



CONTINUING STABILITY

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

06th August, 2021

Corporate Relations Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 506194 Class of Security: Equity	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 Symbol: ARIHANTSUP Series: EQ
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Sub.: Compliance under Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

With reference to the above captioned subject and Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following, which are being sent to the Members of the Company:

1. Notice of the Thirty Eighth (38th) Annual General Meeting of Arihant Superstructures Limited ('the Company') will be held through **Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")**, at 04.00 P.M. on Saturday, 28th August, 2021.
2. The Annual Report of the Company for the Financial Year ended 31st March, 2021. Further the Annual Report of the Company contains the Notice of the Annual General Meeting of the Company from page no. 41 to page no. 59.

The Annual Report is also available on the Company's website www.asl.net.in.

Kindly take the above on your records and inform the Stakeholders accordingly.

Thanking you,

Yours faithfully,

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


Govind Rao
Company Secretary



L51900MH1983PLC029643

Arihant Aura, B-Wing, 25th Floor, Plot No 13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai, Maharashtra - 400705

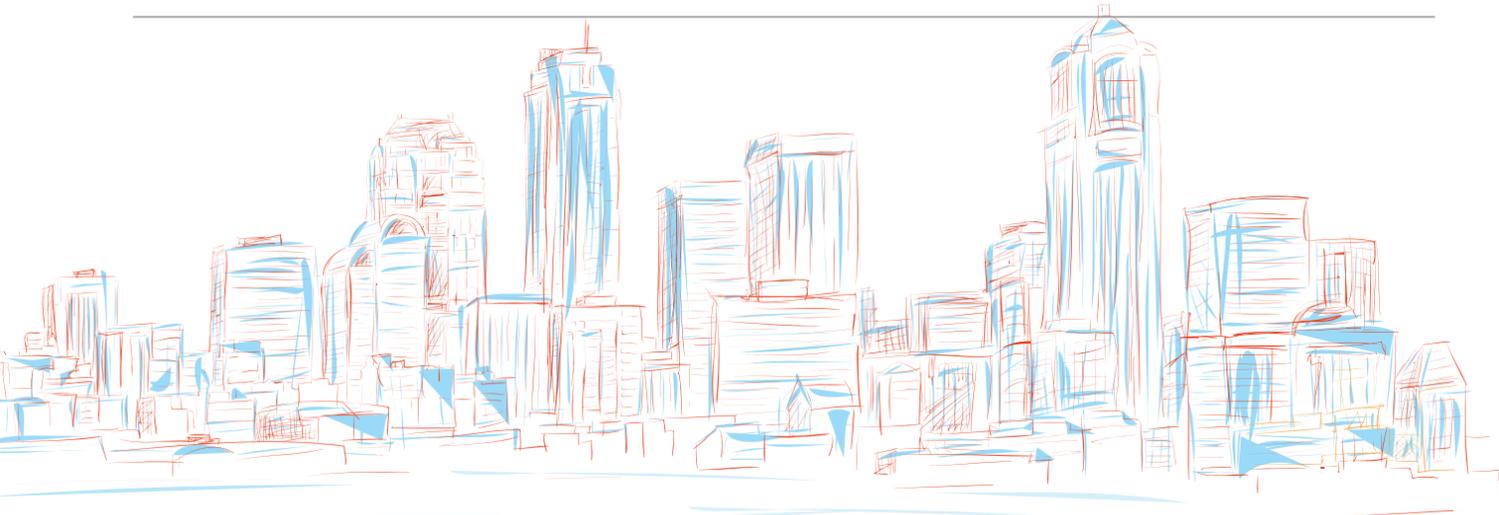
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RESILIENCE PERFORMANCE GROWTH

ANNUAL REPORT 2020-21



Disclaimer

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make certain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Content

COMPANY OVERVIEW	
Chairman's Speech	2
Corporate Snapshot	4
Financial Highlights	8
Resilience, Performance, Growth	10
Key Projects	14
Management Discussion and Analysis	27
Corporate Information	40
STATUTORY REPORTS	
Notice and Explanatory Statement	41
Director's Report and Annexure	60
Report on Corporate Governance	83
FINANCIAL STATEMENT	
Standalone Financial Statement	105
Consolidated Financial Statements	147



This Annual Report can be downloaded from our website at

https://www.asl.net.in/pdf/corporate-governance/annual-report/Arihant-Superstructure-Ltd_Annual-Report-2020-21.pdf



RESILIENCE

The last 5 years were packed with uncertainties and challenges culminating with Covid19 pandemic. However, we remained resilient through this period, with focus on execution, quality and customer centricity as we strongly believe that tough times never last but tough people do. Arihant has come out stronger well prepared for fresh challenges.



PERFORMANCE

With the resilience exhibited during the challenging period, we had strategically ensured product availability across the spectrum when the markets opened up. Naturally, we delivered a record performance selling 1097 units in a pandemic year. We continue to innovate and aim higher.



GROWTH

Growth is never by chance. It's a result of detailed planning and everyone working with dedication & focus to achieve the most ambitious goals. With a consistently increasing pipeline of more than Rs. 5,500 crs to be executed in the next 7 years, we have embarked on a growth path supported by a fresh upcycle in the real estate sector.

CHAIRMAN'S SPEECH

Dear Shareholders,

The Company and its Board believes that the Housing Sector is poised for an upward journey after years of slowdown from 2016 till June 2020. Demonetization, implementation of RERA, GST reforms, financial/NBFC crisis and lastly the Covid-19 were the key contributors to the slow down. The company with its proven strategy focused on operations, kept the construction of projects going & delivering possessions year on year during the 2017-20 period. The Company serviced all secured debt in time and repayment (and in some cases prepayment) gaining credibility among the lenders and financial institutions.



We had to fight many battles in last 4 years which made us more resilient

With thoughtful strategies and efficient execution, the company managed to surpass all its past numbers from top line to bottom line in financial year ending March 2021. At the same time, it reduced the total debt by INR 91 Crores and average rate from 14.42% to 11.56% per annum.

The Company is very bullish on this trend of increased demand due to one of the best affordability which in turn is a result of an all-time low interest rates in the history of the country. The central and state government has realized the need to support the real estate sector to boost the economy and the sector did not disappoint. This has further helped the increase in sales momentum. Few key trends are strongly emerging. Firstly,

despite uncertainties surrounding employment landscape, the housing demand has in fact increased for bigger homes due to Covid-19 and work from home culture. The second is consolidation of small developers at a rapid pace & the organized reputed developers are gaining larger market share every passing day. The company intends to increase the total portfolio from 9.5 million square feet on board with approved plans to 20 million square feet going ahead by way of acquisition of new land parcels for affordable housing projects on outright basis as well as asset light model or joint venture for middle income & higher income group projects. The acquisition is proposed to be done by internal cash flows & raising of funds by equity expansion in near future. The key identified expansion markets are fast moving markets like Navi Mumbai, Panvel, Kalyan, Dombivali, Badlapur and other locations offering similar proposition. The company intends to achieve up to 10% of the total revenue through development management fees for a few select projects.

For the scalability to successfully happen, the company appointed KPMG



Increase in demand is going to be there because of lowest interest rates in history of the country



Streamlined processes are going to help us scale our operations

in 2018 to streamline its SOP across all verticals. We have implemented many of the proposals and continuously strive to better our systems and processes.

The team & employees have appreciated the HR policies adopted by the company during the Covid lockdown and are highly motivated which is reflected in the Company's performance. We are happy to be an employer of choice for such performance team. The current overall employee strength of the company stands at 291 as of 31st March 2021.

The company aims to increase multifold & consistently deliver CAGR across business development, sales, collections, construction, and possessions in the years ahead. The company is scheduled to do record new launches of 7 new projects / phases in 2021-22. The company has performed progressively in the second, third and fourth quarters of FY21 and Q1FY22. The company has set an ambitious target of doubling the total revenue potential from its projects and new acquisitions.

The Company shall work towards wealth creation for each shareholder and continue to hold leadership position in Navi Mumbai (Maharashtra) & Jodhpur (Rajasthan) with customer satisfaction and corporate governance as top line ethos.

Revenue Drivers

7 Planned new project/phase launches from our existing portfolio

Presence in high growth markets of MMR

DM model to drive revenue

New acquisitions in our home markets

Business Development

Acquisition of ~24,130 square meters of land parcel in Taloja, Navi Mumbai

Redevelopment Project on ~14,996 square meters land parcel in Vashi, Navi Mumbai

Total Sales Bookings:
1,097 units
(10.16 lakh sq. ft.)
amounting to ₹ 463 Cr.

MMR/Navi Mumbai:
981 units
(8.6 lakh sq. ft.)

Jodhpur:
116 units sold
(1.5 lakh sq. ft.)

Total Units Launched **472 units**
amounting to **4,06,535 sq. ft.**

ONGOING

Arihant Aalishan
109 units

Arihant 4Anaika
140 units

Arihant Aloki
104 units

Arihant Anmol
119 units

Total Homes Delivered
772 units

DELIVERED

Arihant Anmol
238 units

Arihant Anchal
119 units

Arihant Aangan
37 units

Arihant Agrima
378 units

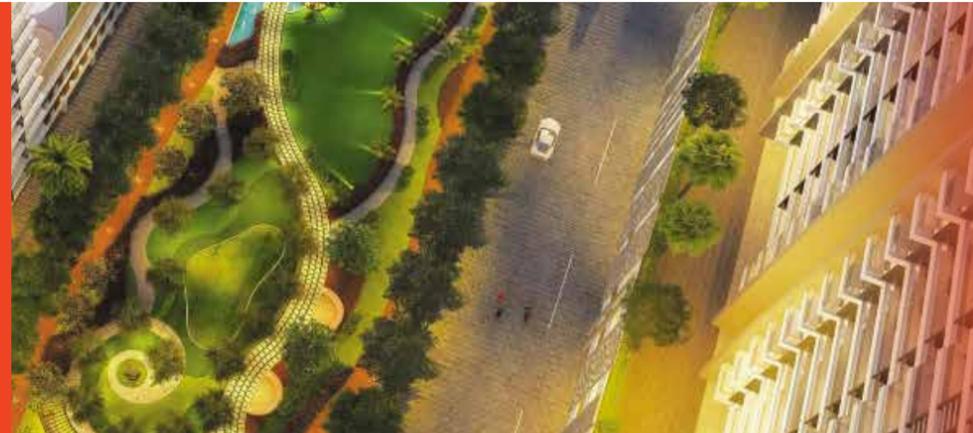
We, at Arihant family, would like to thank all our stakeholders' right from vendors, bankers and lenders, contractors, employees, customers, and shareholders who continued to encourage us to achieve the best. We are blessed to be in a unique position to benefit from the coming upsurge in the real estate sector and we look forward to leading this rally from the front with all your best wishes.

Ashok Chhajer
Chairman & Managing Director
Arihant Superstructures Limited

Corporate Snapshot

Arihant Superstructures Limited is a real estate company with a predominant focus on the affordable housing segment. We have Dominant presence in high growth regions like Mumbai Metropolitan Region (Navi Mumbai, Vashi, Kharghar, Taloja, Kalyan, Badlapur, Karjat & Khapoli) and Jodhpur.

Arihant has completely integrated in-house capabilities of Land Acquisition & Procurement, Liaison, Design & Engineering, EPC and Marketing & Sales. This further ensures tight control and quality considerations. The company strives to provide best in class features and amenities which are further standardise across project. This is one of the reason Arihant is a preferred developer for the customers as evinced by many awards that we have won to date.



Ongoing

Ongoing & upcoming projects comprise of **~12,000+ homes** admeasuring **~11 Mn Sq. ft.** across **17+ projects** To be executed over next 7 years



Delivered

Delivered **9,500+ homes** admeasuring **8 Mn Sft** across **59 projects** over **2 decades** by the Group



Revenue **₹272.3 Cr.**

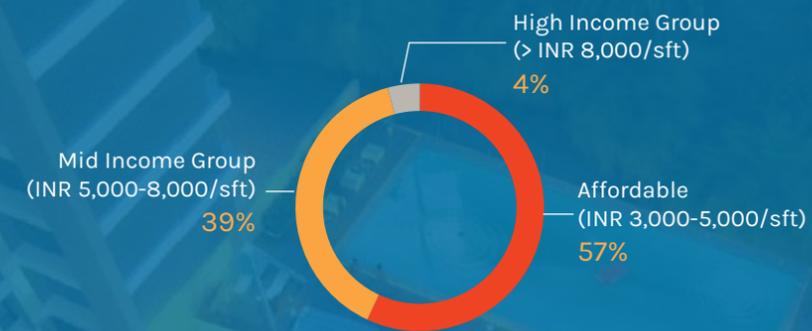


EBIDTA **₹50.2 Cr.** Margin 18.4%



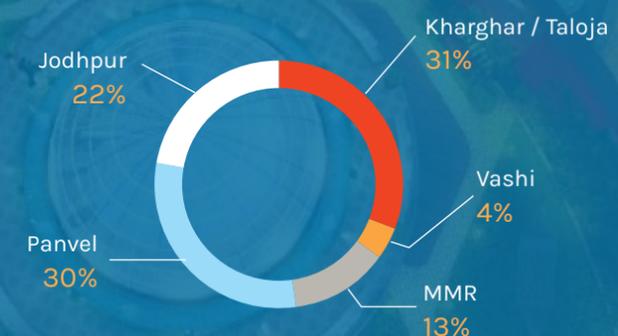
PAT **₹15.8 Cr.** Margin 5.8%

Category wise portfolio mix



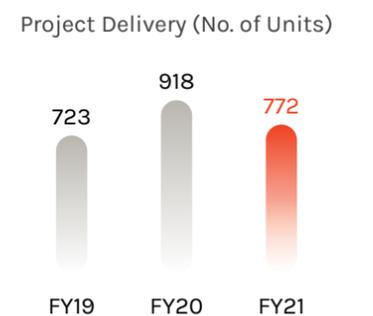
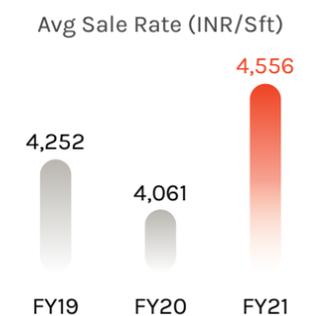
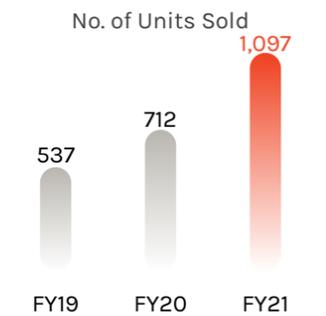
Diversified portfolio mix across geographies with focus on affordable and mid income housing

