the Construction and Development Costs.

c) Atleast 25% of the Saleable Project Area is secured by Contracts or Agreements with buyers.

d) Atleast 10 % of the Total Revenue as per the Agreements of Sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the Parties to such Contracts will comply with the payment terms as defined in the contracts.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Interest Income

Interest Income from Debt Instruments (including Fixed Deposits) is recognised using the Effective Interest Rate method. The Effective Interest Rate is that rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the gross carrying amount of a Financial Asset. While calculating the Effective Interest Rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

Delayed Payment Charges

Delayed Payment Charges claimed to expedite recoveries are accounted for on realisation.

Other Income

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

2.15 Foreign Currency Transactions

Foreign Currency Transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit or Loss.

2.16 Income Taxes

Current Tax

The Current Tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current Tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax

Deferred Tax is provided using the liability method on temporary differences between the tax bases of Assets and Liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred Tax liabilities are recognised for all taxable temporary differences. Deferred Tax Assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred Tax Assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply in the year when the Asset is realised or the Liability is settled, based on tax rates (and tax laws) that have been enacted at the Reporting date.

Deferred tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax Assets and Deferred Tax Liabilities are offset if a legally enforceable right exists to set off current tax Assets against Current Tax Liabilities.

2.17 Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognised when the Company has present determined obligations as a result of past events an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

A Contingent Liability is not recognised but disclosed in the Notes to the accounts, unless the probability of an outflow of resources is remote.

A Contingent Asset is generally neither recognised nor disclosed.

2.18 Earnings Per Share

The basic Earnings Per Share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the year attributable to the Equity Shareholders and the weighted average number of Equity Shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

2.19 Exceptional Items

Exceptional items refer to items of income or expense within Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

2.20 Impairment of Non Financial Assets

The carrying amounts of Assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company Cash Generating Unit's (CGU) to which the individual Assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the Asset in prior years.

2.21 Critical Accounting Estimates

Property, Plant and Equipment

Property, Plant and Equipment represent a proportion of the Asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an Asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's Assets are determined by management at the time the Asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar Assets as well as anticipation of future events, which may impact their life, such as changes in technology.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Intangible Assets

The Company tests whether Intangible Assets have suffered any impairment on an annual basis. The recoverable amount of a Cash Generating Unit is determined based on value in use calculations which require the use of assumptions.

Investment Property

The charge in respect of periodic depreciation on Investment Properties is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's Investment Properties are determined by management at the time the asset is acquired and reviewed periodically, including at each Financial Year end. The lives are based on historical experience with similar Assets as well as anticipation of future events, which may impact their life, such as changes in technology.

3 First time adoption of Ind AS

These separate Financial Statements of Arihant Superstructures Limited for the year ended 31st March, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with 1st April, 2016 as the transition date and Indian GAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the Financial Statements, disclosures in the Notes there to and Accounting Policies and Principles. The Accounting Policies set out in Note 2 have been applied in preparing the Separate Financial Statements for the year ended 31st March, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has effected the Company's Balance Sheet, Statement of Profit and Loss is explained in note 3.2 . Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 3.1.

3.1 Exemptions availed on first time adoption

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(a) Estimates

Ind AS 101 provides that an entity's estimates as per Ind AS 8 "Accounting Policies, Changes in Accounitng Estimates and Errors" at the date of transition shall be consistent with the estimates made for same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Accordingly, the Company has made Ind AS estimates as at the transition date i.e. 1st April, 2016 which are consistent with estimates made by it under the previous GAAP for the same date. The Company made estimates for following items in accordance with Ind AS at the date of transition since these were not required under previous GAAP :

(i) Investment in Equity Instruments designated at Fair Value through OCI ;

(ii) Investment in Debt Instruments designated at Fair Value through Statement of Profit and Loss ; and

(iii) Impairment of Financial Assets based on expected credit loss model.

(b) Business Combinaton

Ind AS 101 provides the option to apply Ind AS 103 - "Business Combinations" prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Accordingly, business combinitions occuring prior to transition date have not been restated.

(c) Deemed Cost

Ind AS 101 provides an option under Ind AS 16 "Property, Plant and Equipment", to continue with the carrying value of all its Property, Plant and Equipment as recognised in financial statements as on transition date, measured as per the previous GAAP and use that as its deemed cost after making necessary adjustments for de-commissioning liabilites

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

instead of measuring at fair value on the transition date. This exemption can also be used for Intangible Assets covered by Ind AS 38 "Intangible Assets" and Investment Properties covered by Ind AS 40 "Investment Properties."

The Company has elected to measure all of its Property, Plant and Equipment , Intangible Assets and Investment Properties as on the transition date at their previous GAAP carrying value.

(d) Investment in Subsidiaries, Joint Ventures and Associates

Ind AS 101 provides an option under Ind AS 27 "Separate Financial Statements", to continue with the previous GAAP carrying amount in respect of an entity's Investment in Subsidiaries, Joint Ventures and Associates in the entity's Separate Financial Statements.

The Company has accordingly elected to measure such Investments in Subsidiaries, Joint Ventures and Associates as on the transition date at their previous GAAP carrying value.

3.2 Reconciliations between previous GAAP and Ind AS

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101

a) Equity as at 1st April, 2016 and as at 31st March, 2017

b) Net Profit for the year ended 31st March, 2017

a) Reconcilation of Equity as at 1st April, 2016 and as at 31st March, 2017 (₹ in Lakhs)

	Notes to first time adoption	As at 31 March 2017	As at 1 April 2016
Equity under previous GAAP		11,838.51	9,176.63
Adjustments:-			
Proposed Dividend (including Tax on Dividend)	1	-	445.85
Preliminary Expenses	2	(0.18)	(0.37)
Others		-	-
Equity under IND AS		**11,838.33**	**9,622.12**

b) Reconcilation of Total Comprehensive Income for the year ended 31st March, 2017 (₹ in Lakhs)

	Notes to first time adoption	Mar-17
Profit after tax as per previous GAAP		2662.25
Adjustments:-		
Preliminary Expenses	2	(0.18)
Others		-
Total Comprehensive Income as per Ind AS		**2,662.06**

c) There are no material adjustments to the statements of Cash Flows as reported under the previous GAAP.

d) Notes to first time adoption

Note 1 : Proposed Dividend (including Tax on Dividend)

Under the previous GAAP, Dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the Financial Statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such Dividends are recognised when the same is approved by the Shareholders in General Meeting. Accordingly, the Liability for proposed Dividend (included Tax) of ₹ 445.85 Lakhs as at 1st April, 2016 included under provisions has been reversed with corresponding adjustment to Retained Earnings. Consequently, the total equity increased by an equivalent amount.

Note 2 : Preliminary Expenses

Under previous GAAP, preliminary expenses were recognised as Assets and were being charged to Profit and Loss on a periodic basis. However, under Ind AS, the same has been Adjusted with the Retained Earnings on the date of transition, since the same no longer meets the criteria of Assets leading to a decrease in the Equity.

The portion of Preliminary Expenses which had been charged to Statement of Profit and Loss during the year ended 31st March, 2017 under previous GAAP amounting to ₹ 0.18 Lakhs, has been reversed while computing the Total Comprehensive Income under Ind AS for the said period.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 4 Property, Plant & Equipment

(₹ in Lakhs)

The changes in carrying value of Property, Plant & Equipment for the Year Ended March, 31 2018

Particulars	Building	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2017	14.42	19.09	60.32	3.96	32.44	116.97	247.19
Additions	-	5.07	3.94	53.15	5.01	30.82	97.99
Deletions	-	-	-	-	-	5.45	5.45
Gross carrying value as of March 31, 2018	**14.42**	**24.15**	**64.26**	**57.10**	**37.45**	**142.34**	**339.72**
Accumulated Depreciation as of April 1, 2017	0.56	9.37	5.30	2.61	5.54	27.04	50.42
Depreciation	0.56	7.53	4.64	5.26	5.73	33.85	57.57
Accumulated depreciation on deletion	-	-	-	-	-	3.08	3.08
Accumulated Depreciation as of March 31, 2018	**1.12**	**16.89**	**9.94**	**7.88**	**11.27**	**57.82**	**104.91**
Carrying Value as of March 31, 2018	**13.30**	**7.26**	**54.32**	**49.22**	**26.18**	**84.53**	**234.81**
Carrying Value as of April 1, 2017	**13.86**	**9.72**	**55.01**	**1.34**	**26.90**	**89.93**	**196.77**

The changes in carrying value of Property, Plant & Equipment for the Year Ended March, 31 2017

Particulars	Building	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016	14.42	18.06	59.32	3.31	32.31	123.30	250.70
Additions	-	1.03	1.00	0.65	0.13	-	2.81
Deletions	-	-	-	-	-	6.32	6.32
Gross carrying value as of March 31, 2017	14.42	19.09	60.32	3.96	32.44	116.97	247.19
Accumulated Depreciation as of April 1, 2016	-	-	-	-	-	-	-
Depreciation	0.56	9.37	5.30	2.61	5.54	30.51	53.89
Accumulated depreciation on deletion	-	-	-	-	-	3.47	3.47
Accumulated Depreciation as of March 31, 2017	0.56	9.37	5.30	2.61	5.54	27.04	50.42
Carrying Value as of March 31, 2017	13.86	9.72	55.01	1.34	26.90	89.93	196.77
Carrying Value as of April 1, 2016	14.42	18.06	59.32	3.31	32.31	123.30	250.70

Note :

a) The company has availed the deemed cost exemption in relation to the Property, Plant and Equipments on the date of transition and hence the net block carrying amount has been considered as the Gross Block carrying amount as on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Particulars	Building	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross block as on April 01, 2016	16.45	31.26	90.36	33.22	51.70	248.28	471.26
Accumulated Depreciation as of April 01, 2016	2.03	13.20	31.04	29.92	19.39	124.98	220.55
Net Block treated as deemed cost upon transition	14.42	18.06	59.32	3.31	32.31	123.30	250.70

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 4a Intangible Assets (₹ in Lakhs)

The changes in carrying value of Intangible Assets for the period Ended March, 31 2018

Particulars	Software	Trademark	Total
Gross carrying value as of January 1, 2018	17.30	1.35	18.65
Additions	1.22	0.90	2.12
Deletions	-	-	-
Gross carrying value as of March 31, 2018	18.52	2.25	20.77
Accumulated Depreciation as of January 1, 2018	4.08	0.09	4.17
Depreciation	4.70	0.06	4.76
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2018	8.78	0.15	8.94
Carrying Value as of March 31, 2018	9.73	2.10	11.84
Carrying Value as of January 1, 2018	13.21	1.27	14.48

The changes in carrying value of Intangible Assets for the period Ended March, 31 2017

Particulars	Software	Trademark	Total
Gross carrying value as of January 1, 2017	17.30	-	17.30
Additions	-	1.35	1.35
Deletions	-	-	-
Gross carrying value as of March 31, 2017	17.30	1.35	18.65
Accumulated Depreciation as of January 1, 2017	-	-	-
Depreciation	4.08	0.09	4.17
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2017	4.08	0.09	4.17
Carrying Value as of March 31, 2017	13.21	1.27	14.48
Carrying Value as of January 1, 2017	17.30	-	17.30

a) The company has availed the deemed cost exemption in relation to the Intangible Assets on the date of transition and hence the Net Block carrying amount has been considered as the Gross Block carrying amount as on that date. Refer note below for the Gross Block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2016	52.73	-	52.73
Accumulated Depreciation as of April 1, 2016	35.43	-	35.43
Net Block treated as deemed cost upon transition	17.30	-	17.30

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 5 Investments (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current Investments			
(a) Investment in Properties			
Sai Mahaavir Devlopers	-	100.00	100.00
Arihant Paradise Pvt. Ltd.	150.00	205.00	400.00
	150.00	305.00	500.00
(b) Investment in Equity Instruments			
Arihant Abode Ltd.	3.00	3.00	3.00
Arihant Aashiyana Pvt Ltd	1.05	1.05	1.05
Arihant Gruhnirman Pvt Ltd	0.60	0.60	0.60
Arihant Technoinfra Pvt Ltd	0.06	0.06	0.06
Arihant Vatika Realty Pvt. Ltd	0.60	0.60	0.60
	5.31	5.31	5.31
(c) Investment in Partnership Firms			
Aksh Realty LLP	0.10	0.10	0.10
	0.10	0.10	0.10
Total Non-current Investments	155.41	310.41	505.41
Current Investments			
(a) Investment in Partnership Firms			
Aksh Realty LLP	17.07	17.07	17.20
	17.07	17.07	17.20
Total Carrying Value	**172.47**	**327.47**	**522.60**