Area-wise Portfolio Mix

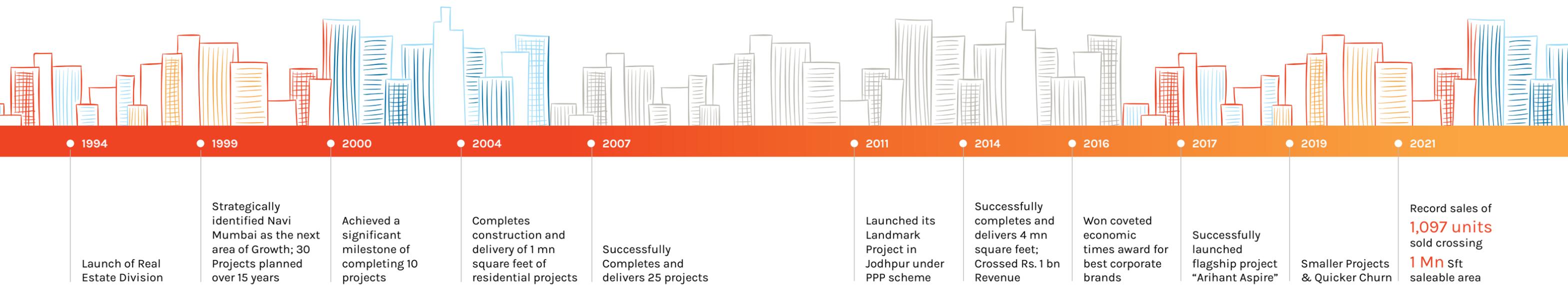


Established leadership position in the geographies and market segments by building capabilities and competitive advantage

Operational highlights



HISTORY & MILESTONES



AWARDS & ACCOLADES



2019
Zee Business Award – Developer of the Year (Affordable Housing)

2018



Iconic Award by Radio City for Arihant Aspire, Panvel



IGBC Pre-certified Platinum Rating for Aspire project



Affordable Housing Project of the Year for Arihant Arshiya

2018



Arihant Adita – Jodhpur's no1 Housing Society Award, Red FM



Dainik Bhaskar (94.3 MYFM) – Award for Excellence in Quality Construction



Award for Quality construction in affordable housing by The Economic Times, ET Realty award

2017



Arihant Adita 'India's Top 100 projects' by CRISIL



Best Business Practices award in Real Estate



Mumbai Hot 50 Brands by HT



Real estate brand of the year (affordable housing)



Corporate Excellence award



Best corporate brand India level by economic times, 2016

FINANCIAL HIGHLIGHTS

Profit and Loss Statement		₹ in Lacs		
	FY19	FY20	FY21	
Revenues	23,927	23,318	27,017	
Other Income	357	467	214	
Total revenues	24,284	23,785	27,231	
Expenditure	18,590	19,020	22,214	
EBITDA	5,695	4,766	5,016	
EBITDA Margin(%)	23.4%	20.0%	18.4%	
Interest	3,236	3,011	2,810	
Depreciation	186	204	204	
PBT	2,272	1,551	2,003	
PBT Margin (%)	9.4%	6.5%	7.4%	
Tax	440	453	429	
PAT	1,833	1,098	1,574	
PAT Margin(%)	7.5%	4.6%	5.8%	
Minority Interest	535	550	457	
Reported PAT	1,298	548	1,117	
EPS (Rs) Basic	3.32	1.37	2.71	
Balance Sheet				
Fixed Assets	1,061	953	898	
Investment in Property	0	1,029	1,142	
Non Current Assets	4,513	3,640	3,183	
Current Assets	66,960	69,139	63,659	
Total Assets	72,533	74,761	68,882	
Equity	4,116	4,116	4,116	
Reserve & Surplus	7,999	8,559	9,754	
Net Worth	12,115	12,675	13,870	
Minority Interest	1,460	2,003	2,460	
Long Term Borrowings	30,057	31,565	24,990	
Total Non current Liabilities	0	0	0	
Short Term Borrowings	7,720	7,104	4,562	
Total Current Liabilities	21,181	21,414	23,003	
Total Liabilities	72,533	74,761	68,885	
Cash Flow statement				
Cash from Operations	-8114	2,541	12,052	
Cash from Investments	1,757	-767	-74	
Cash from financial Activities	6,623	-2,119	-11,927	

FINANCIAL CHARTS



Attributable Debt is calculated on the basis of ASL's shareholding in Subsidiaries. Any debt of the holding company is attributed at its shareholding.

RESILIENCE PERFORMANCE GROWTH

May 2020: India was locked down, reeling under the impact of the first wave of the COVID19 pandemic, coming to terms with its losses – personal and financial. The country's economy faced its worst ever contraction in decades – national income estimates released later revealed GDP reduced 24.4% between April and June 2020.

The Finance Minister had her task cut out – to revitalize the economy and to generate jobs. To do both, she turned to one sector in particular – Real Estate.

In May 2020, outlining the first tranche of Covid relief measures, FM Sitharaman brought relief to an embattled real estate sector and homebuyers by extending project completion dates under RERA (Real Estate Regulatory Authority) and announcing a special liquidity scheme worth ₹30,000 crore for NBFCs, Home Finance companies and microfinance institutions. In November, the government followed this up by relaxing income tax rules to permit sale of homes priced up to ₹2 crore below circle rates. An additional ₹18,000 crore was also allocated to the PMAYUrban scheme to speed up completion of stalled projects.

The Finance Minister's reasoning was solid. As she put it herself, the additional fund allocation to housing could create a potential 78 lakh new jobs and boost steel and cement production, resulting in a multiplier effect on the economy.

Real Estate's contribution to Nation's Growth

Well, the government's faith in the real estate sector was not unfounded. In fact, Nirmala Sitharaman was only reiterating what the industry had been emphasizing for years.

Real estate also has a force multiplier effect. It has strong linkages to the core steel and cement sector and stimulates demand in over 270 ancillary industries including paint, brick, building materials, consumer durables etc. Growth or distress in real estate also impacts the financial sector which has a sizeable exposure to it.

Impact of Government decisions

And, the real estate sector did not disappoint the government. In fact, in a pandemic-struck economy, the real estate sector now stands tall as one of the few beacons of hope. The initiatives by the Centre, stamp duty reduction from different state governments, historically low interest rates on home loans, steady home prices and a strong latent demand got the housing market buzzing in no time. Following key initiatives lend a strong support to the sector.

Stamp duty reduction from different state governments

Historically low interest rates were offered on home loans

Home sales rebounded starting June 2020 and the market recorded a 65% recovery over the preceding quarters according to data from Anarock. This, in a period traditionally associated with a lull in the property market. The momentum continued well into the fourth quarter as cities opened up but hit a speed bump between April and May 2021 again owing to the second wave of the pandemic. However, as the pandemic eased, sales picked up. In fact, housing sales rose 43 per cent year-on-year. Around 82,860 units were sold across seven major cities during January-June 2021.

Indian Real Estate sector is the biggest employer after the agriculture sector

Employs around 5.5 crore people

Contributes to 6-7% of India's GDP

Expected to contribute 13% to GDP by 2025

Projected market size of \$1 trillion by 2030

Source: India Brand Equity Foundation report

The sales boost and strong demand enthused developers to invest in and launch new projects as well. New home launches, according to Knight Frank, were up 71% in the first six months of 2021.

The ripple effect of a resurgent real estate market was seen in Rural India as well, which also benefited from the government's focus on affordable housing. All this had a positive effect on the job market.

But, will the Momentum last?

The answer is a resounding Yes, since this resurgent demand is not a flash in the pan phenomenon. In fact, as multiple real estate experts, including HDFC Chairman Deepak Parekh, have pointed out, the boom is a result of multiple factors that are at play. This includes pent-up demand from buyers plus what Mr. Parekh termed 'a structural transformation in housing demand'. Put simply, the market is now seeing the Buyer return, and this includes the first home buyer; customers upgrading to bigger, more expensive homes; and those buying second homes in another location.

This is also spurred by a massive structural change in the regulatory landscape that has transformed Indian real estate as we know it. We will discuss changing demand patterns in a bit. But first, let's give you an overview of how a change in regulations sowed the seeds of this demand surge.

Real Estate's Clean-Up Act

The four years from 2016 to 2020 have been some of the most turbulent for India's real estate. The sector has been buffeted by headwinds, one after the other – be it demonetization, the introduction of GST, the establishment of the Real Estate Regulatory Authority or the NBFC crisis.

All of these factors chipped away at the cliched image of real estate as a corrupt, unregulated business that was a black money sink. The new system left developers with no choice but to change how they did business and become transparent and efficient. It also left a lasting impact on the sector, changing the regulatory environment it functioned in, how companies accessed funds and transforming how developers viewed their product, a home.

The Changing Landscape

Those developers who changed, cleaned up their balance sheets and stuck to delivery schedules, saw the rewards roll in, in the form of easy access to clean money. The pandemic

period, surprisingly, was witness to one of the largest inflows of Private Equity money in Indian Real estate.

Anarock's FLUX report recorded a 19% growth in private equity investments in real estate in FY21. This is also the highest ever influx of foreign funds in the last five years. 93% of these investments, a total of US\$5.8 billion has come from foreign investors. 10% of these investments have found their way to residential projects. The reason was simple - Indian real estate today, offers investors some of the best risk-adjusted returns globally.

Not surprisingly, however, the liquidity tap dried up for those developers who refused to clean up their act.

This brings us to the second big change that happened – consolidation. Stringent regulations and hawk-eyed investors meant that only the most resilient and efficient developers would survive. The last four years saw a shakedown in the market with fly-by-night operators and developers with over-leveraged balance sheets folding up. Organised, efficient companies either bought out or acquired projects or companies. This consolidation in fact, is still an ongoing process in the market.

More significantly, these factors also helped the sector regain the trust of its most valued stakeholder – the home buyer. Demonetisation's biggest impact was the exit of the investor and the end of cash transactions in the sector. The industry became efficient and accountable. We saw the emergence of Real Estate Brands that are credible and have a strong history of delivery – brands that buyers were willing to trust again with their life savings.

Meanwhile, four years of regulatory changes, high prices and poor demand had left the market saddled with high inventory levels. Developers began approaching real estate with a product mindset. Their focus quickly shifted to building homes the buyer wanted at a price point which they could afford.

And after a long time in Indian real estate, supply and demand factors were perfectly poised for the sector to grow.

Strong Demand factors

While real estate underwent a transformation, Indian society too, was changing. An increasing number of youth were moving to cities. Joint families were breaking down into smaller, nuclear units. A new generation of millennials, flush with money from the tech economy, were flexing their financial muscle. Yet, home sales were just not picking up.

- An increasing number of youth were moving to cities.
- Joint families were breaking down into smaller, nuclear units.
- A new generation of millennials, flush with money from the tech economy, were flexing their financial muscle

But still home sales were not picking up mainly due to

- Expensive capital and soaring land prices had kept home prices high.
- High interest rates on home loans reduced affordability for buyers and returns for investors.
- a fixed deposit gave a better yield as compared to an investment in residential real estate
- Demonetisation, GST and the new regulatory norms slowed down delivery.

And, for good reason. Expensive capital and soaring land prices had kept home prices high. High interest rates on home loans reduced affordability for buyers and returns for investors. Even a fixed deposit gave a better yield as compared to an investment in residential real estate! Demonetisation, GST and the new regulatory norms slowed down delivery. All this created a vicious cycle which kept the serious buyer out as they sat on the fence waiting for lower price points

But the pandemic changed all that.

Overnight, the home was no longer just four walls people returned to sleep in. The home had now become a place to work, study, play, entertain and live in. As work from home and online schooling became the new normal, rent-happy Millennials and compact home-loving Boomers newly appreciated the luxury of personal space they now shared with friends or family.

Caught in the maelstrom of a worldwide pandemic, tanking economies and uncertain job markets, these generations newly appreciated the need to create physical assets. Owning a Home had suddenly become critical.

The government's nudge in the form of tax waivers on home purchase and the Reserve Bank's decision to slash rates and keep them low proved to be the final push. Suddenly, buying a home became a financially attractive option again, especially so for the Millennials who have emerged

as the biggest buyer segment in recent times. The other big segment, are the baby boomers, seeking to upgrade to bigger, spacious homes from where they can work, while their children study.

This latent demand has held up even though prices for newly launched projects have inched up. Fearing a spike in prices, fence-sitters are also now jumping in and signing home purchase papers.

The built environment has also been undergoing a transformation. The function that a Home fulfils in a person's life has drastically changed in the last one year. And as people's needs have changed, so have their expectations. The industry, meanwhile, has been quick to recognise these changing needs and has responded accordingly.

The Changing Homebuyer

Learning from the experiences of earlier generations of Homebuyers, the Boomers and Millennials are reposing their faith in reputed developers. According to another Anarock report, leading listed real estate brands saw market share increase from 6% in FY17 to 22% in FY21. In the same period, leading unlisted companies saw their share of the pie rise from 11% to 18%. Conversely, unbranded developers who had an 83% market share in 2017 are now down to 60%. This trend has gained even more traction with supply of ready-to-move-in homes fast drying up in the market.

The latter is the other big trend. Buyers are showing a clear preference for ready to move-in homes - a clear fallout of the need for personal space as families spend more time indoors due to lockdowns.

As mentioned earlier, bigger homes are in demand, across formats - whether it is a 2BHK, 3BHK or a larger home. As per various surveys, 60-70% of the buyers now prefer 2BHK flats over 600 square feet in area as compared to around 30% in pre-pandemic era.

The pandemic has also transformed the design of spaces within the home. As opposed to the open-concept plans that were the rage in pre-pandemic times, homebuyers are now consciously opting for homes with well-defined spaces to live, work, study and entertain in. Flats with dedicated spaces for a small home-office are big winners.

The other big trend informed by the pandemic is the growth of self-sustained gated communities. With access control and infection control becoming a necessity, communities that have living, working and entertainment spaces within the same complex are the new buyer favourites.

The homebuyer now, is not only looking for a flat, she also wants a school, hospital, clubhouse, pool, supermarket and open spaces within the same complex.

Industry Response

And the industry has responded in kind. Reputed developers are now approaching home-building with a focus on timely completion and delivery. Business continuity planning has become the new normal with construction schedules having to factor in for variables like pandemic-induced loss of man-hours and lockdowns.

Covid has also impacted how buildings are being designed, constructed and sold. Technology is being used to restrict access and for infection control. Site visits have gone digital, with VR (Virtual Reality) and AI (Artificial Intelligence) being used to help buyers experience spaces without physically going there. Paperwork and financial transactions, too, have gone digital.

THE ARIHANT EDGE

Arihant Superstructures is well positioned to cater to this new discerning homebuyer who shows a strong preference for established, trustworthy brands that build quality, space-efficient homes in well-planned gated communities.

The company is no stranger to business cycles and we are thus, prepared to derive full benefit from this uptick as well.

We have built a strong delivery pipeline of ready homes across budgets and formats. To meet the demand for more ready homes, we have also expedited construction on-site.

We believe the work from home trend is here to stay, partly because of the growing gig economy and also because employees are displaying an increased preference for a hybrid working model. NASSCOM has already indicated that none of its bigger member companies intend to go back to working 100% from their office campuses. This means the work from home culture will trigger a sustained demand for homes in the coming quarters as well.

To tap into this demand and cater to the new normal, Arihant is designing workspaces within the new apartments. These are approximately 25 square feet in area, just enough to accommodate a small office without driving up the price of the home. We are also leveraging technology to prioritise both, customer and staff safety.

Our tagline "Changing LifeStyles" emphasises the strong relationship between the product and the consumer as shifting to a new home is an important transition in a person's life. And Brand Arihant stands for being there for the consumer at each of these important phases, enriching the lifestyles of the consumer. When this pandemic has forced most of us to change our LifeStyle, Arihant has been quick to respond the need of the hour and this has been reflected in the record growth we witnessed in the pandemic year.

To conclude, it does seem like 2021 will be the year when the Indian Real Estate Sector will come into its own. And, at Arihant, with our focus on putting the customer first, we continue to remain in the spotlight in each of the micro-markets we are present.



सब में कुछ बदल रहा है

Changing Lifestyle

BY ARIHANT HOMES

ARIHANT ADVIKA

SECTOR - 9, VASHI

2, 3 & 4 BHK RESIDENCES



Artist's Impression

MahaRERA No. P5100028950

सब में कुछ बदल रहा है

Changing Lifestyle

BY ARIHANT HOMES

ARIHANT ANAIKA

TALOJA NEAR METRO STATION

1, 2 & 3 BHK RESIDENCES



Artist's Impression

Phase I MahaRERA No. P52000029482

सब में कुछ बदल रहा है

Changing Lifestyle

BY ARIHANT HOMES

A Lifestyle Project

ARIHANT CLAN AALISHAN

— KHARGHAR ANNEXE —

BIG SIZE STUDIO, 1, 2, 3 & 4 BHK RESIDENCES
BARAZ 1 & 2 AND ZEENAT 1- 3 TOWERS OF 53 STOREYS | KAVEH - 37 STOREY TOWER



Artist's Impression

Phase I MahaRERA No. P52000006391 / Phase II MahaRERA No. P52000017271

ARIHANT SUPERSTRUCTURE LIMITED

A Lifestyle Project

ARIHANT ASPIRE

— PALASPE - PANVEL —

8 MAGNIFICENT TOWERS OF 42 STOREYS
LAVISH STUDIO & 2 BHK APARTMENTS



Artist's Impression

Phase I MahaRERA No. P52000014107

सब में कुछ बदल रहा है

Changing Lifestyle

BY ARIHANT HOMES

सब में कुछ बदल रहा है

**Changing
Lifestyle**

BY ARIHANT HOMES

ARIHANT ALOKI

KARJAT EAST
NEAR RAILWAY STATION

STILT+12 STOREY TOWERS
1, 2 & 3 BHK RESIDENCES



Phase I MahaRERA No. P52000004014

Artist's Impression

ARIHANT SUPERSTRUCTURE LIMITED

सब में कुछ बदल रहा है

**Changing
Lifestyle**

BY ARIHANT HOMES

ARIHANT AAROHI

KALYAN - SHIL ROAD

STILT+13 STOREY TOWER
2 & 3 BHK RESIDENCES



Artist's Impression

Phase II MahaRERA No. P51700015328

सब में कुछ बदल रहा है

Changing Lifestyle

BY ARIHANT HOMES

ARIHANT ARSHIYA

KHOPOLI - NEW TOWN, NEAR IMAGICA

STILT+8 STOREY TOWERS
1 RK, 1 & 2 BHK RESIDENCES



Phase II MahaRERA No. P52000002342

Artist's Impression

ARIHANT SUPERSTRUCTURE LIMITED

सब में कुछ बदल रहा है

Changing Lifestyle

BY ARIHANT HOMES

ARIHANT ANMOL

BADLAPUR - EAST

SPACIOUS 1 & 2 BHK RESIDENCES



Artist's Impression

MahaRERA No. P51700003112

सब में कुछ बदल रहा है

**Changing
Lifestyle**

BY ARIHANT HOMES

ARIHANT ANSHULA

TALOJA PHASE II
NEAR METRO STATION

STILT+4 STOREY BUILDING
MINI TOWNSHIP - 1, 2 & 3 BHK RESIDENCES



MahaRERA No. P52000009246

ARIHANT SUPERSTRUCTURE LIMITED

Artist's Impression

सब में कुछ बदल रहा है

**Changing
Lifestyle**

BY ARIHANT HOMES

ARIHANT AMISHA

PANVEL

SPACIOUS 1 & 2 BHK RESIDENCES



MahaRERA No. P52000029991

ARIHANT SUPERSTRUCTURE LIMITED

Artist's Impression

सब में कुछ बदल रहा है

**Changing
Lifestyle**

BY ARIHANT HOMES

ARIHANT ANCHAL

JODHPUR
NEAR DALI BAI CIRCLE

G+7 STOREY TOWERS
SPACIOUS 2 BHK RESIDENCES



Artist's Impression

RAJRERA No. RAJ/P/2017/322

ARIHANT SUPERSTRUCTURE LIMITED

सब में कुछ बदल रहा है

**Changing
Lifestyle**

BY ARIHANT HOMES

ARIHANT ADITA

JODHPUR
NEAR DPS CIRCLE

STILT+14 STOREY TOWERS
THOUGHTFULLY PLANNED 2 & 3 BHK RESIDENCES



ACTUAL PHOTOGRAPH

RERA No. RAJ/P/2018/599

सच में कुछ बदल रहा है

**Changing
Lifestyle™**

BY ARIHANT HOMES

ARIHANT AYATI

JODHPUR
PAL-LINK ROAD, DEVNAGAR

B+G+P+17 STOREY TOWER
LUXURIOUS 3, 4 & 5 BHK RESIDENCES



Artist's Impression

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Overview

The global economy is expected to expand 5.6% in 2021 according to the World Bank's Global Economic Prospects report released in June. The report notes that this would be the fastest post-recession recovery recorded in the last 80 years, but it would also be highly uneven.

Global recovery will be concentrated in, and powered by strong rebounds from few major economies like the US and China. However, growth is expected to lag in many emerging market and developing economies or EMDEs. Recovery in these countries will be subject to the resurgence of the pandemic, progress of vaccination and policy support.

Despite the recovery, the World Bank expects global output to remain 2% below levels recorded in the pre-pandemic era. This is because only about one-third of the EMDEs are expected to see a return to pre-pandemic income levels. In most of these economies, the pandemic has caused a reversal of earlier gains in poverty reduction. It has also resulted in increasing food insecurity and other legacy problems that include malnutrition, access to healthcare and education. The report does note however, that at least 90% of advanced economies will see a return to pre-pandemic per-capita income levels by 2022.

Global growth is expected to be powered by a rebound in the U.S and China. The U.S. economy, benefiting from large-scale fiscal support and easing pandemic restrictions, is expected to record 6.8% growth in 2021.

Growth, according to the World Bank, will be strongest in the East Asia region, powered by China, which is expected to rebound to 8.5% this year on the back of pent-up demand. The Bank noted that recovery in India is being hindered by a brutal second wave - the largest outbreak that any country has seen since the beginning of the pandemic.

The World Bank expects global inflation to continue rising in the rest of 2021 but stay within the target bands of most central banks. However, in low-income countries, rising food prices could aggravate food insecurity and poverty.

(Source: The World Bank)

India Economic Overview

Recovery prospects are looking brighter for the Indian economy in the near-term, according to a monthly bulletin of the Reserve Bank of India, released in July 2021. India's central bank noted that rising vaccine coverage and a gradual decline in the second wave of COVID-19 infections are causing a revival in business and consumer confidence. This is evident in data from high-frequency indicators like mobility and workplace attendance, advance tax collections, power consumption and digital transactions recorded in June. However, the bank noted this is yet to translate into an increase in aggregate demand.

On a sector-wise basis, the central bank noted that agriculture growth prospects have brightened with a revival in the monsoon. However, the second wave has impacted recovery of the manufacturing and services sectors.

Meanwhile, India's equity markets have outperformed global markets, with the Sensex and Nifty notching gains of 8.3% and 10.8% respectively. India's market cap rose 66% in one year to US\$ 3.02 trillion in June, outpacing the 44 per cent growth in the global market capitalisation.

On the foreign investment front, India became the fifth largest recipient of foreign direct investment (FDI) inflows in the world in 2020. These amounted to US\$ 32.0 billion in the first five months of 2021. After China and Brazil, India is also the largest recipient of foreign portfolio investments among major emerging market economies. Housing sales too, have

turned the corner, growing by 83% in April-June 2021 over a year ago mainly on account of pent-up demand, stamp duty cuts and lower interest rates.

The RBI bulletin also noted that inflation had picked up in recent months due to pandemic-induced supply disruptions. However, the RBI was hopeful price pressures would ease with supply opening up.

In sum, the RBI noted that the economy was struggling to regain the momentum of recovery that has been interrupted by the second wave. Even with a 9.5 per cent GDP growth in 2021-22, it observed there would be 'substantial slack in the economy and demand pressures may take some more time to become evident.'

(Source: https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/O1AR_15072021F163007EFACA4764BCD6FAFOD3E0ADB3.PDF)

Real Estate Industry in India

The impact of the COVID-19 pandemic cast its long shadow across the Indian economy and the real estate sector in the first six months of 2021 as well. The second wave of the pandemic was more brutal than the first one and took a larger human toll.

However, unlike the preceding year when all economic activity came to a standstill, this time round, individuals, businesses and government; benefiting from hindsight, were better prepared to work within the parameters of restricted mobility. Thus, we saw limited impact on economic activities.

This was true of businesses in India's real estate sector, and the residential segment as well. Unlike in the last wave, when the labourer exodus brought work on-site to a standstill, this time round, developers were better prepared. Most had arranged for accommodation and meals on site to ensure that labour welfare and work continuity was not impacted.

This focus on business continuity, coupled with a favourable consumer perception of home ownership, historically-low home loan rates and attractively priced homes saw home sales bounce back after a brief lull in March-April 2021.

Home sales across the top 8 cities from January to June 2021 grew by 67% year on year, according to a half-yearly review report put out by Knight Frank. New home launches too registered a 71% increase with around 1,03,238 units launched in the same period. It is noteworthy that this increase in launches comes in the midst of a severe second wave of the pandemic and at a time when steel and cement prices are firming up. In fact, the Knight Frank report notes that launch volumes during the second wave of the pandemic was 20% higher than those seen in the relatively unaffected period of June to December 2020.

The Office market, however, took a beating with 10.9 mn sq. ft. gross office space absorption registered across India's six major cities - a decline of 38% year on year. Leasing activity also, was at a six-year low, according to the same report put out by Savills India. However, on an optimistic note, demand from technology companies stayed strong and the first six months saw a number of deals inked for office spaces over 100,000 square feet, plus the successful listing of three REITs (real estate investment trusts).

Not surprisingly thus, investor interest in India's real estate remained intact in this period. Building on the momentum seen in 2020, the first half of 2021 saw private equity inflows total \$2.7 billion, as per Savills India. This is almost 41% of the total investment India saw in 2020.

To sum up, the residential market has proved remarkably resilient in the first half of 2021, despite being impacted by a resurgent pandemic. Consolidation in the industry continues as stronger developers with better delivery track records and transparent balance sheets are taking over projects from other developers who are in dire straits.

Going forward, experts and industry leaders expect the momentum to continue on the back of strong buyer participation, the global investor's interest in structured assets and increasing transparency in the sector. However, the trajectory of this momentum will be subject to any resurgence of the pandemic, improving vaccine coverage and policy support from the Centre and state governments.

Table 1-1: Policy Initiatives

Policy Initiatives	Key Highlights	Expected Impact
Unified Development Control and Promotion Regulations (UDCPR)	Uniform applicability of development rules across all Corporations and Council areas respectively in MMR region.	Boost to Ease of doing business as FSI/sale area potential of land is now same for a particular land use across all Corporations and Councils respectively.
	Extension of residential use from 200 mt to 500 mt from Gaothan boundary in MMR region.	With these rules , large parcels of land are now available for residential use especially in periphery of Corporation/Council areas which shall multiply affordable housing stocks and which is directly beneficial to growth plans of Arihant Superstructures Ltd.
	Residential use permission with full FSI potential in Urbanisable zone.	
	Development of housing for EWS and LIG types in agricultural zone (Green zone).	
	Definition of FSI changed to 'P' line area.	All proposed slab to slab construction now counted in FSI permissible leading to better planning of buildings and more importantly eliminating chances of FSI violations and hence clear title properties for buyers
Enhancement in basic and Premium FSI	Increase in FSI on payment of premium shall result in faster infrastructure development as revenue generation for local development authorities and state Govt. will be more.	

Source: CBRE India real estate report

Brief organizational background

Arihant Superstructures is one of the leading developers in Mumbai Metropolitan Region and Jodhpur. Both these locations are witnessing rapid development on back of government initiatives, infrastructure development and employment led migration. Arihant has focused on penetrating in these markets in the past decade. Till date, the Arihant Group has delivered 9,500+ homes admeasuring over 8 Mn sq. ft. across 59 projects over past 2 decades. With growing need of affordable housing at the peripheries of cities coupled with government's Housing for all initiative, Arihant is well poised to charter new growth territories.

Arihant predominantly operates in the affordable and mid-income housing segments with ~96% of its portfolio falling in this category. The balance ~4% caters to the high-income group segment. Geographically, the portfolio is well diversified with ~78% in MMR and the balance ~22% in Jodhpur. Within MMR, Arihant has consciously acquired projects at different locations which fall under different local bodies which reduce the risk of approval process and geographical concentration.

Arihant's project selection process mirrors targeted population matrix which is segregated between the affordable housing (up to INR 5,000 per sq ft), mid-income group (INR 5,000-8,000 per sq ft) and high-income group (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.

Arihant has in-house capability for all critical functions such as design, engineering, legal, sales & marketing, thus maintaining the planning and operational efficiency and outsources labour and building equipment to third party vendors. Currently, Arihant in undertaking development of over 12,000 homes admeasuring ~11 mn square feet spread across 17 projects. Of these, 13 projects are in MMR and 4 are in Jodhpur. The company is looking to complete majority of these projects over the next 5-7 years.

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 landowners are more favourably inclined towards Arihant. Arihant's competitive advantage lies in identifying new growth centres with near term visibility. Within affordable category, our strategy is to acquire the lands directly from the owners to keep costs under control, whereas in the mid and high income category, the group is also working on asset light joint development / development management model.

People - The Human Resource

A strong employee base is one of the key driving forces behind the successful functioning of Arihant. Our prudent hiring processes have 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 291 as of 31st March 2021.

The company feels strongly about honing the talent it attracts. Arihant believes that regular engagement programs at all designation levels can help bring out the maximum potential in our employees. The company has set aside dedicated days to provide developmental training programs to employees. Additionally, the company has conceptualized and implemented a program 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. The 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.