Note 6 Loans (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current loans			
(a) Loan and advances to related parties			
(Unsecured, considered good)			
Arihant Technoinfra Pvt.Ltd.	-	900.00	900.00
Arihant Abode Ltd	-	50.00	150.00
Arihant Gruhnirman Pvt. Ltd	-	625.00	625.00
Arihant Vatika Realty Pvt Ltd	-	-	140.00
	-	1,575.00	1,815.00
Current loans			
(a) Loans and advances to related parties			
Unsecured, considered good			
Arihant Aashiyana Pvt. Ltd	57.79	87.10	94.87
Arihant Abode Ltd	768.55	44.76	101.04
Arihant Gruhnirman Pvt. Ltd	770.20	94.98	48.03
Arihant Technoinfra Pvt. Ltd	290.05	219.32	104.17
Arihant Vatika Realty Pvt. Ltd	-	34.05	281.38
(b) Loans and advances to employees	15.77	0.61	0.82
	1,902.36	480.82	630.32
Total	**1,902.36**	**2,055.82**	**2,445.32**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 7 Other Financial Assets (₹ in Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non - currrent other financial assets			
(a) Security Deposits	122.91	122.91	321.71
	122.91	122.91	321.71
Currrent other financial assets			
(a) Security deposits	14.68	4.18	4.08
(b) Advance to creditors	351.73	392.54	258.14
(c) Others			
Other Advances	4.87	5.94	5.94
	371.28	402.66	268.16
	494.19	525.56	589.86

Note 8 Inventories (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(a) Finished goods	2,292.32	3,213.99	911.05
(b) Work in Progress			
Work in Progress	14,174.08	14,302.38	14,480.81
Raw Material	539.45	326.50	405.06
Total	**17,005.85**	**17,842.87**	**15,796.92**

Note 9 Trade Receivables (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Trade Receivables			
Unsecured, considered good	3,204.85	2,595.21	748.65
Total	**3,204.85**	**2,595.21**	**748.65**

Note 10 Cash and cash equivalents (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(a) Cash in hand	10.09	16.08	24.38
(b) Foreign Currency	5.15	4.23	2.52
(c) Balances with banks			
(i) In current accounts	161.67	228.97	51.58
(ii) In escrow account	6.73	22.42	12.19
(iii) In deposit accounts			
Deposits with original maturity for more than 3 months but less than 12 months	161.69	-	-
Deposits with original maturity within 3 months	-	48.73	22.84
Total	**345.33**	**320.44**	**113.51**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 11 Current Tax Assets (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Income Tax	263.42	620.67	-
Total	**263.42**	**620.67**	**-**

Note 12 Land (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Land -Arihant Aditha	327.43	154.59	154.59
Land -Arihant Ayati	-	-	1,536.59
Land - Ghot	20.21	20.21	20.21
Land - Arshiya	3,061.53	2,734.98	2,900.41
Land - Agrima	32.48	32.48	32.48
Total	**3,441.66**	**2,942.27**	**4,644.29**

Note 13 Other Current Assets (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Prepaid expenses - Unsecured, considered good	3.39	3.30	10.09
Service Tax Credit	-	223.54	151.30
GST Credit Unavailed	398.85	-	-
Others	-	-	0.01
Entry Tax	5.10	5.10	5.10
CSR Activities	-	32.40	28.26
Advances Against Land	57.00	57.00	57.00
Total	**464.33**	**321.34**	**251.76**

Note 14 Equity (figures in Lakhs)

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Number of shares	₹	Number of shares	₹	Number of shares	₹
(a) Authorised						
6,00,00,000 Equity shares of ₹10 each.	600.00	6,000.00	600.00	6,000.00	600.00	6,000.00
1,50,00,000 Preference Shares of ₹10 each.	150.00	1,500.00	150.00	1,500.00	150.00	1,500.00
(b) Issued						
Equity shares of ₹10 each with voting rights	411.60	4,116.00	411.60	4,116.00	411.60	4,116.00
(c) Subscribed and fully paid up						
Equity shares of ₹10 each with voting rights	411.60	4,116.00	411.60	4,116.00	411.60	4,116.00
Total	**411.60**	**4,116.00**	**411.60**	**4,116.00**	**411.60**	**4,116.00**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(figures in Lakhs)

Particulars	Opening Balance	Changes	Closing Balance
Equity shares with voting rights			
Year Ended 31 March, 2018			
- Number of shares	411.60	-	411.60
- Amount (₹)	4,116.00	-	4,116.00
Year Ended 31 March, 2017			
- Number of shares	411.60	-	411.60
- Amount (₹)	4,116.00	-	4,116.00

Class of shares / Name of shareholder (holding more than 5%)	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Ashok B. Chhajer	183.09	44.48	221.70	53.86	221.51	53.82
Sangeeta A. Chhajer	60.00	14.58	21.39	5.20	21.39	5.20
Parth A. Chhajer	60.00	14.58	60.00	14.58	60.00	14.58

Note 15 Borrowings

(₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current borrowings			
(a) Other Loans and Advances			
Secured Loans			
Vehicle Loans	18.62	14.22	27.92
Term Loans			
(i) STCI Finance Ltd. - Adita	1,621.94	2,736.22	-
(ii) Federal Bank Ltd. - Ayati	-	-	1,432.99
(iii) HDFC Bank Ltd - Arshiya	2,783.06	2,942.92	3,260.13
(iv) Loan with Federal Bank	144.47	-	-
(b) Loans repayable on demand			
Unsecured Loans			
Loans From Directors			
Ashok B Chhajer	1,000.00	300.00	-
	5,568.10	5,993.36	4,721.05

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Current borrowings			
(a) Loans repayable on demand			
Unsecured Loans			
Loans From Directors			
Ashok B Chhajer	892.44	110.14	101.63
Nimesh Shah	-	-	6.70
Loan From Others			
Adinath Realty Pvt. Ltd.	-	327.68	231.08
Desert Eagle Security Services Pvt. Ltd.	650.44	573.07	504.91
Good Fly Distributors Pvt Ltd	469.30	413.48	364.30
Stone Crafts Estate Pvt. Ltd	400.05	352.46	310.54
	2,412.23	1,776.83	1,519.15
Total	**7,980.33**	**7,770.19**	**6,240.20**

Note :

1. Term Loan from STCI is secured against Land (with all the buildings and structures thereon) of the project Arihant Adita, situated at Gangana, Jodhpur, Rajasthan.

2. Vehicles loans are secured against the vehicle itself.

3. Term loan from HDFC Bank Ltd. Is secured against mortgage of 851971 sq. ft approx. of project land located at survey no. 20/1, 20/2, 20/3, 25/11, 22/4, 22/1, 21/2B, 22/2, 23/2, 25/9 and 22/3, pen road, adjacent to khalapur toll naka, dahivali, khopoli - 410203, Maharashtra.

4. Loan with Federal Bank is against Fixed Deposit.

Note 16 Trade payables (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(a)Trade payables:			
Sundry Creditors	1,284.20	1,112.50	635.75
Retention	523.18	392.58	310.73
Total	**1,807.38**	**1,505.08**	**946.47**

Note 17 Other Financial Liabilities (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Current other Financial Liabilities			
(a) Customer security deposit	21.30	20.88	21.18
(b) Other payables			
Society Maintenance	73.27	98.80	149.00
Club Corpus Fund	186.60	117.97	-
Book O/D	352.10	458.57	222.46
Salary Payable	61.13	39.28	54.05
Total	**694.40**	**735.50**	**446.68**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 18 Advances from Customers (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Bookings Received	4,424.90	4,300.46	7,586.73
Total	**4,424.90**	**4,300.46**	**7,586.73**

Note 19 Other Current liabilities (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(a) Other payables			
(i) Statutory remittances	39.14	41.68	52.48
(ii) Others			
Audit Fees Payable	6.00	5.75	-
Rent Payable	-	6.48	-
Other liabilities	4.15	3.41	6.04
Total	**49.29**	**57.32**	**58.53**

Note 20 Provisions (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Current			
Provision for Gratuity	9.45	9.45	5.29
Provision for Expenses	21.82	172.37	17.24
Total	**31.27**	**181.82**	**22.53**

Note 21 Current Tax Liabilities (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Income Tax	541.94	1,372.41	449.49
Deferred Tax	7.58	1.79	8.17
Total	**549.52**	**1,374.20**	**457.66**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 22 Revenue From Operations (₹ in Lakhs)

	Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
(a)	Sale of products (Refer Note (i) below)	10,506.41	12,879.04
	Total	**10,506.41**	**12,879.04**

	Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
(i)	Manufactured finished/unfinished products		
	Arihant Aarohi	1,945.16	3,230.40
	Arihant Adita	2,555.50	4,275.26
	Arihant Arshiya	2,144.28	2,571.73
	Arihant Aanchal	1,881.77	-
	Arihant Arham	72.68	-
	Arihant Angan	102.85	82.19
	Arihant Ayati	1,739.97	1,615.73
	Others	38.28	-
	Traded goods		
	Arihant Amodini	25.93	1,103.73
	Total - Sale of products	**10,506.41**	**12,879.04**

Note 23 Other Income (₹ in Lakhs)

	Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
(a)	Interest income		
	Others (Refer note (i) below)	198.40	225.82
(b)	Other non-operating income (Refer note (ii) below)	17.06	18.01
	Total	**215.46**	**243.84**

Note	Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
(i)	Interest income comprises:		
	Fixed Deposits	7.93	5.09
	Other balances	190.47	220.73
	Total - Interest income	198.40	225.82
(ii)	**Other non-operating income comprises:**		
	Profit on Sale of Share	-	0.39
	Share-Arihant Aksh Reality LLP	-	(0.12)
	Rent Received	3.10	0.76
	Brokerage on Flat Rent	1.70	(0.00)
	Income on Booking Cancellation	6.79	1.44
	Welfare Income	1.55	2.41
	Discount Received	3.92	4.04
	VAT Refundable	-	7.20
	Others	-	1.91
	Total - Other non-operating income	**17.06**	**18.01**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 24.a Cost of Construction, Land and Development Expenses (₹ in Lakhs)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Purchases (Refer note (i) below)	2,697.05	4,000.25
Land Cost (Refer note (ii) below)	-	2,135.89
Direct Expenses (Refer note (ii) below)	2,931.37	3,135.42
Total	5,628.42	9,271.55

Notes :

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
i) Purchases		
Arihant Aangan	52.77	21.61
Arihant Adita	568.34	1,060.17
Arihant Arohi	410.98	551.68
Arihant Ayati	609.53	655.47
Arihant Amodini	0.14	2.38
Arihant Agrima	64.06	95.70
Arihant Arshiya	409.63	1,138.48
Arihant Aanchal	574.85	474.77
Arihant Arham	1.90	-
Others	4.86	-
	2,697.05	4,000.25
ii) Land Cost		
Arihant Ayati	-	1,576.27
Arihant Aangan	-	68.40
Arihant Arshiya	-	491.21
	-	2,135.89
ii) Direct Expenses		
Arihant Arham	0.04	0.06
Arihant Adita	382.05	659.47
Arihant Arohi	481.97	507.28
Arihant Ayati	355.02	260.91
Arihant Amodini	24.49	12.51
Arihant Agrima	101.14	312.27
Arihant Arshiya	690.09	855.41
Arihant Anchal	812.61	402.89
Arihant Angan	75.27	123.83
Arihant Abhilasha	-	0.78
Others	8.71	-
	2,931.37	3,135.42