During the outbreak of Covid-19, Arihant ensured that all the workers at various sites were safe and well provided for with food, shelter and other essential facilities.

Operational Highlights:

Our company reported revenues of INR 2723.06 Mn for FY21 as compared to INR 2378.51 Mn in FY20 increased by 14.48 % in revenue. The EBITDA of INR 501.63 mn in FY21 as compared to 476.55 mn for FY- 20 there is increased by 5.26 % in EBITDA and net profit of INR 157.40 mn for FY21 as compared to INR 109.84 mn for FY 20 which increased by 43.30% respectively. The company on continuing its growth story on year on year basis.

We have achieved sales of 1102 units across both Mumbai MMR (988) and Jodhpur (116) at an average realization of INR 4,603 per sq. ft. 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 FY21, . New launch of Project has shown encouraging results to the company during the year. Mega events during the years have seen average incremental footfalls at project sites.

Financial Highlights (In mn)

INR Mn (except as stated)	FY21	FY20	Amount-Increase/ Decrease	%Increase/Decrease
Total Revenue	2723.06	2378.51	344.54	14.48 %
Total Expenditure	2221.43	1901.96	319.46	16.80 %
EBITDA	501.63	476.55	25.08	5.26%
EBITDA Margin (%)	18.42	20.04	-	-1.62
Finance Cost	280.95	301.06.	20.11	-6.68%

INR Mn (except as stated)	FY21	FY20	Amount-Increase/ Decrease	%Increase/Decrease
Depreciation	20.39	20.37	0.02	0.09%
PBT	200.28	155.18	45.17	29.12%
Tax	42.88	45.28	2.40	-5.30%
PAT	157.40	109.84	47.56	43.29%
PAT Margin (%)	5.78	4.62	-	1.11%
Minority Interest	45.69	55.01	9.32	16.94%
Attributable PAT	111.71	54.82	56.89	103.77 %
EPS (Rs)	2.71	1.33	1.38	103.75 %

Key Financial Ratios (Consolidated):

In accordance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the details of significant changes (change of 25% or more as compared to the immediately previous financial year) are given below:

Ratios	2020-21	2019-20	Explanation
Debtors Turnover Ratio	10.40	6.63	Increased in debtor turnover ratio is due to Decrease in Debtors.
Inventory Turnover Ratio	0.76	0.60	Higher Inventory turnover is good indication due Increased in Revenue.
Interest Coverage Ratio	1.79	1.59	Higher Interest Coverage Ratio is due to Increase in the earnings.
Current Ratio	2.30	2.40	Higher Current ratio indicates better liquidity position.
Debt Equity Ratio	2.13	3.05	Lower Debt Equity Ratio means significantly the debt repaid from last year..
Operating Profit Margin %	18.57%	20.45%	Lower Operating margin is due to Increase in direct Input cost .
Net Profit Margin %	5.78%	2.41%	Higher PAT Margin is due to Increase in the Revenue & Profit during the year.
Return on Net worth %	8.05%	4.43%	Higher Return on Due to increase in PAT during the year compared to previous year.

Outlook

The company has a strong pipeline of projects and has successfully added more projects in FY21 despite the pandemic. The sales pick up in FY21 has provided the much needed impetus for us to plan a sharper growth trajectory in the foreseeable future. We are planning to double the projects volume to nearly 20 million sq ft. Land acquisition at the right price is a continuous effort. We are also focussing on asset light models which are providing us high returns at comparatively low risks. We have been able to reduce debt by 91 crs last year, however in real estate, it's always about achieving an optimum capital structure to maximise shareholder value, than to have a zero debt balance sheet. In Real Estate, opportunities do not come linearly, it's always unexpected, and we strive to have a balance sheet which can utilise such opportunities to maximise shareholder value.

Market Opportunities

The year of 2020 was marked by one of the worst human life crisis. The global economy contracted by an estimated 4.4% overshadows the figures of global financial crisis in 2008-09. The Indian economy contracted 7.3% owing to the pandemic driven and government mandated lock-downs. Amidst this unprecedented crisis, real estate sector stood as the beacon of hope exhibiting strong resilience.

While the pandemic was severely impacting the economy, the government turned its focus to the real estate sector to revive the economy and employment opportunities. It was further aided by reduction in interest rates by the Reserve Bank of India. The state governments too pitched in and offered reduced stamp duties. The homebuyers, who were sitting on the fence for quite some time now, lapped up the opportunity.

With the mortgage rates at an all-time low of 6.65-6.70%, the affordability improved significantly. As per data from HDFC Limited, the Affordability Index measured as the ratio of property prices to annual household income stood at 3.3, best in last 25 years. The central bank is expected to hold the policy rates in a close range which will ensure that the sector will continue its growth trajectory.

India has largely succeeded in keeping new infections in check and vaccination program is being undertaken in aggressive mode. There is a broad-based hope that movement restrictions will be past us in a few quarters and economic recovery will be sharp post that.

In 2021-22 and beyond, affordable and mid-income segments are expected to fare better. As per a report by JLL, more than 80% of the new launches were in the sub INR 10 million category. The demand in these segments is accentuated as further by government's commitment towards Housing for All initiatives. There are additional benefits provided in recent union budget for homeloans taken by first time home buyers. Government has also extended tax holiday on profits from affordable housing projects till Mar-22. Furthermore, affordable housing has also been accorded infrastructure status which should reduce cost of borrowings and drive the sector forward in next few years.

Our belief in and focus on the huge opportunity in the affordable and mid-income housing segment stand vindicated. There is a huge market for efficient players who can match affordability with good quality product. We now believe more strongly than ever - "Ek Sasta Ghar Kharab Ghar Nahi Ho Sakta" (An affordable house need not be of poor quality).

Another form of opportunity in the market is provided by the consolidation which is playing out from various angles. The new age buyers are clearly preferring the reputed developers to trust with their life's savings resulting in higher market share for organized players. On the other hand, the much higher compliances due to RERA, GST and IBC reforms have ensured that only the most transparent and process driven companies survive and come out stronger. The capital providers are more willing to back few players with execution track record and finally the land owners too are inclined to transact with preferred set of developers. This augers well for all the real estate industry as it marches towards a more efficient and more transparent way of doing business.

The market is also throwing up new opportunities in alternate asset classes such as Student Living, Co-Living, Rental Housing, Senior Living. These segments were garnering huge interests in the pre-pandemic era but got severely impacted in the last year. These models will require adaptations in the new world. Warehousing and Data centres are taking a big leap forward in the digital economy. It will be interesting to watch how these segments evolve.

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. The 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.

Cautionary statement

The risk management report discusses various dimensions of our enterprise risk management. The risk-related information outlined in this section may not be exhaustive. The discussion may contain statements that are forward looking in nature. Our business is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. If any of these risks materializes, our business financial conditions or prospects could be materially and adversely affected. Our business, operating results, financial performance or prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material. Readers are advised to refer to the detailed discussion of risk factors and related disclosures in our regulatory filings, and exercise their own judgment in assessing the risks associated with the company

Risks & Concerns

Though we have entered a new cycle of growth in real estate after a hiatus of nearly 4 years, there are still certain risks and concerns, some contingent, we should be aware of so that we are prepared to face them with alacrity.

First & foremost is the possible 3rd wave of Covid-19, which is dubbed as the Delta or Delta Plus version, though most of the states have put in a defense mechanism. We need to see whether it plays out and if so, the possible damages. This could again slowdown sales as well as engineering & construction.

The pandemic has severely bruised the savings of middle class as well as the lower middle class, who are the prospective customers of affordable homes. This could reduce the universe of buyers.

Additionally, a number of other factors could undermine the future performance of the 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 the company's sales realizations and profitability. Additionally, liquidity crunch in the market, slowdown in the economy, increase in unemployment rate & continued impact of Goods & Service Tax (GST) regime could dent the real-estate demand for certain segments.

COVID19 Impact on Residential Real Estate

COVID-19 had severely hit residential real estate business in the first quarter of last financial year and the sector had come to a standstill. While the sector has rebounded in the third and fourth quarter in the last financial year, the second wave resulted in reimposing of lockdown and movement restrictions. Repeated lockdowns can pose risk to the construction and housing demand. However, we expect that any such disruption will be short term and government will take necessary steps to contain the pandemic. Though not entirely immune, we as a company are well-prepared to limit the impact of any further disruption.

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 the 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. Though, we are still able to acquire lands at reasonable valuation.

Rise in costs associated with business operations

The nature of the 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. The inputs costs have increased,

especially steel & cement along with the labour costs due to scarcity of labour. If there is no correction in the prices of the commodities, it could affect the margins of the existing projects to the extent we are not able cover by price increases of the unsold inventory.

A substantial increase in property prices in the given scenario may not be possible, as demand might be adversely affected as a result. The company with over two decades of experience has proven systems & processes to mitigate the effects of increase of input & other costs.

Executorial Slowdowns

A number of factors 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 timelines detrimentally.

Funding

Significant capital outflows especially for land acquisition are part of the regular business operations of the company. The company has strong relationships with a number of Lenders and Financial Institutions. They are one of the potential source for funding the expansion plans and project execution. Apart from this, the company has a construction linked payment plans with its customers which ensures stage-wise funds being available through sales bookings.

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

Place: Navi Mumbai
Date: 20th July, 2021

Ashok Chhajjer
Chairman & Managing Director
DIN: 01965094



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 it's a strategy to overcome the threats and achieve their objectives, undeterred. Essentially, Risk Management involves:

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. The 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. Please find listed below are the various events and their possible impacts along with the actions taken to mitigate and control such probabilities:

COMPANY RISKS & APPROACH TO MITIGATE

Sr No	Inherent Risk	Business Process	Impact Factors	Proposed Mitigation
1	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
2	Contractors Manpower Risk	Engg Department	Shortage of skilled manpower could result in the delay of the completion of the project. This in turn 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 in-house team of labours Tie up with large brokers for bulk sales
3	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 attracting good vendors Long term contracts & Full project contracts for unfluctuating cost and uninterrupted delivery
4	Competition Risk	Sales & Marketing Department	Lower demand for the flats sold. This may affect the revenue of the company. Also competition may force 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

Sr No	Inherent Risk	Business Process	Impact Factors	Proposed Mitigation
5	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
6	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.
7	Geographical Concentration	Revenue Department	Projects running in the same locations may have internal competition which may impact sales	To keep time lag between launch timings of such projects To create different product mix for projects in close locations
8	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
9	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 feasibility before starting of a project Survey of market- customer demand
10	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
11	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 at least 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

INDUSTRY RISKS & APPROACH TO MITIGATE

Sl. no	Risk description	Business process	Impact factors	Mitigation measures(Proposed mitigation measures mentioned in italics)
1	Slump in the real estate market/significant decline in property prices	Business development	<ul style="list-style-type: none"> Reduction in property prices Impact on demand for properties 	<ul style="list-style-type: none"> Land acquired at historical low prices don't hurt even in recession. Arihant has 57% of portfolio in the 'Affordable housing' of Rs 3000 to 5000 per sq ft. While 39 % of portfolio falls in MIG housing from Rs 5000 to Rs 8000 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.
2	Compulsory land acquisition by government due to development of infrastructure projects	Land acquisition	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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	Loss due to natural calamities	Project execution	<ul style="list-style-type: none"> Financial loss Inability to complete projects on schedule 	<ul style="list-style-type: none"> Appropriate insurance policies Disaster recovery plan/Business continuity plan to be rolled out
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	<ul style="list-style-type: none"> Inability to grow business 	<ul style="list-style-type: none"> Arihant brand as ensured land owners prefer dealing with Arihant. JV / Development model being received from land owners The current ~ 11 Mn. Sq. ft. development will suffice for atleast 6-7 years.

DETAILS OF PENDING LITIGATIONS

Sr. No.	Court Name	Case Number	Plaintiff/Applicant	Defendant/Respondent	Description	Advocate's Name	Stage of Hearing
1)	Civil Judge Senior Division - Panvel	Regular Civil Suit No. 20/2016	Smt. Dwarakabai Narayan Bhaliwade	Arihant Aashiyana Pvt. Ltd.	The suit is for Specific Performance Agreement dated 22.05.2014, for Survey No. 52/40 at Village Bhisegao, Karjat (Kisan Hari Patil)	Adv. Jagdish N. Urankar - 9820243910	Pending for argument on Exhibit 5
2)	Civil Judge Senior Division - Panvel	R.C.S. No. 233/2010	Mrs. Prabhavati Shivling Chaware	Arihant Abode Ltd.	The Suit is for Partition and cancellation of Agreement for Sale dated 25.07.2012 and Sale Deed dated 03.01.2013 for Survey No. 24/2, at Village Palaspe, Panvel	Adv. Jagdish N. Urankar - 9820243910	Pending for Evidence of Plaintiff
3)	Civil Judge Senior Division - Panvel	R.C.S. No. 450/2014	Mrs. Manisha Madan Mhatre and Ors.	Arihant Abode Ltd.	The suit is for partition and cancellation of Sale Deed dated 30.01.2013, for Survey No. 23/1, Village Palaspe, Panvel (Ramesh & Anand Bhagat Family)	Adv. Jagdish N. Urankar - 9820243910	Pending for Argument on 7/11 Application and Exh. 5
4)	Civil Judge Senior Division - Panvel	Spl. C.S. No. 142/2015	Mr. Vasant Bhagat and Ors.	Arihant Abode Ltd.	The suit is for Specific Performance Agreement dated 16.12.2010 and possession of land having Survey No. 60/1, 53/1+2A, 62/1 at Village Palaspe, Panvel	Adv. Jagdish N. Urankar - 9820243910	Pending for Compromise between parties
5)	Civil Judge Senior Division - Panvel	Spl. C.S. No. 310/2018	Mr. Ambajji Ragho Kadape	Arihant Abode Ltd. (Arihant Aspire)	The suit is for possession and cancellation of Sale Deed dated 17.02.2018, for Survey No. 15/1 of Village Palaspe, Panvel	Adv. Jagdish N. Urankar - 9820243910	Pending for argument on Exhibit 5
6)	High Court- Mumbai Bench	Civil Writ Petition No. 9032/2017	Arihant Arham CHS Ltd.	Arihant Superstructures Ltd.	The matter is against order of Registrar of CHS, Alibag granting deemed conveyance of land. The petitioners demanding all land to be conveyed in their name.	Adv. Gunjan Jayakar - 9920407522	Pre-Admission
7)	Raigad District Consumer Disputes Redressal Commission Alibag	Consumer Complaint No. 200/2016	Arihant Arham CHS Ltd.	Arihant Superstructures Ltd.	The Complaint alleges deficiency of services	Adv. Mohit Bhansali -	Pending for Evidence of Complainant
8)	National Company Law Tribunal - Mumbai Bench	Company Law Petition No. 1769/2018	Teenmurti Construction Pvt. Ltd.	Arihant Superstructures Ltd.	The Petition is for recovery of amount of ₹42,64,369/-	Adv. Saahil Memon Link Legal -9967261275	Final Argument
9)	Civil Judge Senior Division - Panvel	Spl. C.S. No. 3/2018	Mrs. Vatsla Pandurang Bedekar and Ors.	Arihant Vatika Realty Pvt. Ltd. (Arihant Clan Aalishan)	The Suit is filed for partition and cancellation of Sale Deed dated 17.08.2001 and 17.02.2009 and Agreement for Development cum Sale dated 18.02.2010, Survey/Gut No. 51/0, Village Rohinjan, Panvel	Adv. Jagdish N. Urankar - 9820243910	Pending for argument on Exhibit 5
10)	Maharashtra State Consumer Disputes Redressal Commission	Revision Petition No. 18/134	Arihant Arham CHS Ltd.	Arihant Superstructures Ltd.	The petition is filed against order dated 15.10.2018 of the Raigad District Consumer Redressal Forum framing preliminary issue	Adv. Manish Rai 9619065454	Decided - Revision Petition allowed

Sr. No.	Court Name	Case Number	Plaintiff/Applicant	Defendant/Respondent	Description	Advocate's Name	Stage of Hearing
12)	Maharashtra State Consumer Disputes Redressal Commission	Complaint No. 453/2019	Mr. Milap Raj Bhansali and Anr.	Arihant Superstructures Ltd.	Matter is for alleged Deficiency of Service with respect to amount of compensation and possession, Project Arihant Ayati, Flat No. 1002	Adv. Manish Rai 9619065454	Pending for filing of Written Statement
13)	Civil Judge Junior Division, Karjat	Regular Civil Suit No. 120/2018	Mr. Ramesh Maruti Thakrey and Ors.	Arihant Aashiyana Pvt. Ltd. (Arihant Aloki)	Matter is for Declaration and Injunction for stopping Construction of Project Arihant Aloki, Survey No. 52/33, Bhisegao, Karjat.	Adv. Manish Rai 9619065454	Pending for reply on Application for Dismissal of Plaint
14)	Sole Arbitrator, Mr. Sadashiv Deshmukh		Arihant Superstructures Ltd.	Mr. Laxman Dharm Patil and Ors.	Survey Nos. 383/3, 384/2/3(2), 386/1+2(A), Village Owe, Tehsil Panvel. The Matter is for Specific Performance of Agreement dated 09.12.2010	Adv. Gunjan Jayakar - 9920407522	Hearing on Interim relief Applications
15)	Civil Judge Senior Division - Panvel	Regular Civil Suit No. 174/2018	Mrs. Surman Kanha Deshekar and Ors.	Arihant Aashiyana Pvt. Ltd. (Arihant Amisha)	The Suit relates to Survey No. 90/2, Village Mahodar, Tehsil Panvel	Adv. Jagdish N. Urankar - 9820243910	Filing of Written Statement
16)	Competent Authority, Deputy Collector (Land Acquisition), Alibag	Land Acquisition	Arihant Abode Ltd.	Competent Authority, Deputy Collector (Land Acquisition), Alibag	The LAR relates to Acquisition of Survey No. 149/1, 149/5, Village Palaspe, Tehsil Panvel- Acquisition made on 29.06.2012	Adv. Jagdish N. Urankar - 9820243910 Adv. Niha Raut, Alibaug	Case is pending, Filing of Affidavit

For and on behalf of the Board of Directors
Arihant Superstructures Limited
Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: 20th July, 2021

CORPORATE INFORMATION

Board of Directors

Ashok Chhajer - Chairman & Managing Director

Nimish Shah - Whole-Time Director

Virendra Mital - Independent Director

R.N. Bhardwaj - Independent Director

Divya Sameer Momaya - Woman Independent Director

Chandra Iyengar - Woman Independent Director

Chief Financial Officer

Deepak Lohia

Company Secretary & Compliance officer

Govind Rao

Internal Auditor

Anjani Goyal & Co.

Shop No.-36, Plot No. 93, Near D-Mart, Koparkhairne,
Navi Mumbai-400709

B-401, B Wing, Pritam Park,
Thakur Complex, Kandivali ,
East, Mumbai-400101

Secretarial Auditor

D. A. Kamat & Co.

A/308, Royal Sands, Shastri Nagar,
Andheri (W), Mumbai 400 053

Listing

Bombay Stock Exchange Limited

National Stock Exchange of India Limited

Statutory Auditor

Kailash Chand Jain & Co.

Edena, 1st Floor, 97, Maharshi Karve Road,
Near Income Tax Office, Mumbai-400011

Bankers

The Federal Bank Limited

ICICI Bank Limited

HDFC Bank Limited

Registrar & Transfer Agent

Adroit Corporate Services Pvt.Ltd.

17-20, Jafferbhoy Ind. Estate
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai- 400059

Registered Office

“Arihant Aura” 25th Floor, B- wing
Plot No.13/1, TTC Industrial Area,
Thane Belapur Road, Turbhe,
Navi Mumbai, Thane,
Maharashtra- 400705

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **Thirty Eighth (38th) Annual General Meeting** of Arihant Superstructures Limited (‘the Company’) will be held through **Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)**, on **Saturday, 28th August, 2021** at **04:00 PM IST** to transact the following business:

ORDINARY BUSINESS:

Item No. 01: Adoption of Financial Statements:

To receive, consider and adopt the Audited Financial Statements (Stand-alone and Consolidated) of the Company for the Financial Year ended March 31, 2021, and the Reports of Directors (‘the Board’) and Auditors thereon.

Item No. 02: 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.

SPECIAL BUSINESS

Item No. 03: Appointment of Mrs. Chandra Iyengar (DIN: 02821294) as an Independent Woman Director of the Company:

To consider and, if thought fit to pass the following Resolution as an **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, and pursuant to the recommendation of the Nomination and Remuneration Committee, the consent of the Company be and is hereby accorded for the appointment of **Mrs. Chandra Iyengar (DIN: 02821294)**, as an Independent Woman Director of the Company with effect from 21st October 20, to hold office for a period of 5 (Five) consecutive Years commencing 21st October, 2020 till 19th October, 2025.”

Item No. 04: To discuss and consider the matter of Raising Funds through issue of Securities:

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

“**RESOLVED THAT** pursuant to Sections 23,42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013, if any; and the rules framed thereunder, including any amendment thereto or statutory modification(s) or re-enactment(s) thereof for the time being in force (“Companies Act, 2013”), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the provisions of the Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 (“FEMA Regulations”) or the Depository Receipt Scheme, 2014 as amended from time to time and such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable and relevant, as amended from time to time, issued by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), Real Estate Regulatory Authority (“RERA”), the Securities and Exchange Board of India (“SEBI”), the stock exchanges where the Equity Shares of the Company are listed (“Stock Exchanges”) and any other appropriate authorities, institutions or bodies, as may be applicable and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with each of the Stock Exchanges, and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, RERA, SEBI, Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed by any of them while granting

any such approval, consent, permission, and/or sanction, which may be agreed/ accepted by the Board of Directors (hereinafter referred to as the “Board” which shall be deemed to include any committee thereof, constituted or to be constituted to exercise its powers conferred by this resolution), consent of the shareholders be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without a green shoe option, either in India or in the course of international offering(s) in one or more foreign markets, such number of Equity Shares, Global Depository Receipts (“GDRs”), American depository receipts (“ADRs”), foreign currency convertible bonds (“FCCBs”), non-convertible debentures with or without warrants, preference shares convertible into Equity Shares, other financial instruments convertible into Equity Shares (including warrants or otherwise, in registered or bearer form), any security convertible into Equity Shares with or without voting/special rights, securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares, including the issue and allotment of Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, up to **Rs. 300 Crores (Rupees Three Hundred Crores only)** or equivalent thereof in one or more foreign currencies and/or Indian rupees, inclusive of such premium as may be fixed on such Securities by offering the Securities in one or more countries through public issue(s) of prospectus, private placement(s) and Qualified Institutions Placement (“QIP”) follow on offer or a combination thereof at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., in one or more tranches, whether Indian rupee denominated or denominated in foreign currency, to residents and/or non-residents and/or Indian and / or multilateral financial institutions/banks and/or incorporated bodies and/or individuals and/or trustees and/or stabilizing agent or otherwise, Qualified Institutional Buyers as defined under the SEBI Regulations (“QIBs”), qualified foreign investors, Foreign Institutional Investors (“FIIs”), Foreign Portfolio Investors (“FPIs”), Foreign Corporate Bodies (FCBs)/Companies/Mutual Funds/Pension Funds/Venture Capital Funds/Banks, alternative investment funds, insurance companies, to all or any other category of investors who are authorized to invest in the Securities of the Bank as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion and whether shareholders of the Company or not as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) either in foreign currency or equivalent Indian Rupees inclusive of such premium as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate, and as may be permitted under applicable law from time to time.

FURTHER RESOLVED THAT, pursuant to the provisions of Section 62 and all other applicable provisions and rules prescribed therein of the Act, the provisions of Chapter VIII of the SEBI Regulations; and the provisions of the FEMA, the FEMA Regulations, the Board may at its absolute discretion, issue, offer and allot Securities of an aggregate amount up to **“Rs. 300 Crores”** (Rupees Three Hundred Crores Only) or equivalent thereof in one or more foreign currency and/or Indian rupees inclusive of such premium, as specified above, to QIB pursuant to a QIP, as provided under Chapter VIII of the SEBI Regulations and such Securities shall be fully paid up and the allotment of such Securities shall be completed within 12 (twelve) months from the date of the shareholders resolution approving the proposed issue or such other time as may be allowed by the SEBI Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula of the aforementioned SEBI Regulations.

FURTHER RESOLVED THAT, the Board may, at its sole discretion, offer a discount of not more than five percent (or such other percentage as permissible under applicable law) on the floor price so calculated for the QIP, as permitted under SEBI Regulations and further, subject to the provisions of applicable laws, price determined for the QIP shall be subject to appropriate adjustments as per the provisions of Regulation 85(4) the SEBI Regulations, if required.

FURTHER RESOLVED THAT, the Equity Shares proposed to be issued through the QIP in accordance with the Chapter VIII of the SEBI Regulations and shall rank pari-passu with the existing Equity Shares of the Company in all respects including dividend.

FURTHER RESOLVED THAT, without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and transferability thereof in accordance with the applicable laws & prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

FURTHER RESOLVED THAT, any issue of Securities by way of a QIP shall be at a price which is not less than the price determined in accordance with the pricing formula provided under the SEBI Regulations (the “QIP Floor Price”) and that the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI Regulations, if required.

FURTHER RESOLVED THAT, the relevant date for determining the price of the Equity Shares to be allotted pursuant to the QIP, if any, shall mean, the date of the meeting in which the Board or a committee thereof decides to open the proposed issue, and in the manner as provided under Chapter VIII of the SEBI Regulations and in case Securities are convertible securities, then either the date of the meeting in which the Board decides to open the proposed issue or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board.

FURTHER RESOLVED THAT, in the event the Securities are proposed to be issued as FCCBs, ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993, or the Depository Receipt Scheme, 2014, as the case may be (including any amendments thereto or re-enactment thereof, for the time being in force) or as may be permitted under applicable law.

FURTHER RESOLVED THAT, for the purpose of giving effect to the above resolutions, the Board (or committee appointed by it thereof) be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, redemption period, listings on one or more overseas stock exchanges, execution of various transaction documents, creation of mortgage/ charge in accordance with Section 180(1)(a) of the Companies Act, 2013, in respect of any Securities as may be required either on *pari-passu* basis or otherwise, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

FURTHER RESOLVED THAT, the Board be and is hereby authorized to engage/appoint the Lead Manager, Legal Advisors, Underwriters, Guarantors, Depositories, Custodians, Registrars, Stabilizing Agent, Trustees, Bankers, Advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, certificates, declarations, undertakings, applications etc. with such agencies and to seek the listing of such Securities on one or more national and/or international stock exchange(s). We hereby also give our approval for any engagements/ appointments which may have already been entered into for the purpose of giving effect to the resolutions as proposed in this notice.

FURTHER RESOLVED THAT, the Board be and is hereby authorized to do such acts, deeds and matters as may be necessary and also to delegate all or any of the powers conferred on its by or under this Resolution to any committee of the Board or to any Director of the Company, any other officer(s) or employee(s) of the Company or any professional as it may consider appropriate in order to give effect to this Resolution.”

Item No. 05: To approve the proposed Material Related Party Transactions for the Year 2021-22:

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

“RESOLVED THAT, pursuant to the Regulation 2(zc) and 23(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force), and subject to such other approvals, sanctions, consents and permissions as may be deemed necessary and pursuant to the approval of the Audit Committee, the consent of the Shareholders be and is hereby accorded to Board of Directors of the Company for the Material Related Party Transactions proposed to be entered in the Financial year 2021-22 as per details as set out under Item no. 5 of the Explanatory Statement annexed to this Notice with Related Parties as defined under various provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other regulations applicable to the Company.

FURTHER RESOLVED THAT, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to finalize the terms and to execute agreements, deeds or writings required to be executed in relation to the proposed Material Related Party Transactions and to do all acts, things and deeds as may be deemed necessary to give effect to this resolution.”

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

**Ashok Chhajer
Chairman & Managing Director
DIN: 01965094**

Place: Navi Mumbai

Date: 20th July, 2021

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, cs@asl.net.in
Website: www.asl.net.in

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, In continuation of Ministry of Corporate Affairs has vide Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 (collectively referred to as “MCA Circulars”) and circular Nos. SEBI/HO/CFO/CMD1/CIR/P/2020/79 and SEBI/HO/CFO/CMD2/CIR/P/2021/11 dated 12th May, 2020 and 15th January, 2021 issued by Securities and Exchange Board of India (collectively referred to as “SEBI Circular”) permitted the holding of the Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. National Securities Depositories Limited (‘NSDL’) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at **Note No. 27** below and is also available on the website of the Company at www.asl.net.in.

2. 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.
3. 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.
4. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. 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 – 400059, Maharashtra.
6. The Register of Members and Share Transfer Books ("hereinafter referred to as Book Closure") of the Company will be closed, from 22nd August, 2021 to 28th August, 2021 (both days inclusive) for the purpose of holding Annual General Meeting.
7. Members 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.
8. In accordance with, Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and circular Nos. SEBI/HO/CFO/CMD1/CIR/P/2020/79 and SEBI/HO/CFO/CMD2/CIR/P/2021/11 dated 12th May, 2020 and 15th January, 2021 issued by Securities and Exchange Board of India (collectively referred to as "SEBI Circular"), the financial statements including Report of Board of Directors, Auditor's report or other documents required to be attached therewith and the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depositories/Depository Participant(s).
9. 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 Registrars and Transfer Agent.
10. 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.
11. 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.
12. 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.
13. 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.

14. 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.
15. 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.
16. **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, 2021, nor shall any payment be made in respect of such claims. Members who have not yet encashed their Dividend Warrant(s) pertaining to the Final Dividend for the Financial Year 2012-13 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.