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 24.b Changes in Inventories of Finished Goods (₹ in Lakhs)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Inventories at the end of the period:		
Traded goods (Refer note (i) below)	2,292.32	3,213.99
Incomplete projects (WIP) (Refer note (ii) below)	14,174.08	14,370.78
Raw Material at site (Refer note (iii) below)	539.45	326.50
	17,005.85	17,911.27
Inventories at the beginning of the period:		
Traded goods (Refer note (iv) below)	3,213.99	911.05
Incomplete projects (WIP) (Refer note (v) below)	14,302.38	14,480.81
Raw Material at site (Refer note (vi) below)	326.50	405.06
	17,842.87	15,796.92
Net (increase) / decrease	**837.02**	**(2,114.35)**

Notes :

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Inventories at the end of the period :		
i)Traded goods		
Arihant Adita - Phase 1	525.23	841.26
Arihant Arshiya - Phase 1	1,578.95	2,203.84
Arihant Arham	188.14	168.89
	2,292.32	3,213.99
ii)Incomplete projects (WIP)		
Arihant Adita	2,603.31	2,717.37
Arihant Aanchal	1,418.32	836.45
Arihant Aangan	166.18	159.66
Arihant Arohi	1,308.08	1,576.16
Arihant Ayati	2,956.92	3,246.91
Arihant Arshiya	1,633.57	1,122.86
Arihant Agreema	4,087.69	4,711.38
	14,174.08	14,370.78
iii) Raw Material at site		
Arihant Aangan	23.62	-
Arihant Arohi	47.56	51.87
Arihant Adita	128.16	120.59
Arihant Agreema	15.80	16.14
Arihant Anchal	113.57	39.51
Arihant Arshiya	42.66	36.26
Arihant Ayati	168.07	62.12
	539.45	326.50

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Inventories at the beginning of the period :		
iv)Traded goods		
Arihant Amodini	-	742.16
Arihant Adita - Phase 1	841.26	-
Arihant Arshiya - Phase 1	2,203.84	-
Arihant Arham	168.89	168.89
	3,213.99	911.05
v)Incomplete projects (WIP)		
Arihant Adita	2,717.37	4,174.09
Arihant Aanchal	836.45	-
Arihant Aangan	159.66	-
Arihant Arohi	1,576.16	1,878.77
Arihant Ayati	3,246.91	1,815.85
Arihant Arshiya	1,122.86	2,307.24
Arihant Agreema	4,642.98	4,304.86
WIP - Land (Arshiya - Phase II)	-	-
	14,302.38	14,480.81
vi) Raw Material at Site		
Arihant Aangan	-	-
Arihant Arohi	51.87	53.98
Arihant Adita	120.59	177.88
Arihant Agreema	16.14	21.88
Arihant Anchal	39.51	-
Arihant Arshiya	36.26	73.94
Arihant Ayati	62.12	77.38
	326.50	405.06

Note 25 Employee benefits expense (₹ in Lakhs)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Salaries, wages and bonus (Refer note (i) below)	623.48	341.55
Staff welfare expenses	37.48	31.49
Contribution to provident fund	7.09	-
Total	**668.05**	**373.04**

Notes:

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Salary	523.63	264.55
Director Remuneration	99.85	77.00
Total	**623.48**	**341.55**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 26 Finance costs

(₹ in Lakhs)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
(a) Interest expense on:		
Interest on secured loans	212.89	429.67
Interest on unsecured loans	402.81	263.50
Interest on subvention	14.02	-
(b) Others		
Loan Processing fees	-	65.90
Total	**629.72**	**759.07**

Note 27 Other expenses

(₹ in Lakhs)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Selling & Distribution	605.92	334.53
Legal and Professional Fees	226.42	124.01
Rent, Rates & Taxes	39.76	24.25
CSR expenses	34.07	5.74
Compensation	211.51	67.30
Directors Sitting Fees	19.65	9.60
Audit fees (Refer Note (i) below)	6.50	5.75
Travelling Expenses	8.48	4.75
Vehicle Expenses	18.86	21.92
Administrative Expenses	119.39	76.16
Donation	1.36	2.30
Others	22.62	71.09
Total	**1,314.54**	**747.41**

Notes:

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors	6.50	5.75
Total	**6.50**	**5.75**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 28 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" presribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Arihant Abode Limited
	Arihant Aashiyana Private Limited
	Arihant Gruhnirman Private Limited
	Arihant Vatika Realty Private Limited
Key Management Personnel (KMP)	Ashok B. Chhajer
	Nimesh Shah
	Manish Mehta
	Pradeep Mehta
	Naval Singh Shekhawat
Relatives of KMP	Sangeeta A. Chhajer
Company in which KMP / Relatives of KMP can exercise significant influence	Adinath Realty Private Limited
	Arihant Technoinfra Private Limited
	Arihant Paradise Realty Pvt. Ltd

Note: Related parties have been identified by the Management.

Details of related party transactions for the year ended 31 March, 2018 (₹ in Lakhs)

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans & Advances Given	778.50	174.00	-	-	952.50
Loan & Advances Given Received	1,105.33	17.47	-	-	1,122.80
Interest Received	176.33	0.07	-	-	176.40
Loan Taken	-	3,449.00	-	94.00	3,543.00
Loan Repaid	-	2,115.05	-	443.82	2,558.86
Interest Paid (Gross)	-	164.72	-	24.59	189.32
Remuneration	-	141.14	-	-	141.14
Rent Paid	-	4.80	3.60	-	8.40
Investments	-	-	-	150.00	150.00
Purchases	-	-	-	15.69	15.69
Outstanding Loans and Receivables	1,596.54	1,912.44	1.20	290.05	3,800.23
Deposits	-	20.00	1.20	-	21.20

Note 29 Disclosures under Ind-AS 33 on "Earnings Per Share"

(₹ in Lakhs except EPS)

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders	1,034.05	2,662.06
Weighted average number of Equity Shares	411.60	411.60
Par value per share	10.00	10.00
Earnings per share from continuing operations		
Basic	2.51	6.47
Diluted	2.51	6.47

Note 30 Disclosures under Ind-AS 12 on "Income Taxes"

(₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	7.58	1.79
Tax effect of items constituting deferred tax liability	7.58	1.79
Tax effect of items constituting deferred tax assets		
Others	-	-
Tax effect of items constituting deferred tax assets	-	-
Net deferred tax (liability) / asset	(7.58)	(1.79)

Note 31 : Foreign currency transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate.

Note 32 : Contigent Liablities

Contingent Liabilities :

(i) Claims against the Company pending appellate/judicial decisions not acknowledged as debts:

(a) Income-Tax (AY 2010-11) : ₹ 4.17 Lakhs

(b) Income-Tax (AY 2011-12) : ₹ 15.35 Lakhs

(c) MVAT (FY 2009-10) : ₹ 59.78 Lakhs

(d) MVAT (FY 2010-11) : ₹ 2.02 Lakhs

(e) MVAT (FY 2011-12) : ₹ 1.78 Lakhs

(f) Service Tax : ₹ 90.95 Lakhs

(ii) Guarantees:

(a) Guarantees given to Banks & Financial Institutions for ₹ 90 cr against financial facilities availed by the subsidiary companies.

(b) Guarantees given to Banks & Financial Institutions for ₹ 16.60 cr against financial facilities availed by the group company

(c) Facilites against which Guarantee was given outstanding Fund amount is ₹ 58.21 cr.

Note 33 : Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015.

Provident fund

The Company makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms with Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015, the provident fund trust set-up by the Company is treated as a defined benefit plan since the Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognised as an expense in the period in which services are rendered by the employee.

Note 34 : Dues to Micro Enterprises and Small Enterprises

There are no parties/companies which have been identified as Micro and Small Enterprises. As at March 31,2018, there are no outstanding dues to Micro and small enterprises. There are no interest dues or outstanding on the same.

Note 35 : Segment Information

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segment as a single segment of Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the Segment Revenue, Segment Results, Segment Assets, Segment Liabilities, total cost incurred to acquire Segment Assets, depreciation charge are all as is reflected in the financial statements.

Note 36 : On the basis of physical verification of Assets, as specified in IND AS - 36 and cash generation capacity of those Assets, in the management perception there is no impairment of such Assets as appearing in the Balance Sheet as on 31.03.2018.

Note 37 : CSR Expenditure

The Company has framed CSR policy pursuant to the Companies Act, 2013. the Company has spent ₹ 30.56 Lakhs against the gross requirement of ₹ 76.34 (include ₹ 19.80 Lakhs of F.Y. 16-17) Lakhs during the year, as per provision of Companies Act 2013. Remaining amount of ₹ 45.78 Lakhs to be spent in the subsequent year.

Note 38 : Previous Year Figure's regrouping

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

In terms of our Report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Managing Director
DIN: 01965094

Nimish Shah
Whole Time Director
DIN: 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARIHANT SUPERSTRUCTURES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **ARIHANT SUPERSTRUCTURES LIMITED** (hereinafter referred to as 'the Holding Company') and its subsidiaries, (the Holding Company and its subsidiaries together referred to as 'the Group'), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Ind AS Financial Statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act'), that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated Ind AS 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 the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS 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 of the Consolidated Ind AS Financial Statements 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 Ind AS 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 Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs the Group as at March 31, 2018, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid Consolidated Ind AS Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Group.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Consolidated Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group, refer to our separate report in "Annexure A".

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 and to our best of our information and according to the explanations given to us:

   (i) The Group has disclosed the impact of pending litigations on its consolidated financial position in its Consolidated Ind AS Financial Statements;

   (ii) Provisions have been made in the Consolidated Ind AS Financial Statements, as required under applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts, including derivative contracts; and

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For Kailash Chand Jain & Co.
Chartered Accountants
FRN: 112318W

Dipesh Mehta
Partner
Membership No. 134607

Date : 23rd May, 2018
Place : Mumbai

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF ARIHANT SUPERSTRUCTURE LIMITED

Referred to in Paragraph 'f' of 'Report on Other Legal and Regulatory Requirements' section of our Report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Arihant Superstructure Limited** ('the Holding Company') and its subsidiary companies, incorporated in India, as of March 31, 2018, in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company, its subsidiary companies, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiaries incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act" or "the Companies Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiaries incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company, its subsidiaries incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its subsidiary companies, incorporated in India have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company , its subsidiary companies, incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kailash Chand Jain & Co.
Chartered Accountants
FRN: 112318W

Dipesh Mehta
Partner
Membership No. 134607

Date: 23rd May, 2018
Place: Mumbai.

CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

	Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
A	**ASSETS**				
	Non Current Assets				
	Property, Plant & Equipment	4	**968.22**	390.83	466.71
	Intangible Assets	4a	**12.54**	15.48	17.76
	Investment in Property	5	**1,765.00**	905.00	500.00
	Financial Assets				
	Investments	5	**0.16**	0.16	0.16
	Loans	6	**-**	900.00	900.00
	Other Financial Assets	7	**735.25**	180.29	352.79
			3,481.16	2,391.76	2,237.42
	Current Assets				
	Inventories	8	**36,125.66**	34,518.09	23,214.54
	Financial Assets				
	Investments	5	**17.07**	17.07	17.20
	Trade Receivable	9	**3,864.50**	3,353.30	954.76
	Cash & Cash Equivalents	10	**1,227.16**	902.72	456.59
	Loans	6	**2,980.75**	2,442.53	1,777.87
	Other Financial Assets	7	**775.61**	781.37	425.23
	Current Tax Assets	11	**489.87**	815.73	91.41
	Other Current Assets				
	Land	12	**15,668.81**	13,662.01	17,438.01
	Other Current Assets	13	**1,853.39**	1,522.38	1,494.60
			63,002.83	58,015.21	45,870.21
			66,483.99	60,406.98	48,107.63
B	**EQUITY AND LIABILITIES**				
	EQUITY				
	Equity Share Capital	14	**4,116.00**	4,116.00	4,116.00
	Other Equity		**7,641.58**	7,253.41	4,417.55
	Non Controlling Interest		**984.12**	775.85	465.92
			12,741.70	12,145.26	8,999.47
	Liabilities				
	Non Current Liabilities				
	Financial Liabilities				
	Borrowings	15	**17,445.65**	20,041.57	13,938.77
	Deferred Tax Liabilities (net)	21	**9.61**	0.67	9.30
			17,455.26	20,042.25	13,948.07
	Current Liabilities				
	Financial Liabilities				
	Borrowings	15	**10,223.43**	5,540.50	7,112.45
	Trade Payables	16	**3,712.39**	2,939.89	1,612.50
	Other Financial Liabilities	17	**1,800.24**	1,517.43	707.22
	Other Current Liablities				
	Advance from Customers	18	**18,804.83**	15,894.63	14,874.37
	Other Current Liablities	19	**339.73**	198.32	128.48
	Provisions	20	**665.39**	389.44	49.60
	Current Tax Liabilities	21	**741.03**	1,739.27	675.48
			36,287.02	28,219.47	25,160.09
			66,483.99	60,406.98	48,107.63
	See accompanying Notes forming part of the Financial Statements	1 to 38			

In terms of our Report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lakhs except EPS)

Particulars		Note No.	31st March 2018	31st March 2017
1	Income from Operations			
	(a) Revenue from Opertions	22	**18,796.41**	18,473.65
	(b) Other Income	23	**128.78**	150.97
	Total revenue		**18,925.19**	18,624.62
2	**Expenses**			
	(a) Cost of construction, land and development expenses	24.a	**12,848.10**	20,808.75
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.b	**(1,607.57)**	(11,371.96)
	(c) Employee benefits expense	25	**1,273.35**	854.43
	(d) Finance costs	26	**1,501.01**	1,013.00
	(e) Depreciation expense	4&4a	**133.62**	102.00
	(f) Other expenses	27	**2,562.20**	1,897.42
	Total expenses		**16,710.70**	13,303.65
3	**Profit / (loss) before exceptional items and tax (1 - 2)**		**2,214.49**	5,320.98
4	Exceptional Items (net)		**-**	-
5	**Profit / (loss) before tax (3 + 4)**		**2,214.49**	5,320.98
6	**Tax expense:**			
	(a) Current tax expense		**740.74**	1,737.96
	(b) Deferred tax		**8.94**	(8.63)
7	**Profit / (loss) after tax including non controlling interest (5 - 6)**		**1,464.82**	3,591.65
8	**Non Controlling Interest**		**208.26**	309.93
9	**Profit / (loss) after tax (7 - 8)**		**1,256.55**	3,281.71
10	**Other Comprehensive Income**			
	(a) Items that will not be classified to profit & loss		**-**	-
	(b) Items that will be reclassified to profit & loss		**-**	-
	Other Comprehensive Income		**-**	-
11	**Total Comprehensive Income for the period (9 + 10)**		**1,256.55**	3,281.71
12	**Earnings per share (of ₹ 10/- each):**			
	(a) Basic		**3.05**	7.97
	(b) Diluted		**3.05**	7.97
	See accompanying Notes forming part of the Financial Statements	1 to 38		

In terms of our Report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

(₹ in Lakhs)

Particulars	Equity Share Capital	Other Equity Reserves & Surplus			Other Comprehensive Income	Toal Equity Attributable to Equity Holders of the Company
		Security Premium Reserve	Capital Reserve	Retained Earnings		
Balance as of April 1, 2016	4,116.00	524.40	0.78	3,892.37	-	8,533.55
Changes in Equity for the period ended March, 31 2017						
Dividends	-	-	-	(445.85)	-	(445.85)
Profit for the period	-	-	-	3,281.71	-	3,281.71
Balance as of March, 31 2017	4,116.00	524.40	0.78	6,728.23	-	11,369.41
Balance as of April 1, 2017	4,116.00	524.40	0.78	6,728.23	-	11,369.41
Changes in Equity for the period Ended March, 31 2018						
Dividends	-	-	-	(495.39)	-	(495.39)
CSR Written off	-	-	-	(32.24)	-	(32.24)
Earlier Year Income Tax Provision	-	-	-	(340.75)	-	(340.75)
Profit for the period	-	-	-	1,256.55	-	1,256.55
Balance as of March, 31 2018	4,116.00	524.40	0.78	7,116.40	-	11,757.58

In terms of our Report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lakhs)

Particulars		31st March 2018	31st March 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax and before Extra ordinary Items	**2,214.49**	5,320.98
	Adjustment for Non Cash Items		
	Depreciation & Amortisation	**133.62**	102.00
	Interest paid	**1,486.99**	947.10
	Less :- Non Operating Income		
	Profit on Sale of Investment	**-**	(0.39)
	Loss on Sale of Car	**1.17**	1.44
	Interest Received	**(103.58)**	(124.21)
		3,732.68	6,246.92
	Changes in Working Capital:-		
	(Increase)/ Decrease in Inventories	**(1,607.57)**	(11,303.56)
	(Increase)/ Decrease in Term Loans & Advances	**361.78**	(664.66)
	(Increase)/ Decrease in Trade & Other Receivable	**(3,398.20)**	1,166.29
	Increase/ (Decrease) in Current Liabilities & Provision	**4,112.61**	3,000.41
	Cash flow from Operating Activities before Tax and Extraordinary Items	**3,201.31**	(1,554.60)
	Income Tax paid	**(1,753.84)**	(1,397.14)
	Cash flow from Operating Activities before Extraodinary Items	**1,447.47**	(2,951.74)
	Adjustment for Extraordinary Items	**-**	-
	Cash Generated from Operating Activities	**1,447.47**	(2,951.74)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets (Net)	**(710.44)**	(26.70)
	(Purchase)/Sale of Investments	**(860.00)**	(405.34)
	Sale of Fixed Assets	**1.21**	1.41
	Interest Received	**103.58**	124.21
	Loss on Sale of Fixed Asset	**-**	(1.44)
	Profit on Sale of Investment	**-**	0.39
	Cash Generated from Investment Activities	**(1,465.64)**	(307.48)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Increase/(Decrease) in Secured Loans	**(2,995.20)**	3,711.47
	Increase/(Decrease) in Unsecured Loans	**5,082.20**	819.39
	Interest paid	**(1,486.99)**	(947.10)
	Dividend and Dividend Distribution Tax Paid	**(495.39)**	(445.85)
	Cash Generated from Financing Activities	**104.63**	3,137.91
	Net Increase in Cash & Cash Equivalents	**86.45**	(121.31)
	Opening Balance of Cash & Cash Equivalents (Net of Book o/d)	**(111.53)**	9.78
	Closing Balance of Cash & Cash Equivalents	**(25.08)**	(111.53)
	(i) Cash in Hand	**38.62**	36.61
	(ii) Balance with Bank (Net of Book O/D)	**(63.70)**	(148.13)
	Closing Balance of Cash & Cash Equivalents	**(25.08)**	(111.53)

In terms of our Report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

Arihant Superstructures Limited ("the Company") having CIN L51900MH1983PLC029643 is a Public Limited Company domiciled and incorporated in India and its shares are publically traded on National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India. The Company's Registered Office is located at Arihant Aura, B-Wing, 25th Floor, Plo no. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai, Maharashtra - 400705. The operation of the Company spanned in all aspect of Real Estate Development, from the identification and Acquisition of Land, planning, execution, construction and marketing of projects. The Company has its presence in the States of Rajasthan and Maharashtra.

The Financial Statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 23rd May, 2018.

2 Summary of Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The Financial Statements (Consolidated Financial Statments) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the provisions of the Companies Act, 2013.

For all periods up to and including the year ended 31st March 2017, the Company prepared its Financial Statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP). These Financial Statements for the year ended 31st March 2018 are the first Financial Statements of the Company which has been prepared in accordance with Ind AS. Refer to note 3 for an explanation of how the transition from previous GAAP to Ind AS has effected the Company's financial position, financial performance and cash flows.

The Financial Statements have been prepared on accural and going concern basis under historical cost convention except for certain financial Assets and Liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognised.

The Financial Statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest Lakhs, except as stated otherwise.

2.2 Basis of Consolidation

i) Arihant Superstructures Limited Consolidates entities which it owns OR controls. The Consolidated Financial Statements comprises the Financial Statements of the Company, its Subsidiaries as disclosed in Note 28. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

ii) The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for Standalone Financial Statements.

iii) The Financial Statements of the Group are consolidated on a line-by-line basis and Intra Group balances and transactions, including unrealized gain/(loss) from such transactions, are eliminated upon consolidation.

iv) These Consolidated Financial Statements are prepared by applying uniform Accounting Policies in use at the group. Non-Controlling Interest which represent part of the net Profit or Loss and Net Assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

v) The amount shown in respect of Reserve comprises the amount of the relevant Reserves as per the Balance Sheet of the Parent Company and its share in the post acquisition increase in the relevant Reserve of the entity to be consolidated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

2.3 Use of estimates and Judgements

The preparation of the Financial Statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of Accounting Policies and the reported amounts of Assets and Liabilities, the disclosures of contingent Assets and Liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period and actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the Financial Statements. The basis of the description is as under:

1) Evalution of Percentage Of Completion for the purpose of revenue recognition:

   Determination of revenue under the Percentage Of Completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevent, the percentage of completion, cost of completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed perodically. The effect of changes, if any, to estimates is recognised in the Standalone Financial Statements for the period in which such changes are determined.

2) Useful life and residual value of Property, Plant and Equipment and Intangible Assets:

   Useful lives of Tangible Assets are based on the life prescribed in Schedule II of the Companies Act, 2013 or based on internal technical evalution. Assumption are also made when the Company assesses, whether an Asset may be capitalised and which components of the cost of the Asset may be capitalised.

3) Recognition of Deferred Tax Asset:

   The extent of which Deferred Tax Asset can be recognised is based on an assessment of the probablity of the future taxable income against which the Deferred Tax Assets can be utilised.

4) Provisions and Contingencies:

   The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experiance and circumstances known at the Balance Sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisons.

2.4 Current versus Non-Current classification as required by Ind AS 1

The Company presents Assets and Liabilities in the Balance Sheet based on Current/Non-Current classification. The normal operating cycle, in the context of the Company, is the time between the acquisition of Land for a real estate project and its realisation in Cash and Cash Equivalents by way of sale of developed units.

An Asset is treated as Current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other Assets are classified as Non-Current.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

A Liability is Current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-Current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

2.5 Property, Plant and Equipment

Freehold/Leasehold Land and Capital Work-in- progress is carried at cost. All other items of Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost of an item of Property, Plant and Equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Profit or Loss Statement during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant and Equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrting value as the deemed cost of the Property, Plant and Equipment.

Depreciation on Property, Plant and Equipment is calculated using the Straight-Line Method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of Property, Plant and Equipment are as follows:

Class of Property, Plant and Equipment	Useful life (in years)
Buildings	60
Rented Premises	Lease Period
Pant & Machinery	5-15
Furnitures & fixtures	8-10
Vehicles	5-10
Electrical Installations	10
Equipments and facilities	5
Computer Hardware	3

The useful lives have been determined based on technical evaluation done by the management's experts, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the Asset. The asset' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the Asset is included in the Statement of Profit and Loss when the Asset is derecognised.

Assets under construction includes the cost of Property, Plant and Equipment that are not ready to use at the Balance Sheet

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

date. Advances paid to acquire Property, Plant and Equipment before the Balance Sheet date are disclosed under other Non Current Assets. asset under construction are not depreciated as these Assets are not yet available for use.

Capital Work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under developement and includes any attributable/allocable cost and incidental expenses. Revenues earned, if any, from such capital projects before capitalisation are adjusted against the Capital Work in progress.

2.6 Dividends

Provision is made for the amount of any Dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.7 Investment Properties

Investment properties are measured initially at cost, including transaction costs and borrowing costs, wherever applicable. Subsequent to initial recognition, Investment Properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Investment Properties recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment Properties.

Investment Properties are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of Investment Properties are included in Profit and Loss in the period of de-recognition.

2.8 Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and impairment loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortised on a Straight-Line Method over the useful economic life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an Intangible Asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of Intangible Assets are as follows:

Class of Intangible Assets	Useful life (in years)
Goodwill	5
Trademark and Logo	10
Software	3

Intangible Assets with indefinite useful lives are not amortised, but are tested for impairment annually.