The Company is under process to transfer an amount of Rs. 2249.80 for the Financial Year 2011-12, being unclaimed/unpaid Dividend as on August 1, 2020 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
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
2017-18	September 28, 2018	September 27, 2025
2018-19	September 26, 2019	September 25, 2026

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>.

17. 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.

18. The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at www.asl.net.in, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

19. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
20. The facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
21. Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or use Toll free no.: 1800 1020 990 and 1800 22 44 30 or contact Mr. Amit Vishal, Assistant Vice President NSDL at evoting@nsdl.co.in.
22. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
23. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

PROCEDURE TO RAISE QUESTIONS DURING ANNUAL GENERAL MEETING:

24. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@asl.net.in from 21st August, 2021 to 24th August, 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

25. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), 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.

26. 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 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. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- iv. 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. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

27. The instructions for E-voting are as follows:

A. The way to vote electronically on NSDL E-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>a) Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>b) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>d) Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;">  </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- 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.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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 eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- 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 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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.
 - c) How to retrieve your ‘initial password’?
 - (i) 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’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) 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.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

28. General Guidelines for Shareholders:

- a) 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 shanbhagrachana@gmail.com with a copy marked to evoting@nsdl.co.in.
- b) 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.
- c) 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.

29. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@asl.net.in Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 21st August, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 21st August, 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

- ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (Self attested scanned copy of Aadhar Card) to investor@asl.net.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- iii) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

30. The Instructions for Members for E-Voting on The Day of The AGM Are As Under:-

- i. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
- ii. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
- iii. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
- iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

31. Instructions For Members For Attending The AGM Through VC/OAVM are As Under:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@asl.net.in. The same will be replied by the company suitably.

32. Other Instructions

- i. The e-voting period commences on **24th August, 2021 (9:00 AM IST)** till **27th August, 2021, (5:00 PM IST)**. During this period, Members holding Shares either in Physical form or in Dematerialized form, as on the cut-off date i.e. **21st August, 2021**, 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 August, 2021**. 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 are 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

Place: Navi Mumbai

Date: 20th July, 2021

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, cs@asl.net.in

Website: www.asl.net.in

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

EXPLANATORY STATEMENT TO THE ANNUAL GENERAL MEETING NOTICE

(Under Section 102 of Companies Act, 2013)

Item No. 03:

The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee appointed, pursuant to the provisions of Section 149 and 161(1) of the Act Mrs. Chandra Iyengar (DIN: 02821294) as an Additional Woman Director, in the Independent Category of the Company with effect from 21st October, 2020.

In terms of the provisions of Section 161(1) of the Act, Mrs. Chandra Iyengar would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mrs. Chandra Iyengar for the office of Independent Director of the Company.

Mrs. Chandra Iyengar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as an Independent Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. As per the said Section 149, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a company and she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mrs. Mrs. Chandra Iyengar that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mrs. Chandra Iyengar possesses appropriate skills, experience and knowledge, inter alia, in the field of finance, legal consultancy and stakeholder relations.

In the opinion of the Board, Mrs. Mrs. Chandra Iyengar fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Mrs. Chandra Iyengar is independent of the management of the Company.

Brief resume of Mrs. Chandra Iyengar, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report. Her brief profile is also available on the website of the Company.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Chandra Iyengar is appointed as an Independent Director.

Copy of the letter for appointment of Mrs. Mrs. Chandra Iyengar as an Independent Director setting out the terms and conditions is available on the website of the Company under the Corporate Governance Section.

This Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Save and except Mrs. Chandra Iyengar and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 03 of the Notice. The Board recommends the Special Resolution set out at Item No. 03 of the Notice for approval by the shareholders.

The statement of additional information required to be disclosed as per Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard 2 issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

Item No. 04:

Pursuant to the Provision of Section 23, 42, 62 and 71 and other applicable provisions of the Companies Act, 2013 and applicable Regulations of Securities and Exchange Board of India and subject to all other concerned authorities approvals, the Company had obtained the consent of the Shareholders in the Annual General Meeting held on 11th September, 2020 for raising capital not exceeding Rs. 300 Crores through issue of eligible Securities of the Company to meet the funding requirement and Business objective of the Company.

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and provision of the Section 62 of the Companies Act, 2013 read with rule 13 (2) (e) of Companies (Share Capital and Debentures) Rules, 2014 such Resolution is valid for a period of 12 months from the date of passing of Resolution.

The Board is seeking an enabling resolution for raising capital by way of public or private placement including QIP to strengthen the capital base of the Company, implementation of Ongoing Projects, acquisition of land parcels, working capital requirement, repayment of existing indebtedness of the Company, expansion of the existing business of the Company and to fund general corporate purposes.

The fund raising may be through a mix of equity/equity linked instruments, as may be deemed appropriate. Shareholders' approval is sought for the issue of Equity Shares or such other securities linked to or convertible into Equity Shares or depository receipts of the Company. Shareholders' approval is sought for issuing any such instrument as the Board may deem appropriate to parties who may or may not be an existing shareholder of the Company. Whilst no specific instrument has been identified at this stage, in the event the Company issues any equity linked instrument, the issue will be structured in a manner such that the additional equity share capital/securities that may be issued pursuant to the above resolution would not be more than Rs. 300 Crores (Rupees Three Hundred Crores Only) including premium. The equity shares, if any, allotted on issue/ conversion of Securities shall rank in all respects pari-passu with the existing Equity Shares of the Company.

The Company may issue securities by way of a QIP in terms of Chapter VIII of the SEBI Regulations. The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the securities will be decided by the Board or a Committee constituted by the Board for this purpose, based on an analysis of the specific requirements after consulting all concerned. Therefore, the proposal seeks to confer upon the Board/the committee of the Board the absolute discretion to determine the terms of issue in consultation with the Lead Manager to the issue.

As per Chapter VIII of the SEBI Regulations, an issue of securities on QIP basis shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchanges during the two weeks preceding the 'relevant date'. The Board/ the Committee of the Board may, at its absolute discretion, issue securities at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the SEBI Regulations subject to provisions of Section 53 of the Companies Act, 2013.

As the pricing of the offer cannot be decided except at a later stage, it is not possible to state the price of securities to be issued. However, the same would be in accordance with the provisions of the SEBI Regulations, the Companies Act, 2013, or any other guidelines/regulations/consents as may be applicable or required.

In case of issue of convertible bonds and/or equity shares through depository receipts, the price will be determined on the basis of the current market price and other relevant guidelines.

The "relevant date" for the above purpose, shall be:

- i. in case of allotment of equity shares, the date of meeting in which the Board/Committee decides to open the proposed issue;
- ii. in case of allotment of eligible convertible securities, either the date of the meeting in which the Board/Committee decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board.

The Stock Exchanges for this purpose are the BSE Limited and National Stock Exchange of India Limited.

In case of QIP issuance the proposed special resolution shall be valid for a period of 12 months from the date of shareholders' approval, before which the Company is required to complete the allotments under the authority of said resolution.

The Board recommends the resolution for approval of the shareholders as a Special Resolution. None of the Directors and Key Managerial

Personnel(s) of the Company or their relatives are directly or indirectly concerned or interested in this Resolution.

Item No. 05:

The Company proposes to enter into certain business transactions with its Subsidiary Companies, Directors and Key Managerial Personnel and Entities in which Directors and KMPs / Relatives of Directors and KMPs have significant influence, for Year 2021-22 which are of value exceeding 10% of the Annual Consolidated Turnover of the Company.

The details of such transactions are mentioned below:

Sr. No.	Nature of Transactions	Pricing Mechanism	Justification for Arm's Length Price	Maximum Amount of Transactions on group level (In Rs. Crores)	Related Party and Relationship
1	Sale, purchase or supply of goods or materials	Market Price as applicable to 3 rd parties	The agreements for sale, purchase or supply shall be at the same rate at which it is provided to unrelated parties	25	Mentioned in Attached Annexure A
2	Selling or otherwise disposing of, or buying of property	Market Price as applicable to 3 rd parties	The agreements for sale, purchase or supply shall be at the same rate at which it is provided to unrelated parties	25	Mentioned in Attached Annexure A
3	Leasing of property	Market Price as applicable to 3 rd parties	The agreements for leasing shall be at the prevalent market rates	100	Mentioned in Attached Annexure A
4	Availing or rendering of any services	Market Price as applicable to 3 rd parties	The agreements for availing or rendering services shall be at the same rate at which it is provided to unrelated parties	250	Mentioned in Attached Annexure A
5	Giving loan, guarantee and security	Not Applicable	Such loans, guarantees and security shall only be provided for the principal business activities of the Company in the Ordinary Course of Business.	200	Only to companies which are subsidiaries or associates. No loan, guarantee or security is proposed for any Director, promoter or individual related thereof
6	Loan and advances given by Director to the Company	Market Price as applicable to 3 rd parties	Any loan obtained from a Director shall be accompanied by a declaration stating that the same is not from the borrowed funds of the Director. Further, the rate of interest at which such loan is obtained shall be at par with the interest rates charged by Banks/ Financial Institutions.	150	Mr. Ashok Chhajer, Mrs. Sangeeta Chhajer (Chairman & Managing Director/ Promoter/ KMP)
			Total	750	

Annexure A

Details of Related Party

Sr. No.	Name of Related Party	Relationship
1	Arihant Aashiyana Private Limited	Subsidiary Company
2	Arihant Abode Limited	Subsidiary Company
3	Arihant Vatika Realty Private Limited	Subsidiary Company
4	Arihant Gruhnirman Private Limited	Subsidiary Company
5	Arihant Technoinfra Private Limited	Group Company (Entity in which Directors have significant influences)
6	Adinath Realty Private Limited	Group Company (Entity in which Directors have significant influences)
7	Arihant Paradise Realty Private Limited	Group Company (Entity in which Directors have significant influences)
8	Arihant Enterprise	A firm, in which a director or his relative is a partner
9	Arihant Estate	A firm, in which a director or his relative is a partner
10	Ashok Chhajer and his Relatives *	Managing Director/Promoter

***Relatives means:**

1. As per section 2(77) of Companies Act, 2013 “relative” with reference to any person, means anyone who is related to another, if-

- I. They are members of HUF;
- II. They are husband and wife; or
- III. One person is related to the other in such manner as may be prescribed.

2. As per Companies (Specification of definitions details) Rules, 2014

A person shall be deemed to be relative of another, if he or she is related to another in the following manner, namely:-

- I. Father
- II. Mother
- III. Son
- IV. Son’s Wife
- V. Daughter
- VI. Daughter’s Husband
- VII. Brother
- VIII. Sister

The Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015 and any other applicable provisions of the Companies Act, 2013 if any; defines the term “Material Related Party Transaction”. It provides that all Related Party Transactions shall be considered as “Material” if the transaction entered with or transactions to be entered individually or taken together with a Related Party along with previous transactions during a Financial Year exceeds 10% of the Annual Consolidated Turnover of the Company as per the last Audited Financial Statement of the Company. The Material Related Party Transactions requires approval of the Shareholders by passing a Resolution and in respect of voting on such resolution(s) the said related party shall abstain from voting.

Members may note that based on the criteria mentioned in the SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015, the above mentioned proposed transactions may exceed the threshold limit of 10% of Annual Consolidated Turnover on the basis of their last Audited Financial Statements wherein, they would be deemed to be “Material Related Party Transactions” and hence will require approval of the Shareholders by means of Special Resolution.

In reference to all above proposed Transactions, the Members may further note that this approval is in general terms of compliance of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Audit Committee has approved the above proposed Related Party Transactions and has noted that these transactions are in the ordinary course of Business and are at arm’s length basis.

Hence, the proposed transactions to be entered are placed before the Shareholders for their approval.

Except Mr. Ashok Chhajer and his relatives, none of the other Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in this Resolution.

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.

The Board of Director recommends the resolution for approval of members as Special Resolution.

This information forms a part of the Notice and Explanatory Statement for the 38th 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	Mrs. Chandra Iyengar (DIN: 02821294)
Age	70
Qualification	Mrs. Chandra Iyengar is an Indian Administrative Services (IAS).
Experience	Mrs. Chandra Iyengar holds a Bachelor of Arts from Ethiraj College, Chennai and a Master of Arts from Miranda House, New Delhi. She has led several departments in the Government of Maharashtra and the Government of India, such as Women & Child Development, Higher & Technical Education, Rural Development and Health. As the Secretary for Women & Child Development for the Government of Maharashtra, she was responsible for drafting and implementing the first-ever state policy for women's empowerment in India. Prior to retiring in 2010, Mrs. Chandra Iyengar was the Additional Chief Secretary- Home Department for the Government of Maharashtra. She has also served as Chairperson for the Maharashtra Energy Regulatory Commission.
No. of Shares held	NIL
Terms & Conditions	As per the Appointment Letter dated 21 st October, 2020.
Remuneration Last Drawn	-

Remuneration sought to be paid	-
Number of Board Meetings attended during the Financial Year 2020-21	4
First Date of Appointment	21 st October, 2020
Date of Appointment in current terms	21 st October, 2020
Relationship with other Directors/ Manager/ Key Managerial Personnel	NIL
Directorships held in other Companies in India	<ol style="list-style-type: none"> 1. Adani Total Gas Limited 2. Arihant Abode Limited 3. Aurangabad Industrial Township Limited 4. Miracle Foundation India
Membership on the Committee Board of other Companies	NIL

DIRECTORS REPORT

Dear Members,

The Board of Directors are pleased to present the Annual Report of your Company; Arihant Superstructures Limited (the “Company” or “ASL”) along with the Audited (Stand-alone and Consolidated) Financial Statements for the Financial Year ended March 31, 2021.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year ending on March 31, 2021 is summarised as below:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Sales and Other Income	10722.35	6113.59	27230.61	23785.17
Profit before Interest, Depreciation & Tax	1421.45	710.87	5016.32	4765.53
Interest	961.20	774.70	2809.55	3010.60
Depreciation	73.91	79.47	203.92	203.76
Profit/ (Loss) before Tax	386.34	(143.30)	2002.85	1551.17
Provision for Tax	(3.77)	(1.76)	428.81	452.77
Profit/ (Loss) after Tax	390.11	(141.54)	1574.04	1098.40
Profit/(Loss) for the Year	390.11	(141.54)	1574.04	1098.40
Share of Minority	-	-	456.91	550.16
Profit carried to the Balance Sheet	390.11	(141.54)	1117.13	548.24

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.

The Financial Statements have been prepared on accrual 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”) and all amounts are rounded to the nearest Lakhs, except as stated otherwise.

COMPANY PERFORMANCE OVERVIEW

During the year under review, the revenue from operations of the company, increased from Rs. 23785.17 Lakhs in FY 2019-20 to Rs. 27230.61 Lakhs in FY 2020-21 on a consolidated basis. The revenue from operations on a stand-alone basis, increased from Rs. 6113.59 Lakhs in FY 2019-20 to 10722.35 Lakhs in FY 2020-21.