2.9 Finance Costs

Borrowing costs that are directly attributable to the acquisition/construction of qualifying Assets or for long term project developement are capitalised as part of their cost of such land till the revenue is recognised for the project.

Other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.10 Non-current Assets held for Sale

Non-Current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current Assets classified as held for sale and their related Liabilities are presented separately in the Balance Sheet. Non-current Assets are not depreciated or amortised while they are classified as Held for Sale.

2.11 Inventories

Construction Materials and Consumables

Construction material are valued at lower of cost and net realisable value .

Land/Development Rights

Land/Development Rights are valued at lower of cost and net realisable value.

Construction Work in Progress

Completed units and project development forming part of Work in Progress are valued at lower of cost and net realisable value. Cost includes direct materials, labour, project specific direct indirect expenses.

Finished Goods

Finished goods of completed projects and Stock in trade of units is valued at lower of cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Cash and Cash Equivalent

Cash and Cash Equivalent in the Balance Sheet comprise Cash at Banks and on Hand and Short- Term Deposits maturing within twelve months from the date of Balance Sheet, which are subject to an insignificant risk of changes in value.

2.13 Financial Instruments

A. Financial Instruments - Initial recognition and measurement

Financial Assets and Financial Liabilities are recognised in the Company's Statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its Financial Assets and Liabilities at initial recognition. All Financial Assets are recognised initially at fair value plus, in the case of Financial Assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B.1. Financial Assets–Subsequent measurement

The Subsequent measurement of financial Assets depends on their classification which is as follows:

a. Financial Assets at fair value through Profit or Loss

Financial Assets at fair value through Profit and Loss include Financial Assets Held for Sale in the near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial Assets measured at amortised cost

Loans and Receivables are non derivative Financial Assets with fixed or determinable payments that are not quoted in an active market. Trade Receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor Receivables are grouped into homogenous groups and assessed for impairment collectively. Individual Trade Receivables are written off when management deems them not to be collectible.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c. Financial Assets at fair value through OCI

All Equity Investments, except Investments in Subsidiaries, Joint Ventures and Associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The Company makes an irrevocable election on an instrument by instrument basis to present in Other Comprehensive Income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the Company decides to designate an Equity Instrument at fair value through OCI , then all fair value changes on the instrument, excluding Dividends, are recognized in the OCI.

B.2. Financial Assets–Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the Assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon derecognition of Equity Instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

C. Investment in Subsidiaries, Joint Ventures and Associates

Investments made by the Company in Subsidiaries, Joint Ventures and Associates are measured at cost in the Standalone Financial Statements of the Company.

D.1. Financial liabilities–Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial Liabilities at fair value through Profit or Loss

Financial Liabilities at fair value through Profit or Loss include Financial Liabilities Held for Trading, if any.

b. Financial Liabilities measured at amortised cost

Interest bearing loans and borrowings including debentures issued by the Company are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of Profit and Loss

D.2. Financial Liabilities –Derecognition

A Financial Liability is derecognised when the obligation under the liability is discharged or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substanitally modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of new liability. The difference in the respective carrying amount is recognised in the Standalone Statement of Profit and Loss.

E. Offsetting Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial Position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the Assets and settle the Liabilities simultaneously.

F. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an Asset or paid to transfer a Liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the Assets or Liability or
- In the absence of a principal market, in the most advantageous market for the Asset or Liability.

The principal or the most advantageous market must be accessible to the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active market for identical Assets or Liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

2.14 Selling Costs

Selling expenses related to specific projects/units are being charged to Statement of Profit and Loss in the year in which the revenue thereof is accounted. Such costs are carried forward till such charge off as unaccrued selling expenses under the head Other Current Assets.

2.15 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, duties or other charges collected on behalf of the government/authorities.

The specific recognition criteria for the various types of the Company's activities are described below:

Revenue from Real Estate Projects

In accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), construction revenue on such Projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised based on Percentage Of Completion Method provided the following thresholds have been met:

a) All critical approvals necessary for commencement of the Project have been obtained.

b) When the stage of completion of the Project reaches a reasonable level of development. A reasonable level of development is not achieved if the expenditure incurred on construction and development costs is less than 25 % of the Construction and Development Costs.

c) Atleast 25% of the Saleable Project Area is secured by Contracts or Agreements with buyers.

d) Atleast 10 % of the Total Revenue as per the Agreements of Sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the Parties to such Contracts will comply with the payment terms as defined in the contracts.

Interest Income

Interest Income from Debt Instruments (including Fixed Deposits) is recognised using the Effective Interest Rate method. The Effective Interest Rate is that rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the gross carrying amount of a Financial Asset. While calculating the Effective Interest Rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

Delayed Payment Charges

Delayed Payment Charges claimed to expedite recoveries are accounted for on realisation.

Other Income

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.16 Foreign Currency Transactions

Foreign Currency Transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit or Loss.

2.17 Income Taxes

Current Tax

The Current Tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current Tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax

Deferred Tax is provided using the liability method on temporary differences between the tax bases of Assets and Liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred Tax liabilities are recognised for all taxable temporary differences. Deferred Tax Assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred Tax Assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply in the year when the Asset is realised or the Liability is settled, based on tax rates (and tax laws) that have been enacted at the Reporting date.

Deferred tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax Assets and Deferred Tax Liabilities are offset if a legally enforceable right exists to set off current tax Assets against Current Tax Liabilities.

2.18 Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognised when the Company has present determined obligations as a result of past events an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is not recognised but disclosed in the Notes to the accounts, unless the probability of an outflow of resources is remote.

A Contingent Asset is generally neither recognised nor disclosed.

2.19 Earnings Per Share

The basic Earnings Per Share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the year attributable to the Equity Shareholders and the weighted average number of Equity Shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.20 Exceptional Items

Exceptional items refer to items of income or expense within Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

2.21 Impairment of Non Financial Assets

The carrying amounts of Assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company Cash Generating Unit's (CGU) to which the individual Assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the Asset in prior years.

2.22 Critical Accounting Estimates

Property, Plant and Equipment

Property, Plant and Equipment represent a proportion of the Asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an Asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's Assets are determined by management at the time the Asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar Assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Intangible Assets

The Company tests whether Intangible Assets have suffered any impairment on an annual basis. The recoverable amount of a Cash Generating Unit is determined based on value in use calculations which require the use of assumptions.

Investment Property

The charge in respect of periodic depreciation on Investment Properties is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's Investment Properties are determined by management at the time the asset is acquired and reviewed periodically, including at each Financial Year end. The lives are based on historical experience with similar Assets as well as anticipation of future events, which may impact their life, such as changes in technology.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3 First time adoption of Ind AS

These Consolidated Financial Statements of Arihant Superstructures Limited for the year ended 31st March, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with 1st April, 2016 as the transition date and Indian GAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the Consolidated Financial Statements, disclosures in the Notes there to and Accounting Policies and Principles. The Accounting Policies set out in Note 2 have been applied in preparing the Consolidated Financial Statements for the year ended 31st March, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has effected the Company's Balance Sheet, Statement of Profit and Loss is explained in note 3.2 . Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 3.1.

3.1 Exemptions availed on first time adoption

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(a) Estimates

Ind AS 101 provides that an entity's estimates as per Ind AS 8 "Accounting Policies, Changes in Accounitng Estimates and Errors" at the date of transition shall be consistent with the estimates made for same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Accordingly, the Company has made Ind AS estimates as at the transition date i.e. 1st April, 2016 which are consistent with estimates made by it under the previous GAAP for the same date. The Company made estimates for following items in accordance with Ind AS at the date of transition since these were not required under previous GAAP :

(i) Investment in Equity Instruments designated at Fair Value through OCI ;

(ii) Investment in Debt Instruments designated at Fair Value through Statement of Profit and Loss ; and

(iii) Impairment of Financial Assets based on expected credit loss model.

(b) Business Combinaton

Ind AS 101 provides the option to apply Ind AS 103 - "Business Combinations" prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Accordingly, business combinitions occuring prior to transition date have not been restated.

(c) Deemed Cost

Ind AS 101 provides an option under Ind AS 16 "Property, Plant and Equipment", to continue with the carrying value of all its Property, Plant and Equipment as recognised in Consolidated Financial Statements as on transition date, measured as per the previous GAAP and use that as its deemed cost after making necessary adjustments for de-commissioning liabilites instead of measuring at fair value on the transition date. This exemption can also be used for Intangible Assets covered by Ind AS 38 "Intangible Assets" and Investment Properties covered by Ind AS 40 "Investment Properties."

The Company has elected to measure all of its Property, Plant and Equipment, Intangible Assets and Investment Properties as on the transition date at their previous GAAP carrying value.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(d) Investment in Subsidiaries, Joint Ventures and Associates

Ind AS 101 provides an option under Ind AS 27 "Separate Financial Statements", to continue with the previous GAAP carrying amount in respect of an entity's investment in Subsidiaries, Joint Ventures and Associates in the entity's Separate Financial Statements.

The Company has accordingly elected to measure such Investments in Subsidiaries, Joint Ventures and Associates as on the transition date at their previous GAAP carrying value.

3.2 Reconciliations between previous GAAP and Ind AS

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101

a) Equity as at 1st April, 2016 and as at 31st March, 2017

b) Net Profit for the year ended 31st March, 2017

a) Reconcilation of Equity as at 1st April, 2016 and as at 31st March, 2017 (₹ in Lakhs)

	Notes to first time adoption	As at 31 March 2017	As at 1 April 2016
Equity under previous GAAP		11,369.59	8,088.06
Adjustments:-			
Proposed Dividend (including Tax on Dividend)	1	-	445.85
Preliminary Expenses	2	(0.18)	(0.37)
Others		-	-
Equity under IND AS		**11,369.41**	**8,533.55**

b) Reconcilation of Total Comprehensive Income for the year ended 31st March, 2017 (₹ in Lakhs)

	Notes to first time adoption	Mar-17
Profit after tax as per previous GAAP		3,281.90
Adjustments:-		
Preliminary Expenses	2	(0.18)
Others		-
Total Comprehensive Income as per Ind AS		**3,281.71**

c) There are no material adjustments to the statements of Cash Flows as reported under the previous GAAP.

d) Notes to first time adoption

Note 1 : Proposed Dividend (including Tax on Dividend)

Under the previous GAAP, Dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the Financial Statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such Dividends are recognised when the same is approved by the Shareholders in General Meeting. Accordingly, the Liability for proposed Dividend (included Tax) of ₹ 445.85 Lakhs as at 1st April, 2016 included under provisions has been reversed with corresponding adjustment to Retained Earnings. Consequently, the total Equity increased by an equivalent amount.

Note 2 : Preliminary Expenses

Under previous GAAP, preliminary expenses were recognised as Assets and were being charged to Profit and Loss on a periodic basis. However, under Ind AS, the same has been adjusted with the Retained Earnings on the date of transition, since the same no longer meets the criteria of Assets leading to a decrease in the Equity.

The portion of Preliminary Expenses which had been charged to Statement of Profit and Loss during the year ended 31st March, 2017 under previous GAAP amounting to ₹0.18 Lakhs, has been reversed while computing the Total Comprehensive Income under Ind AS for the said period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4 Property, Plant & Equipment (₹ in Lakhs)

The changes in carrying value of Property, Plant & Equipment for the Year Ended March, 31 2018

Particulars	Building	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2017	14.42	28.11	94.73	11.41	92.47	243.69	484.83
Additions	-	454.47	6.10	53.87	134.90	58.98	708.32
Deletions	-	-	-	-	-	5.45	5.45
Gross carrying value as of March 31, 2018	**14.42**	**482.58**	**100.83**	**65.28**	**227.37**	**297.22**	**1,187.70**
Accumulated Depreciation as of April 1, 2017	0.56	12.29	14.04	5.72	13.61	47.79	94.00
Depreciation	0.56	31.97	13.72	7.28	17.22	57.81	128.56
Accumulated depreciation on deletion	-	-	-	-	-	3.08	3.08
Accumulated Depreciation as of March 31, 2018	**1.12**	**44.25**	**27.75**	**12.99**	**30.83**	**102.53**	**219.48**
Carrying Value as of March 31, 2018	**13.30**	**438.32**	**73.08**	**52.29**	**196.54**	**194.69**	**968.22**
Carrying Value as of April 1, 2017	**13.86**	**15.82**	**80.70**	**5.70**	**78.86**	**195.90**	**390.83**

The changes in carrying value of Property, Plant & Equipment for the Year Ended March, 31 2017

Particulars	Building	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016	14.42	27.08	78.96	9.83	86.41	250.01	466.71
Additions	-	1.03	15.77	1.58	6.07	-	24.45
Deletions	-	-	-	-	-	6.32	6.32
Gross carrying value as of March 31, 2017	14.42	28.11	94.73	11.41	92.47	243.69	484.83
Accumulated Depreciation as of April 1, 2016	-	-	-	-	-	-	-
Depreciation	0.56	12.29	14.04	5.72	13.61	51.26	97.47
Accumulated depreciation on deletion	-	-	-	-	-	3.47	3.47
Accumulated Depreciation as of March 31, 2017	0.56	12.29	14.04	5.72	13.61	47.79	94.00
Carrying Value as of March 31, 2017	13.86	15.82	80.70	5.70	78.86	195.90	390.83
Carrying Value as of April 1, 2016	14.42	27.08	78.96	9.83	86.41	250.01	466.71

Note :

a) The company has availed the deemed cost exemption in relation to the Property, Plant and Equipments on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount as on that date. Refer note below for the Gross Block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Particulars	Building	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross block as on April 01, 2016	16.45	45.32	127.98	65.55	127.15	420.38	802.83
Accumulated Depreciation as of April 01, 2016	2.03	18.24	49.02	55.71	40.75	170.37	336.12
Net Block treated as deemed cost upon transition	14.42	27.08	78.96	9.83	86.41	250.01	466.71

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4a Intangible Assets

The changes in carrying value of Intangible Assets for the period Ended March, 31 2018

(₹ in Lakhs)

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2017	17.76	2.25	20.01
Additions	1.22	0.90	2.12
Deletions	-	-	-
Gross carrying value as of March 31, 2018	18.98	3.15	22.13
Accumulated Depreciation as of April 1, 2017	4.34	0.19	4.53
Depreciation	4.83	0.23	5.06
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2018	9.17	0.42	9.60
Carrying Value as of March 31, 2018	9.81	2.73	12.54
Carrying Value as of April 1, 2017	13.42	2.06	15.48

The changes in carrying value of Intangible Assets for the period Ended March, 31 2017

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2016	17.76	-	17.76
Additions	-	2.25	2.25
Deletions	-	-	-
Gross carrying value as of March 31, 2017	17.76	2.25	20.01
Accumulated Depreciation as of Arpil 1, 2016	-	-	-
Depreciation	4.34	0.19	4.53
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2017	4.34	0.19	4.53
Carrying Value as of March 31, 2017	13.42	2.06	15.48
Carrying Value as of April 1, 2016	17.76	-	17.76

a) The company has availed the deemed cost exemption in relation to the Intangible Assets on the date of transition and hence the Net Block carrying amount has been considered as the Gross Block carrying amount as on that date. Refer note below for the Gross Block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2016	54.01	-	54.01
Accumulated Depreciation as of April 1, 2016	36.25	-	36.25
Net Block treated as deemed cost upon transition	17.76	-	17.76

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 5 Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current Investments			
(a) Investment in Properties			
Sai Mahaavir Devlopers	**-**	100.00	100.00
Arihant Paradise Pvt. Ltd.	**1,765.00**	805.00	400.00
	1,765.00	905.00	500.00
(b) Investment in Equity Instruments			
(i) of other companies			
Arihant Technoinfra Pvt Ltd	**0.06**	0.06	0.06
(c) Investment in Partnership Firms			
Aksh Realty LLP	**0.10**	0.10	0.10
	0.16	0.16	0.16
Total Non-current Investments	**1,765.16**	905.16	500.16
Current Investments			
(a) Investment in Partnership Firms			
Aksh Realty LLP	**17.07**	17.07	17.20
	17.07	17.07	17.20
Total Carrying Value	**1,782.22**	922.22	500.31

Note 6 Loans

(₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current loans			
(a) Loan and advances to related parties			
(Unsecured, considered good)			
Arihant Technoinfra Pvt.Ltd.	**-**	900.00	900.00
	-	900.00	900.00
Current loans			
(a) Loans and advances to related parties			
Unsecured, considered good			
Arihant Technoinfra Pvt.Ltd.	**290.05**	219.32	104.17
(b) Loans and advances to employees	**25.93**	13.22	11.67
(c) Loans and advances to Others	**2,664.77**	2,209.99	1,662.03
	2,980.75	2,442.53	1,777.87
Total	**2,980.75**	3,342.53	2,677.87

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7 Other Financial Assets (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non - currrent other financial assets			
(a) Security Deposits	**735.25**	180.29	352.79
	735.25	180.29	352.79
Currrent other financial assets			
(a) Security deposits			
Unsecured, considered good	**18.19**	7.69	7.59
(b) Advance to Creditors	**716.27**	712.10	356.06
(c) Others			
Other Advances	**41.15**	61.58	61.58
	775.61	781.37	425.23
	1,510.86	961.66	778.03

Note 8 Inventories (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 1 March, 2017	As at 01 April, 2016
(a) Finished goods	**2,305.96**	3,366.29	911.05
(b) Work in Progress			
Work in Progress	**33,099.38**	30,473.43	20,556.10
Raw Material	**720.32**	678.37	1,747.39
Total	**36,125.66**	34,518.09	23,214.54

Note 9 Trade Receivables (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 1 March, 2017	As at 01 April, 2016
Trade Receivables			
Unsecured, considered good	**3,864.50**	3,353.30	954.76
Total	**3,864.50**	3,353.30	954.76

Note 10 Cash and cash equivalents (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(a) Cash in hand	**31.64**	29.54	52.61
(b) Foreign Currency	**6.98**	7.07	2.52
(c) Balances with banks			
(i) In current accounts	**586.00**	370.73	167.42
(ii) In escrow account	**6.73**	191.35	12.19
(iii) In deposit accounts			
Deposits with original maturity for more than 3 months but less than 12 months	**499.42**	129.75	87.41
Deposits with original maturity within 3 months	**96.40**	174.28	134.44
Total	**1,227.16**	902.72	456.59

Note 11 Current Tax Assets (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Income Tax	**489.87**	815.73	91.41
Total	**489.87**	815.73	91.41

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 12 Land (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Land - Arihant Aditha	**327.43**	154.59	154.59
Land - Arihant Ayati	**-**	-	1,536.59
Land - Ghot	**20.21**	20.21	20.21
Land - Arshiya	**3,061.53**	2,734.98	2,900.41
Land - Agrima	**32.48**	32.48	32.48
Land - Palaspe	**7,463.96**	6,319.68	5,461.56
Land - Aalishan	**439.39**	420.35	420.05
Land - Ghot Taloja	**139.00**	139.00	139.00
Land - (Juveli- Tal. Ambernath)	**-**	74.16	74.16
Land - Koynavele,Panvel	**2,123.40**	1,841.29	3,208.98
Land - Arihant Aloki	**787.52**	918.11	778.36
Land - Arihant Amisha	**1,140.71**	962.05	829.73
Land - Anshula	**133.17**	45.10	1,881.88
Total	**15,668.81**	13,662.01	17,438.01

Note 13 Other Current Assets (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Prepaid expenses - Unsecured, considered good	**5.36**	10.58	25.62
Entry Tax	**5.10**	5.10	5.10
CSR Activities	**-**	32.40	28.26
GST Credit Unavailed	**605.17**	259.47	249.23
Advances Against Land	**1,237.76**	1,214.49	1,186.38
Other Receivables	**-**	0.34	0.02
Total	**1,853.39**	1,522.38	1,494.60

Note 14 Equity (figures in Lakhs)

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Number of shares	₹	Number of shares	₹	Number of shares	₹
(a) Authorised						
6,00,00,000 Equity shares of ₹10 each.	**600.00**	**6,000.00**	600.00	6,000.00	600.00	6,000.00
1,50,00,000 Preference Shares of ₹10 each.	**150.00**	**1,500.00**	150.00	1,500.00	150.00	1,500.00
(b) Issued						
Equity shares of ₹10 each with voting rights	**411.60**	**4,116.00**	411.60	4,116.00	411.60	4,116.00
(c) Subscribed and fully paid up						
Equity shares of ₹10 each with voting rights	**411.60**	**4,116.00**	411.60	4,116.00	411.60	4,116.00
Total	**411.60**	**4,116.00**	411.60	4,116.00	411.60	4,116.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(figures in Lakhs)

Particulars	Opening Balance	Changes	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2018			
- Number of shares	411.60	-	411.60
- Amount (₹)	4,116.00	-	4,116.00
Year ended 31 March, 2017			
- Number of shares	411.60	-	411.60
- Amount (₹)	4,116.00	-	4,116.00

Class of shares / Name of shareholder (holding more than 5%)	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Ashok B. Chhajer	183.09	44.48	221.70	53.86	221.51	53.82
Sangeeta A. Chhajer	60.00	14.58	21.39	5.20	21.39	5.20
Parth A. Chhajer	60.00	14.58	60.00	14.58	60.00	14.58

Note 15 Borrowings

(₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current borrowings			
(a) Other Loans and Advances			
Secured Loans			
Vehicle Loans	**59.29**	46.25	94.00
Non Convertible Debenture - 17%			
Capri Global Capital Ltd.	**2,307.96**	3,998.64	2,000.00
Construction Finance			
STCI Finance Ltd. - Adita	**1,621.94**	2,736.22	-
Federal Bank Ltd. - Ayati	**-**	-	1,432.99
HDFC Bank Ltd - Arshiya	**2,783.06**	2,942.92	3,260.13
ICICI Bank - Anshula	**1,960.82**	3,040.10	2,274.15
Loan with Federal Bank	**144.47**	-	-
Capri Global Capital	**900.00**	-	-
Unsecured Loans			
Loans From Relatives	**7,668.11**	7,077.44	4,877.50
Loan From Others	**-**	200.00	-
	17,445.65	20,041.57	13,938.77
Current borrowings			
(a) Loans repayable on demand			
(i) Secured Loans			
Vehicle Loan	**-**	8.61	-
(ii) Unsecured Loans			
Loans From Relatives	**8,594.65**	3,865.20	5,501.62
Loan From Others	**1,628.78**	1,666.70	1,610.83
	10,223.43	5,540.50	7,112.45
Total	**27,669.08**	25,582.08	21,051.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note :

1. Construction Finance from STCI is secured against Land (with all the buildings and structures thereon) Arihant Adita, Gangana, Jodhpur, Rajasthan.
2. Vehicles loans are secured against the vehicle itself.
3. Construction Finance from HDFC Bank Ltd. Is secured against mortgage of 851971 sq. ft approx. of project land located at survey no. 20/1, 20/2, 20/3, 25/11, 22/4, 22/1, 21/2B, 22/2, 23/2, 25/9 and 22/3, pen road, adjacent to khalapur toll naka, dahivali, khopoli - 410203, Maharashtra.
4. Loan with Federal Bank is against Fixed Deposit.
5. 17% Non - Convertible Debenture is secured against land (with all the buildings and structures thereon) Project Anaika situated Koyanavile, Maharashtra.
6. Construction Finance from Capria Global Ltd is secured against land (with all the buildings and structures thereon) Project Anaika situated Koyanavile, Maharashtra.
7. Construction Finance from ICICI Bank is secured against land (with all the buildings and structures thereon) at Village Ghot, Taluka Panvel, Dsitrict Raigad.