The profit after tax for the FY 2020-21 on a stand-alone basis was Rs. 390.11 Lakhs as against the loss after tax (Rs. 141.54) Lakhs for FY 2019-20. The profit after tax for the FY 2020-21 on a consolidated basis was Rs. 1574.04 Lakhs in FY 2020-21 as against the profit after tax of Rs. 1098.40 Lakhs for FY 2019-20. The increase in the consolidated profit after tax for FY 2020-21 was on account of the positive financial performance of the entire group.

PROJECTS AND OPERATIONS OF THE COMPANY

The current projects and operations of the company are as follows:

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 vitrifiedtillingin 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, basketball court, kids play room, amphitheater, garden lawn, steam room, gymnasium, etc. to name a few.

Project: Arihant Aangan

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, moulded panel doors and aluminium sliding window, vitrified flooring and designer wall tiles, lifts and beautiful entrance with grand club house.

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, moulded panel doors and aluminium sliding window, vitrified flooring and designer wall tiles, lifts and beautiful entrance with grand club house.

Project: Arihant Arshiya

Residential project named as “Arihant Arshiya” is situated at Khalapur, Khopoli. This project having 20 acres land area. Arihant Arshiya is apart stilt + 8 Storied Towers comprising elegant 1 RK, 1 BHK, 2 BHK 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.

The following projects are currently being undertaken by the subsidiary companies:**Project: Arihant Advika**

Residential project located at prime location of Vashi, Navi Mumbai. The luxury project has 2 towers with 26 storey each. The project has spacious 2, 3, 4 BHK with podium amenities. The amenities offered are heated swimming pool, party lawn, open gym, jogging track, yoga deck, business centre, mini theatre, banquet hall, and kids play area. Also, the project boasts some top class infrastructure like thermostat bath fittings, Italian marble flooring and security system.

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 2 BHK 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, landscaped garden, swimming pool with Kids pool, gymnasium with clubhouse, children’s play area, amphitheatre with party lawn, jogging track, meditation center, ample car parking, basketball 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 centre & 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 1 BHK & 2 BHK, 3 BHK flats. The project has internal & external amenities such as 2 x 2 vitrified flooring in all rooms, granite top kitchen platform, lustre paint, aluminium 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 2 BHK, 3 BHK and 4 BHK Super Luxurious Flats having the internal and external amenities such as 800 mm x 800 mm vitrified tile flooring, modern kitchen with water purifier, gas hob & chimney, granite top kitchen platform with double bowls sink and service-platform, bathroom with bath tub, basin counter, glass partition, premium quality CP fitting and branded sanitary ware, moulded panel main door and bathroom door, FRP doors for bath rooms, UPVC sound resistance French windows, Luster /velvet touch paint with POP on all walls, herbal boulevard & gen garden, land scape 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, aerobics, yoga and meditation centre, indoor sports club, badminton & squash court, children screech, 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 + 10 Storied Towers consisting of spacious 1 BHK and 2 BHK having the internal and external amenities such as 2 x 2 vitrified flooring tiles, POP on all walls, lustre paint on internal walls, granite top kitchen platform, premium quality bathroom, moulded panel main door & bed room 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, 2 BHK and 3 BHK 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 pool, 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.

IMPACT OF COVID-19

The country witnessed lockdown being implemented in India in the second fortnight of March 2020. There were also restrictions of varying extent across larger part of the world, due to the COVID-19 pandemic. This impacted the business operations of the Company significantly. Since June 2020, the Company started resuming operations in its construction sites and registered office after taking requisite permissions from Government authorities. By staying true to its purpose and its values, the top-most priority for the Company was to ensure the safety of its employees.

Standing by its core commitment, the Company is navigating through these unprecedented times by building stronger and deeper relationships with consumers and its partners. The Company is supporting various Government Initiatives and helping communities around to fight the pandemic. Detailed information on the same has been included under the Management Discussion & Analysis report forming part of this Annual Report.

TRANSFER TO RESERVES

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

DIVIDEND

The Board of Directors do not recommend any Final Dividend for the Financial Year 2020-21, with a view to conservation of the financial resources of the company.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2020-21, together with the Auditors’ Report form part of this Annual Report.

SUBSIDIARY COMPANIES

The Company has 4 (four) unlisted subsidiaries, the details of which are stated below:

Name of the Material Subsidiaries	Name of Non-Material Subsidiaries
Arihant Aashiyana Private Limited	Arihant Abode Limited
Arihant Vatika Realty Private Limited	Arihant Gruhnirman Private Limited

A statement containing the salient features of financial statements of subsidiaries of the Company in the prescribed Form AOC – 1 forms a part of Consolidated Financial Statements in compliance with Section 129 (3) and other applicable provisions, if any, of the Act read with Rules.

In accordance with Section 136 of the Act, the audited financial statements, including the CFS and related information of the Company and the financial statements of each of the subsidiary and associate companies, are available on our website. The necessary disclosures in respect of the material subsidiaries are displayed under the Corporate Governance website of the company.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors comprise of eminent and experienced professionals in the Industry. The current composition of the Board of Directors are as follows:

No	Name of Director (DIN)	Designation
1	Mr. Ashok B Chhajer (DIN: 01965094)	Chairman & Managing Director
2	Mr. Nimish Shah (DIN: 03036904)	Whole-time Director
3	Mr. Virendra Mital (DIN: 00376830)	Independent Director
4	Mr. R N Bhardwaj (DIN: 01571764)	Independent Director
5	Ms. Divya Momaya (DIN: 00365757)	Woman Independent Director
6	Mrs. Chandra Iyengar (02821294)	Additional Woman Independent Director

Changes in the composition of the Board of Directors

The following changes occurred during FY 2020-21 till the date of this Report:

No	Name of Director (DIN)	Details of change	Date of change
1	Ms. Divya Momaya (DIN: 00365757)	Appointment	June 16, 2020
2	Ms. Sangeeta Chhajer (DIN: 01965110)	Resignation	October 21, 2020
3	Mrs. Chandra Iyengar (02821294)	Appointment	October 21, 2020

The Board places on record, its appreciation for the services of Ms. Sangeeta Chhajer during their tenure with the Board.

Appointment at the AGM

During the year, Mrs. Chandra Iyengar (02821294) was appointed as an Additional Woman Independent Director for a period of 5 (five) years, with effect from 21st October, 2020. Mrs. Chandra Iyengar (02821294) holds office in terms of Section 161(4) of the Companies Act, 2013, till the date of this Annual General Meeting.

The above appointment is recommended by the Nomination & Remuneration Committee of the Board, in line with the Nomination & Remuneration Policy of the Company. The company has received Notices under Section 160 of the Companies Act, 2013, proposing the above appointments. The details of the Directors, including their terms and remuneration as required under the Companies Act, 2013 and Secretarial Standards are attached to the AGM Notice. The Board recommends the appointment of the above Director.

Mr. Nimish Shah retires by rotation at this AGM and being eligible has offered himself for re-appointment. The Board recommends the same.

Declaration of Independent Directors

The Company has received the following declarations from all the Independent Directors confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as of Regulation 16 of the Listing Regulations.
- In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs, Manesar.
- In terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

In terms of Regulation 25(9) of the Listing Regulations, the Board of Directors has ensured the veracity of the disclosures made under Regulation 25(8) of the Listing Regulations by the Independent Directors of the Company.

Certificate on Disqualification of Directors

In terms of the provisions of Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Certificate from M/s D A Kamat & Co, Company Secretaries in respect of the non-disqualification of the Directors. This certificate forms a part of this report.

Key Managerial Personnel

The Key Managerial Personnel of the Company, as on the date of this Report are as follows:

Name	Designation	Date of appointment
Mr. Ashok Chhajjer	Managing Director	April 1, 2011
Mr. Deepak Lohia	Chief Financial Officer	February 12, 2020
Mr. Govind Rao	Company Secretary	November 16, 2018

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors, during Financial Year 2020-21 met 6 (six) times. 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 forms a part of this Board's Report.

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

Mandatory Committees	Non-Mandatory Committee
Audit Committee	Executive Committee
Nomination & Remuneration Committee	Disinvestment Committee
Stakeholders' Relationship Committee	Fund raising Committee
Corporate Social Responsibility Committee	Insider Trading compliance Committee
	Risk Management Committee
	Sub Committee

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

During the year under review, all the recommendations made by the Audit Committee were approved by the Board of Directors.

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.

VIGIL MECHANISM

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Act and Regulation 22 of the Listing Regulations.

The Policy also provides protection to the directors, employees and business associates who report unethical practices and irregularities. Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy. The Whistle Blower Policy of the Company can be accessed at website of the Company at www.asl.net.in

NOMINATION AND REMUNERATION POLICY

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governance Report which forms part of this Annual Report. The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment & re-appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration, evaluation and other matters as provided under Section 178 of the Act and Listing Regulations. The copy of the Policy can be found under the Investors section on <http://www.asl.net.in>.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND EMPLOYEES

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations.

The information required under Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of the Company is set out in **Annexure – I** to this Report.

PERFORMANCE EVALUATION

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

The Board formally assesses its own performance based on parameters which, inter alia, include performance of the Board on deciding long term strategy, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc.

The parameters for the performance evaluation of the Directors include contribution made at the Board meeting, attendance, instances of sharing best and next practices, domain knowledge, vision, strategy, engagement with senior management, etc.

The Chairperson(s) of the respective Committees based on feedback received from the Committee members on the outcome of performance evaluation exercise of the Committee, shares a report to the Board.

The Independent Directors at their separate meeting review the performance of: non-independent directors and the Board as a whole, Chairperson of the Company after taking into account the views of Executive Director and non-executive directors, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Based on the outcome of the performance evaluation exercise, areas have been identified for the Board to engage itself with and the same would be acted upon. The details of the evaluation process are set out in the Corporate Governance Report which forms a part of this Annual Report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

All new independent directors inducted into the Board are familiarized with the operations and functioning of the Company. The details of the training and familiarization program are provided in the Corporate Governance report and website of the Company at www.asl.net.in.

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 March 31, 2021 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 systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into by the Company during the year under review with Related Parties were in ordinary course of business and on arm's length basis in terms of provisions of the Act. The Company's Policy on dealing with and Materiality of Related Party Transactions is available on the website of the Company at www.asl.net.in

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with and materiality of Related Party Transactions and the Related Party Framework, formulated and adopted by the Company. During the year under review, the Related Policy Framework was suitably amended to give effect to the changes in the relevant provisions of law.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Notes to the Standalone Financial Statements of the Company. The company also obtains suitable approval of the members for the materially significant related party transactions, in line with Regulation 24 of the Listing Regulations. The approval of the materially significant related party transactions for Financial Year 2021-22 is sought at the forthcoming Annual General Meeting of the Company. The same is recommended by the Audit Committee and the Board of Directors.

The Company in terms of Regulation 23 of the Listing Regulations submits within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards to the stock exchanges.

The said disclosures can be accessed on the website of the Company at www.asl.net.in. Form AOC - 2 pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure – II** to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibilities) Rules, 2014, as amended. During the year, the said policy has been reviewed by the Board of Directors of the Company.

The Company has in FY 2020-21 undertaken CSR Spent of Rs. 38,60,425.00 (Thirty Eight Lakhs Sixty Thousands Four Hundred & Twenty Five Only). The unspent CSR liability of Rs. 10,84,201.00 (Ten Lakh Eighty Four Thousands Two Hundred & one only) has been transferred to an “unspent CSR A/C for FY 2020-21” before 30th April, 2021. The CSR policy of the company is displayed on the website of the company on www.asl.net.in. The company is committed to undertaking its CSR responsibility and initiatives in letter and spirit and will undertake the spend towards effective causes in line with the CSR policy of the company.

The Company’s CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2021, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) is set out in **Annexure – III** to this report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of Companies Act, 2013, the Annual return as on March 31, 2021 is available on the website of the company on www.asl.net.in

AUDITORS AND AUDITORS’ REPORT

Statutory Auditors and their Report

The Company has appointed M/s Kailash Chand Jain & Co, Chartered Accountants (Firm Regn No. 112318W) as the Statutory Auditors for a period of 5 years, in their 35th AGM held on September 28, 2018. They hold office till the AGM to be held in 2023. The Board has received a consent and letter from the Statutory Auditors, stating their eligibility to conduct the Statutory Audit for the Financial Year 2021-22.

The Statutory Auditors’ Report being self-explanatory, do not require any reply from the Board of Directors of the Company.

Secretarial Auditors and their Report

The Company has appointed M/s D A Kamat & Co, Company Secretaries as the Secretarial Auditors of the Company for FY 2020-21 under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditors Report for Financial Year 2019-20 is attached as **Annexure – IV** to this Report.

The Secretarial Compliance Report for the financial year ended March 31, 2021, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations is available on the website of the Company.

The Secretarial Auditors’ Report and Secretarial Compliance Report is self-explanatory, and the comments thereon do not require any reply from the Board of Directors of the Company.

Cost Auditors

The Company is not required to appoint any Cost Auditors for the Company during the year under review.

Internal Auditors

The Board had appointed M/s Anjani Goyal & Co. Chartered Accountants as the Internal Auditors for FY 2020-21. The Board has appointed M/s Anjani Goyal & Co, Chartered Accountants as the Internal Auditors for Financial Year 2021-22. The remarks of the Internal Auditors Report are placed before the Audit Committee and Board of Directors for their review and process improvement.

INTERNAL FINANCIAL CONTROLS

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.

RISK MANAGEMENT POLICY

The Board of Directors in their meeting held on June 27, 2020, have constituted a Risk Management Committee consisting of the heads of finance, administration and operations of the company. The same is chaired by an Independent Director. The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risks are brought within acceptable limits.

Mitigation plans to significant risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership. The Company endeavours to continually sharpen its Risk Management systems and processes in line with a rapidly changing business environment. The Company, through its risk management process, aims to contain the risks within its risk appetite.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

The Board of Directors of the Company, on the recommendation of the Risk Management Committee has developed risk management policy for the Company to articulate the Company's approach to address the uncertainties in its endeavour to achieve its stated and implicit objectives and the same is available at the website of the Company at www.asl.net.in.

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

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-V** and forms part of this Report.

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance is attached to this Report. The same is attached to this Report as **Annexure – VI**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act.

No complaints of sexual harassment were received during the financial year 2020-21 by the Company.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the applicable provisions of Companies Act, 2013 (hereinafter referred to as "the Act") read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as the "IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of

dividend transferred to the IEPF during the FY 2020-21 and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, are provided in the General Shareholders Information section of Corporate Governance report forming part of this Annual Report.

The Company is under process of transfer the unpaid dividend amount and underlying shares to IEPF Account.

CODE OF CONDUCT AND INSIDER TRADING REGULATIONS

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.

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, except for the instances as reported to the Stock Exchanges in this regard.