Note 16 Trade payables (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Trade payables:			
Sundry Creditors	**2,827.33**	2,347.81	1,204.49
Retention	**885.06**	592.08	408.01
Total	**3,712.39**	2,939.89	1,612.50

Note 17 Other Financial Liabilities (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Current other Financial Liabilities			
(a) Customer security deposit	**21.30**	20.88	21.18
(b) Other payables			
Society Maintenance	**220.27**	265.80	149.00
Club Corpus Fund	**186.60**	117.97	-
Bank O/D	**1,252.24**	1,014.25	446.81
Salary Payable	**119.83**	98.53	90.24
Total	**1,800.24**	1,517.43	707.22

Note 18 Advances from Customers (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Bookings Received	**18,804.83**	15,894.63	14,874.37
Total	**18,804.83**	15,894.63	14,874.37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 19 Other Current Liabilities (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
(a) Other payables			
(i) Statutory remittances	**327.91**	181.33	120.59
(ii) Others			
Audit Fees Payable	**7.35**	7.10	1.35
Rent Payable	**-**	6.48	0.31
Other liabilities	**4.47**	3.41	6.23
Total	**339.73**	198.32	128.48

Note 20 Provisions (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Current			
Provision for Gratuity	**11.33**	11.33	7.16
Provision for Expenses	**654.06**	378.11	42.43
Total	**665.39**	389.44	49.60

Note 21 Current Tax Liabilities (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Income Tax	**741.03**	1,739.27	675.48
Deferred Tax	**9.61**	0.67	9.30
Total	**750.63**	1,739.94	684.78

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 22 Revenue From Operations (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Sale of products	**18,796.41**	18,473.65
Total	**18,796.41**	18,473.65

Note	Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(i)	Manufactured finished/unfinished products		
	Arihant Aarohi	**1,945.16**	3,230.40
	Arihant Adita	**2,555.50**	4,275.26
	Arihant Arshiya	**2,144.28**	2,571.73
	Arihant Aanchal	**1,881.77**	-
	Arihant Angan	**102.85**	82.19
	Arihant Ayati	**1,739.97**	1,615.73
	Arihant Anaika	**3,085.05**	1,035.65
	Arihant Anmol	**1,047.10**	1,530.90
	Arihant Arham	**72.68**	-
	Arihant Amisha	**290.96**	1,016.30
	Arihant Anshula	**2,563.60**	2,011.77
	Arihant Aloki	**1,303.30**	-
	Others	**38.28**	-
	Traded goods		
	Arihant Amodini	**25.93**	1,103.73
	Total - Sale of products	**18,796.41**	18,473.65

Note 23 Other Income (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(a) Interest income		
Others (Refer note (i) below)	**103.58**	124.21
(b) Other non-operating income (Refer note (ii) below)	**25.20**	26.76
Total	**128.78**	150.97

Note	Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(i)	Interest income comprises:		
	Fixed Deposits	**31.73**	30.83
	Other balances	**71.85**	93.38
	Total - Interest income	**103.58**	124.21
(ii)	Other non-operating income comprises:		
	Profit on Sale of Share	**-**	0.39
	Share Profit-Arihant Aksh Reality LLP	**-**	(0.12)
	Rent Received	**3.10**	0.76
	Brokerage on Flat Rent	**1.70**	(0.00)
	Welfare fund	**1.55**	2.41
	Income on Booking Cancellation	**11.84**	1.87
	VAT Refundable	**(0.51)**	10.24
	Discount Received	**7.52**	8.88
	Miscellaneous Income	**0.00**	2.34
	Total - Other non-operating income	**25.20**	26.76

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 24.a Cost of Construction, Land and Development Expenses (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Purchases	**4,460.94**	7,775.78
Land Cost	**334.75**	6,232.48
Direct Expenses	**8,052.41**	6,800.48
Total	**12,848.10**	20,808.75

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
i) Purchases		
Arihant Aangan	**52.77**	21.61
Arihant Adita	**568.34**	1,060.17
Arihant Arohi	**410.98**	551.68
Arihant Ayati	**609.53**	655.47
Arihant Amodini	**0.14**	2.38
Arihant Agrima	**64.06**	95.70
Arihant Arshiya	**409.63**	1,138.48
Arihant Aanchal	**574.85**	474.77
Arihant Anaika	**312.39**	486.93
Arihant Anmol	**(2.97)**	601.40
Arihant Aalishan	**408.28**	924.75
Arihant Arham	**1.90**	-
Arihant Aspire	**11.91**	29.37
Arihant Anshula	**725.22**	1,124.50
Arihant Aloki	**203.60**	268.19
Arihant Anamika	**1.56**	-
Arihant Office	**4.86**	-
Arihant Amisha	**103.91**	340.39
	4,460.94	7,775.78
ii) Land Cost		
Arihant Ayati	**-**	1,576.27
Arihant Aangan	**-**	68.40
Arihant Arshiya	**-**	491.21
Arihant Anmol	**136.26**	-
Arihant Anaika	**-**	1,984.03
Arihant Anshula	**(88.07)**	2,112.57
Arihant Aloki	**286.56**	-
	334.75	6,232.48

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
iii) Direct Expenses		
Arihant Arham	**0.04**	0.06
Arihant Adita	**382.05**	659.47
Arihant Arohi	**481.97**	507.28
Arihant Ayati	**355.02**	260.91
Arihant Amodini	**24.49**	12.51
Arihant Agrima	**101.14**	312.27
Arihant Arshiya Phase I	**690.09**	855.41
Arihant Anchal	**812.61**	402.89
Arihant Angan	**75.27**	123.83
Arihant Aspire	**2,013.81**	151.48
Arihant Abhilasha	**-**	0.78
Arihant Anamika	**1.95**	3.94
Arihant Anika	**673.59**	500.41
Arihant Anmol	**459.03**	473.07
Arihant Aalishan	**575.00**	673.52
Arihant Office	**8.71**	-
Arihant Aloki	**243.79**	438.52
Arihant Amisha	**204.12**	358.32
Arihant Anshula	**949.74**	1,065.80
	8,052.41	6,800.48

Note 24.b Changes in Inventories of Finished Goods (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Inventories at the end of the year:		
Traded goods (Refer note (i) below)	**2,305.96**	3,366.29
Incomplete projects (WIP) (Refer note (ii) below)	**33,099.38**	30,541.83
Raw Material at site (Refer note (iii) below)	**720.32**	678.37
	36,125.66	34,586.49
Inventories at the beginning of the year:		
Traded goods (Refer note (iv) below)	**3,366.29**	911.05
Incomplete projects (WIP) (Refer note (v) below)	**30,473.43**	21,658.72
Raw Material at site (Refer note (vi) below)	**678.37**	644.77
	34,518.09	23,214.54
Net (increase) / decrease	**(1,607.57)**	(11,371.96)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Notes :

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Inventories at the end of the year :		
i) Traded goods		
Arihant Adita - Phase 1	**525.23**	841.26
Arihant Arshiya - Phase 1	**1,578.95**	2,203.84
Arihant Arham	**188.14**	168.89
Anmol-Phase-1	**13.63**	138.81
Anmol-Phase-2	**-**	13.50
	2,305.96	3,366.29
ii) Incomplete projects (WIP)		
Arihant Adita	**2,603.31**	2,717.37
Arihant Aanchal	**1,418.32**	836.45
Arihant Aangan	**166.18**	159.66
Arihant Arohi	**1,308.08**	1,576.16
Arihant Ayati	**2,956.92**	3,246.91
Arihant Arshiya	**1,633.57**	1,122.86
Arihant Agreema	**4,087.69**	4,711.38
Arihant Anamika	**14.12**	9.88
Arihant Aspire	**4,792.99**	2,316.08
Arihant Anaika	**1,875.13**	2,793.37
Arihant Anmol	**581.29**	408.52
Arihant Aalishan	**3,229.06**	2,084.10
Arihant Aloki	**1,812.74**	2,127.85
Arihant Amisha	**1,583.10**	1,598.09
Arihant Anshula	**5,036.86**	4,833.15
	33,099.38	30,541.83
iii) Raw Material at site		
Arihant Aangan	**23.62**	-
Arihant Arohi	**47.56**	51.87
Arihant Adita	**128.16**	120.59
Arihant Agreema	**15.80**	16.14
Arihant Anchal	**113.57**	39.51
Arihant Arshiya	**42.66**	36.26
Arihant Ayati	**168.07**	62.12
Arihant Anaika	**8.99**	41.67
Arihant Anmol	**36.52**	72.77
Arihant Aalishan	**48.67**	103.00
Arihant Aloki	**31.37**	39.62
Arihant Amisha	**11.34**	18.85
Arihant Anshula	**43.98**	75.94
	720.32	678.37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Notes :

	Particulars	Year ended 31st March 2018	Year ended 31st March 2017
	Inventories at the beginning of the year :		
iv)	Traded goods		
	Arihant Amodini	**-**	742.16
	Arihant Adita - Phase 1	**841.26**	-
	Arihant Arshiya - Phase 1	**2,203.84**	-
	Arihant Arham	**168.89**	168.89
	Arihant Anmol-Phase-1	**138.81**	-
	Arihant Anmol-Phase-2	**13.50**	-
		3,366.29	911.05
v)	Incomplete projects (WIP)		
	Arihant Adita	**2,717.37**	4,174.09
	Arihant Aanchal	**836.45**	-
	Arihant Aangan	**159.66**	-
	Arihant Arohi	**1,576.16**	1,878.77
	Arihant Ayati	**3,246.91**	1,815.85
	Arihant Arshiya	**1,122.86**	2,307.24
	Arihant Agreema	**4,642.98**	4,304.86
	Arihant Anamika	**9.88**	5.94
	Arihant Anaika	**2,793.37**	382.40
	Arihant Aspire	**2,316.08**	1,992.17
	Arihant Anmol	**408.52**	533.33
	Arihant Aalishan	**2,084.10**	291.79
	Arihant Aloki	**2,127.85**	1,233.46
	Arihant Amisha	**1,598.09**	1,353.62
	Arihant Anshula	**4,833.15**	1,385.18
		30,473.43	21,658.72
vi)	Raw Material at Site		
	Arihant Arohi	**51.87**	53.98
	Arihant Adita	**120.59**	177.88
	Arihant Agreema	**16.14**	21.88
	Arihant Anchal	**39.51**	-
	Arihant Arshiya	**36.26**	73.94
	Arihant Ayati	**62.12**	77.38
	Arihant Anaika	**41.67**	20.80
	Arihant Anmol	**72.77**	84.11
	Arihant Aalishan	**103.00**	-
	Arihant Aloki	**39.62**	10.69
	Arihant Amisha	**18.85**	47.76
	Arihant Anshula	**75.94**	76.36
		678.37	644.77

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 25 Employee benefits expense (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Salaries, wages and bonus (Refer note (i) below)	**1,170.89**	797.20
Staff welfare expenses	**87.79**	57.23
Contribution to provident fund	**14.68**	-
Total	**1,273.35**	854.43

Notes: (i)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Salary	**1,047.03**	696.20
Director Remuneration	**123.85**	101.00
Total	**1,170.89**	797.20

Note 26 Finance costs (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(a) Interest expense on:		
Interest on secured loans	**999.25**	624.04
Interest on unsecured loans	**487.74**	323.06
Interest on subvention	**14.02**	-
(b) Others		
Loan Processing fees	**-**	65.90
Total	**1,501.01**	1,013.00

Note 27 Other expenses (₹ in Lakhs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Selling & Distribution	**1,507.23**	1,122.68
Legal and Professional Fees	**337.28**	263.94
Rent, Rates & Taxes	**125.06**	111.65
CSR expenses	**34.07**	5.74
Compensation	**247.90**	76.65
Donation	**1.36**	7.30
Directors Sitting Fees	**21.75**	11.80
Audit fees (Refer Note (i) below)	**8.00**	7.10
ROC Fees	**0.27**	0.44
Vehicle Expenses	**23.70**	21.92
Administrative Expenses	**221.98**	179.93
Others	**33.59**	88.26
Total	**2,562.20**	1,897.42

Notes:

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors	8.00	7.10
Total	**8.00**	**7.10**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 28 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" presribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Arihant Abode Limited Arihant Aashiyana Private Limited Arihant Gruhnirman Private Limited Arihant Vatika Realty Private Limited
Key Management Personnel (KMP)	Ashok B. Chhajer Nimesh Shah Manish Mehta Pradeep Mehta Naval Singh Shekhawat
Relatives of KMP	Sangeeta A. Chhajer Parth A Chhajer Bhavik A Chhajer
Company in which KMP / Relatives of KMP can exercise significant influence	Adinath Realty Private Limited Arihant Technoinfra Private Limited Arihant Universal Realty Private Limited Arihant Paradise Realty Pvt. Ltd

Note: Related parties have been identified by the Management.

Details of related party transactions for the year ended 31 March, 2018 (₹ in Lakhs)

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans & Advances Given	-	174.00	-	23.50	197.50
Loan & Advances Given Received	-	17.47	-	900.00	917.47
Interest Received	-	0.07	-	52.48	52.55
Loan Taken	-	12,452.20	2,643.00	2,598.00	17,693.20
Loan Repaid	-	10,589.49	1,274.82	3,403.00	15,267.31
Interest Paid (Gross)	-	956.86	287.48	58.14	1,302.48
Remuneration	-	141.14	24.00	-	165.14
Rent Paid	-	11.34	51.60	-	62.94
Investments in Properties	-	-	-	1,765.00	1,765.00
Purchases	-	-	-	15.69	15.69
Outstanding Loans and Receivables	-	8,287.02	2,993.99	290.05	11,571.06
Deposits	-	20.00	13.20	-	33.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 29 Disclosures under Ind-AS 33 on "Earnings Per Share" (₹ in Lakhs except EPS)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders	1,256.55	3,281.71
Weighted average number of Equity Shares	411.60	411.60
Par value per share	10.00	10.00
Earnings per share from continuing operations		
Basic	3.05	7.97
Diluted	3.05	7.97

Note 30 Disclosures under Ind-AS 12 on "Income Taxes" (₹ in Lakhs)

Particulars	As at 31 March, 2018	As at 31 March, 2017
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	9.61	0.67
Tax effect of items constituting deferred tax liability	9.61	0.67
Tax effect of items constituting deferred tax assets		
Others	-	-
Tax effect of items constituting deferred tax assets	-	-
Net deferred tax (liability) / asset	(9.61)	(0.67)

Note 31 Foreign currency transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate.

Note 32 : Contigent Liablities :

Contingent Liabilities :

(i) Claims against the Company pending appellate/judicial decisions not acknowledged as debts:

(a) Income-Tax (AY 2010-11) : ₹ 4.17 Lakhs

(b) Income-Tax (AY 2011-12) : ₹ 15.35 Lakhs

(c) MVAT (FY 2009-10) : ₹ 59.78 Lakhs

(d) MVAT (FY 2010-11) : ₹ 2.02 Lakhs

(e) MVAT (FY 2011-12) : ₹ 1.78 Lakhs

(f) Service Tax : ₹ 90.95 Lakhs

(ii) Guarantees:

a) Guarantees given to Banks & Financial Institutions for ₹ 16.60 cr against financial facilities availed by the group company

(b) Facilites against which Guarantee was given outstanding Fund amount is ₹ 5.74 cr.

Note 33 : Dues to Micro Enterprises and Small Enterprises

There are no parties/companies which have been identified as Micro and Small Enterprises. As at March 31,2018, there are no outstanding dues to Micro and small enterprises. There are no interest dues or outstanding on the same.

Note 34 Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015.

Provident fund

The Company makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms with Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015, the provident fund trust set-up by the Company is treated as a defined benefit plan since the Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognised as an expense in the period in which services are rendered by the employee.

Note 35 : Segment Information :

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segment as a single segment of Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

Note 36 : On the basis of physical verification of Assets, as specified in IND AS - 36 and cash generation capacity of those Assets, in the management perception there is no impairment of such Assets as appearing in the Balance Sheet as on 31.03.2018.

Note 37 : CSR Expenditure

The Company has framed CSR policy pursuant to the Companies Act, 2013. the Company has spent ₹ 30.56 Lakhs against the gross requirement of ₹ 84.06 Lakhs (include ₹ 19.80 Lakhs of F.Y. 16-17) during the year, as per provision of Companies Act 2013. Remaining amount of ₹ 53.50 Lakhs to be spent in the subsequent year.

Note 38 : Previous Year Figure's regrouping:

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

In terms of our Report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

Particulars of Subsidiaries as at 31st March 2018 pursuant to first proviso to sub section (3) of section 129 of the Companies Act 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 - AOC - 1.

(₹ in Lakhs)

Sr. No.	Particulars	Name of Subsidiary			
		Arihant Abode Limited	Arihant Vatika Realty Pvt. Ltd.	Arihant Gruhnirman Pvt. Ltd.	Arihant Aashiyana Pvt. Ltd.
		As on 31st March, 2018	As on 31st March, 2018	As on 31st March, 2018	As on 31st March, 2018
1	Capital	5.00	1.00	1.00	1.00
2	Reserves	10.01	1,484.06	(17.58)	959.22
3	Total Assets	14,594.63	14,493.44	1,203.09	11,958.99
4	Total Liabilities	14,594.63	14,493.44	1,203.09	11,958.99
5	Details of Investment	-	-	-	-
6	Turnover / Other Income	2.31	4,149.19	-	4,175.14
7	Profit / (Loss) before Taxation	1.08	479.59	-	241.93
8	Provision for Taxation/ (Deferred Tax)	(1.10)	139.05	-	63.99
9	Profit / (Loss) after Taxation	2.18	340.54	-	177.94
10	Proposed Dividend	-	-	-	-

In terms of our Report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

Statement in accordance with the first proviso to sub section (3) of section 129 of the Companies Act 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 - AOC - 1.

(₹ in Lakhs)

Sr. No.	Particulars	Name of Subsidiary			
		Arihant Abode Limited	Arihant Vatika Realty Pvt. Ltd.	Arihant Gruhnirman Pvt. Ltd.	Arihant Aashiyana Pvt. Ltd.
1	Date from which they became Subsidiary Company	26-03-2010	26-03-2010	29-11-2011	17-09-2012
2	Financial Year of the Subsidiary ended on	31-03-2018	31-03-2018	31-03-2018	31-03-2018
3	Extent of interest of the Holding Company in Subsidiary Company at the end of the financial year				
(i)	Numbers of share held	0.30	0.06	0.06	0.06
(ii)	Extent of holding	60%	60%	60%	60%
4	Net aggregate amount of profit / losses so far as it concerns to the members of the Holding Company				
(i)	not dealt with in the Companies Account				
	a) for the financial year ended 31/03/2017.	0.87	136.22	-	71.17
	b) for the previous financial year since it became a subsidiary	3.13	457.41	(0.40)	312.52
(ii)	dealt with in the Companies Account				
	a) for the financial year ended 31/03/2017.	-	-	-	-
	b) for the previous financial year since it became a subsidiary	-	-	-	-

In terms of our Report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 23 May, 2018

For and on behalf of the Board of Directors

Ashok Chhajer
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Whole Time Director
DIN- 03036904

Naval Singh Shekhawat
Company Secretary

Pradeep Mehta
Chief Financial Officer

Notes

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

CIN: L51900MH1983PLC029643
Registered Office: Arihant Aura, 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai - 400705 Maharashtra, India,
Tel. No.: 022 - 62493333, **E-mail:** info@asl.net.in, investor@asl.net.in, **Website:** www.asl.net.in

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]

Name of the Shareholder (s):	
Registered Address:	
E-Mail Id:	
Folio No/Client Id:	
DP ID (if any required):	

I/We, being the Member(s) 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 35th Annual General Meeting of the Company be held at 10:30 A.M. on Friday, 28th September 2018 at Arihant Aura, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai - 400705 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1	Adoption of Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March, 2018.		
2	Declaration of Final Dividend of ₹ 0.50/- per Equity Share for the Financial Year ended 31st March, 2018.		
3	To appoint a Director in place of Mr. Nimish Shah (DIN: 03036904), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.		
4	Re-appointment of Statutory Auditors of the Company and to fix their Remuneration in this regard.		
5	Re-appointment of Mrs.Vijayalakshmi R. Iyer (DIN: 05242960) as an Independent Woman Director of the Company.		
6	Re-appointment of Mr. Ashok Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company.		

Signed this…… day of September, 2018

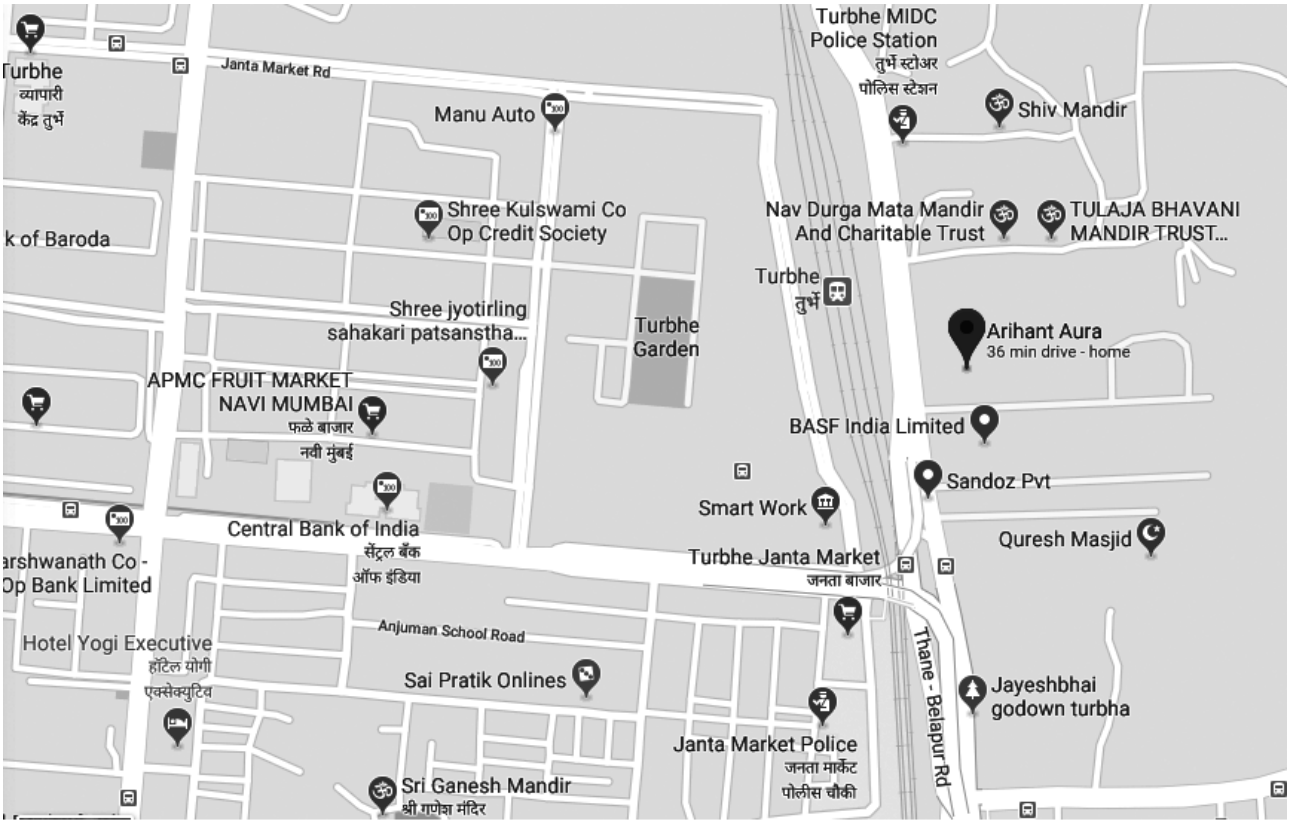
Affix
₹ 1
Revenue
Stamp

Signature of Proxy Holder(s) Signature of Member

NOTES:

1. Please put tick (✓) in the appropriate column against the respective Resolutions. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Arihant Aura, 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai - 400705 not less than 48 hours before the commencement of the Meeting.

Route Map to the Venue of the AGM



www.asl.net.in

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

Registered Office: Arihant Aura, 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe Navi Mumbai - 400705 Maharashtra, India,
Tel. No.: 022 - 62493333, **E-mail:** info@ asl.net.in | investor@asl.net.in, **Website:** www.asl.net.in