OTHER DISCLOSURES:

- (a) There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2020-21 and the date of this report.
- (b) During the year under the review, there was no change in the nature of business of the Company.
- (c) During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014
- (d) The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings
- (e) The details of the Loans given, Investments made, guarantees and securities on loans given during Financial Year 2020-21 are stated in Note 06 to the Standalone Financial Statements of the Company.
- (f) The company has taken loan from the Directors or their relatives during the year under review. Details of the same are mentioned in the Financial Statement. Further the Company has taken the disclosure from the directors regarding the same.
- (g) There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.
- (h) The Managing Director of the Company has not received any remuneration or commission from any of the subsidiary companies.
- (i) None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143 (12) of the Act
- (j) The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors
- (k) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise
- (l) The Company has not issued any sweat equity shares to its directors or employees; and
- (m) There was no revision of financial statements and Boards report of the Company during the year under review

APPRECIATION

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

**By Order of the Board
Arihant Superstructures Ltd**

**Place: Navi Mumbai
Date: 24th July, 2021**

**Ashok B Chhajer
Chairman & Managing Director
DIN: 019650904**

ANNEXURE I

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND EMPLOYEES**Statement of disclosure of remuneration**

[Pursuant to Section 197 of the Companies Act, 2013 (“the Act”) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Remuneration details of Directors and KMP of the Company for the financial year 2020-21 is as follows:

Name	Designation	Remuneration
Mr. Ashok B Chhajer	CMD	44.69
Mr. Nimish Shah	WTD	41.82
Mr. Virendra Mital	Independent Director	9.75
Mr. R N Bhardwaj	Independent Director	8.75
Ms. Divya Momaya	Independent Director	7.15
Ms. Chandra Iyer	Independent Director	5.40
Mr. Deepak Lohia	Chief Financial Officer	17.78
Mr. Govind Rao	Company Secretary	4.51

Notes:

¹ Ms. Sangeeta Chhajer is ceased to hold office with effect from October 21, 2020

² Ms. Divya Momaya is appointed with effect from June 16, 2020

³ Mrs. Chandra Iyengar is appointed with effect from October 21, 2020

The increase in remuneration of employees other than the Key Managerial Personnel is considerably in line with the increase in remuneration of Key Managerial Personnel.

B. Number of permanent employees on rolls of the Company as on March 31, 2021:

	Number of Employees
Executive/Manager/Senior Management	3
Staff	3
Workmen/Sub-staff/Contractual	3

C. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Nomination and Remuneration Policy of the Company.

D. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is available on the website of the Company at www.asl.net.in

ANNEXURE II RELATED PARTY TRANSACTIONS (FORM AOC-2)**ANNEXURE III CORPORATE SOCIAL RESPONSIBILITY REPORT****ANNEXURE IV SECRETARIAL AUDIT REPORT****ANNEXURE V CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****ANNEXURE VI CORPORATE GOVERNANCE REPORT**

Form No. AOC - 2
As on the Financial Year ended 31st March, 2021

(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:

- (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

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

Ashok Chhajer
Chairman & Managing Director
DIN: 0196509

Place: Navi Mumbai
Date: 24th July, 2021

ANNEXURE –III

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2020-21**1. Brief outline on CSR Policy of the Company:**

The CSR policy was approved by the Board of Directors and further the same was amended by the Board of Directors at its meeting held on 19th June, 2021

The CSR Policy, reflects the Company’s philosophy and mission, to portray its commitment to be a responsible corporate citizen and presents the strategies and methods for undertaking social programs for well-being and sustainable development of the local community in which it operates.

The Company’s CSR policy intends to:

- a) Shape sustainability for the organization by ‘Engaging the Community;
- b) For other stakeholders, make it “an integral part of the Company’s DNA, so much so that it has to be an organic part of the business”.
- c) Planning and implementing various CSR activities towards the set objective of the organization and facilitating the CSR program, is the responsibility of Arihant Superstructures Limited.
- d) Aligning the vision of the Company, increasing value creation in the community in which it operates, through its services and CSR initiatives which are planned and implemented, so as to stimulate well-being for the community, in fulfillment of its role and responsibility as a corporate citizen.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Virendra Mital	Chairman, Independent Director	4	4
2	Mr. Ashok Chhajer	Member, Managing Director	4	4
3	Mr. Nimish Shah	Member, Whole Time Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee shared above and is available on the Company’s website on

CSR Policy – <https://www.asl.net.in/corporate-governance.html>

CSR Projects - <https://www.asl.net.in/corporate-governance.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the company as per section 135(5):

(Amount in Rs)

Financial Year	Profit before Tax	Average of three years
2017-18	15,81,79,213	55,684,794
2018-19	2,32,04,996	
2019-20	(1,43,29,827)	
TOTAL	16,70,54,382	

7. (a) **Two percent of average net profit of the company as per section 135(5):** Rs. 11,13,696/-
 (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL
 (c) **Amount required to be set off for the financial year, if any:** NIL
 (d) **Total CSR obligation for the financial year (7a+7b- 7c):** Rs. 11,13,696/- and Rs. 38,30,930/- carried forward from the previous year.
8. (a) **CSR amount spent or unspent for the financial year:** Total CSR amount spent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
38,60,425	10,84,201	30/04/2021	NA	NA	NA

- (b) **Details of CSR amount spent against ongoing projects for the financial year:**

Date	Organization Name	Activities Undertaken for CSR	Items cover under schedule VII of the Companies Act, 2013	Amount approved & spent (In Rs.)
15/06/20	Kokani Doctors Association	Donation for Nisarg Cyclone	Disaster management, including relief, rehabilitation and reconstruction activities.	5,00,000.00
18/06/20	Star Foundation	Donation for Nisarg Cyclone	Disaster management, including relief, rehabilitation and reconstruction activities.	4,00,000.00
21/06/20	Seed Foundation	Donation for Nisarg Cyclone	Disaster management, including relief, rehabilitation and reconstruction activities.	2,00,000.00
01/04/20	GST Paid for payment to Amit Civil Construction	Rural Development by construction of Road at Ghot	Rural development projects	36,000.00
01/07/20 to 01/11/20	ACC Limited (A)	Supply for village infrastructures and swach bharat sewerage system	Rural development projects	10,12,679.00
28/02/20	Jai Ambe Enterprise	Supply for village infrastructures and swach bharat sewerage system	Rural development projects	51,975.00

04/09/20	Arihant Foundation	A Trust registered with the object of CSR	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	10,000.00
01/01/21	Shri Maruti Mandir Trust	Donation to Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	6,00,000.00
22/02/21	Shri Maruti Mandir Trust	Donation to Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	4,00,000.00
16/03/21	ACC Limited (A)	Supply for village infrastructures and swachbharat sewerage system	Rural development projects	1,99,771.00
31/03/21	Shri Maruti Mandir Trust	Donation to Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	4,50,000.00
Total				38,60,425.00

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	-	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads: Not applicable

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 38,60,425/-

(g) Excess amount for set off, if any: Not Applicable

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2019-20	-	90,02,583	-	-	-	38,30,930
2.	2018-19	-	10,51,000	-	-	--	89,39,016
3.	2017-18	-	30,56,000	-	-	-	45,73,984
	Total		4,77,89,000				

* As on 31st March 2021, only an unspent amount of Rs. 10,84,201/- remains outstanding and all other previous carried forward unspent amount has been utilized by the Company.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1	NA	-	-	-	-	-	-	-
2	NA	-	-	-	-	-	-	-
3	NA	-	-	-	-	-	-	-
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable

Sd/-	Sd/-	Sd/-
(Managing Director)	(Chairman CSR Committee).	[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).

Annexure IV

To,

The Members,

Arihant Superstructure Limited

Navi Mumbai

Subject: Secretarial Audit Report of the Company for the Financial Year 2020-21.

We present herewith the Secretarial Audit Report for **Arihant Superstructures Limited**, for the Financial Year 2020-21 in terms of Section 204 of the Companies Act, 2013. Our report of even date is to be read along with the following:

1. 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.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. 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.
7. In view of the restrictions imposed by the Government of Maharashtra on the movement of people across the state to contain the spread of Covid-19 pandemic, which led to the complete lockdown across the state, we have relied on electronic data for verification of certain records as the physical verification was not possible.

**For, D A Kamat & Co
Company Secretaries**

**D A Kamat
Partner
FCS 3843
CP 4965**

UDIN: F003843C000683687

Place: Mumbai

Date: 24th July, 2021

FORM NO MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR APRIL 1, 2020 to MARCH 31, 2021

*[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

Navi Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arihant Superstructures Limited (CIN: L51900MH1983PLC029643)** (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.

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 authorized representatives during the conduct of the secretarial audit, the explanations and clarifications given to us and there presentations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering Financial Year from April 1, 2020 to March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

- 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 and maintained by the Company for the Financial Year from April 1, 2020 to March 31, 2021 according to the provisions of:
1. The Companies Act, 2013 (“the Act”) and the rules made there under
 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 thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
 5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”)
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (c) The Securities and Exchange Board (Listing and Disclosure Requirements) Regulations, 2015.
 - (d) The Securities Contracts (Regulation) Act, 1956 and the rules made there under
 - (e) SEBI (Prohibition of Insider Trading) Regulations, 2015
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client

- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable to the company for the period of review**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable to the company for the period of review**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable to the company for the period of review**

6. Specific Laws as mentioned hereunder:

- (a) Real Estate (Regulation and Development) Act, 2016 and MAHARERA Rules and Rajasthan RERA Rules (as applicable to its projects)
- (b) Building and other construction workers Act, 1996 and Building And Other Construction Workers Welfare Cess Act, 1996

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent stated in this Report.

II. We have examined the applicable provisions of 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.

III. We report that during the audit period, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above, **except for following:**

- (a) **Teenmurti Constructions Private Limited (Operational Creditor)** has filed a case under IBC, 2016 against the company with Hon'ble NCLT, Mumbai in 2018. The order of the Hon'ble Bench, NCLT is awaited on the matter.
- (b) **Non-compliance of Code of Conduct w.r.t. the Insider Trading Code by:**

i) **Show Cause Notice issued by SEBI in the matter of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies' Code of Conduct by Mr. Dinesh Babel (then director of the Company):**
The Company had received a show cause Notice issued by SEBI vide letter EAD/ADJ/BJD/AB/OW/14760/1/2020 dated 09th September, 2020 for Notice under Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of Arihant Superstructure Ltd under SEBI (Prohibition of Insider Trading) Regulations, 2015 in the matter of Non-disclosure in the specified formats prescribed under Reg 7(2) of the SEBI Insider Trading Regulations to the Stock Exchanges and the Report submitted by the Company with SEBI dated 14th September, 2019. Accordingly, a penalty of Rs. 2,00,000/- (Rupees Two Lakhs only) was imposed on the Company which has been paid duly and a penalty of Rs. 1,50,000 and disgorgement of contra-trade profit of Rs. 3,37,254 was imposed on Mr. Dinesh Babel.

- (c) **Transfer of Equity Shares to IEPF for Financial Year 2011-12 & F.Y. 2012-13:** The Company has, till the date of this Report, not transferred the outstanding equity shares on which dividend was declared for the FY 2011-12 & F.Y. 2012-13 and remained outstanding for a period of over 7 years and were due for transfer in FY 2018-19 and FY 2019-20.
- (d) The Company has filed certain e-forms with additional fees as may be applicable.
- (e) The CSR liability for the financial year ending 31st March, 2021 was Rs. 49,44,626 of which the Company has spent Rs. 38,60,425 balance amount of Rs. 10,84,201 has been transferred to unspent CSR account.

IV. We further report that during the year under report and till the date of this report, the Company has undertaken following events / 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:

- (a) The Company during the period under has satisfied Charge ID 100215221 amounting to Rs. 15,00,00,000 (Rupees Fifteen Crore Only) with charge holder Piramal Trusteeship Services Private Limited; e-form CHG-4 has been filed vide SRN: R95279725 dated 04th February, 2021
- (b) The Company has during the period also created a charge with DCB Bank Limited with the charge ID 100414061 amounting to Rs. 15,94,00,000 (Rupees Fifteen Crore Ninety Four Lacs Only) dated 31st December, 2020, e-form CHG-1 was filed vide SRN: T02139608 on 17th February, 2021

The said charge was further modified on 15th January, 2021, e-form CHG-1 was filed vide SRN: T06007660 on 27th February, 2021

- (c) During the period under review the Company has appointed Mrs. Chandra Iyengar as an Additional Independent Director w.e.f. 21st October, 2020 and Mrs. Sangeeta Chhajjer resigned from the post of the director of the Company w.e.f. 21st October, 2020.

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 generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

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.

For, D A Kamat & Co
Company Secretaries

D A Kamat
Partner
FCS 3843
CP 4965

UDIN: F003843C000683687

Place: Mumbai
Date: 24th July, 2021

Annexure V

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE REPORT:
as on the Financial Year ended on 31st March, 2021**

[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:**

Arihant Superstructures Limited ('ASL' or the 'Company') constantly endeavors to achieve energy conservation. The following best practices are in place to achieve this objective:

- 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 2018-2019 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 2018-19, 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 comparison 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 2020-21:

Foreign Exchange outgo during the Financial Year 2020-21 was Rs. NIL

Foreign Exchange inflow during the Financial Year 2020-21 was Rs. NIL

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

**Ashok Chhajer
Chairman & Managing Director
DIN: 01965094**

**Place: Navi Mumbai
Date: 24th July, 2021**

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. The Company has always adopted a robust governance framework which played a critical role in ensuring that we remain true to our culture and values. The highest standard of corporate governance is the base of our continued success in both the business and stakeholder relationships. It reflects in our business functions and in the manner with which we support the journey of our stakeholders.

The Company not only adheres to the prescribed Corporate Governance practices as per the Listing Regulations but is also committed to sound Corporate Governance principle and practices. This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the report contains the details of Corporate Governance systems and processes at Arihant Superstructures Ltd.

2. Board of Directors: Composition:

The Board as on 31st March 2021 comprised of Six Directors out of which Four Directors are Non-Executive Independent Directors (including Two Woman Independent Directors), 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 composition and size of the Board is reviewed periodically to ensure an optimum mix of Directors with complementary skillsets and varied perspectives for constructive debates facilitating more effective decision making. The Company understands that sound succession planning for the members of the Board and Senior Management is essential for sustained growth of the Company.

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

Directorship held by Directors of Arihant Superstructures Limited:

Name of the Director [Designation] [DIN]	Number of Board Meetings held during FY 2020-21			Number of Directorships in Public Companies*		Number of Committee positions held in other Public Companies*		Whether attended 37 th AGM (11.09.20)
	Held	Eligible to attend	Attended	Chairman	Member	Chairman	Member	
Non-Independent Executive Directors								
Mr. Ashok B Chhajer [CMD] [DIN 01965094]	6	6	6	0	0	0	0	Yes
Mr. Nimish Shah [WTD] [DIN:03036904]	6	6	6	0	0	0	0	Yes
Mrs. Sangeeta Chhajer ¹ [Executive Director] [DIN: 01965110]	6	3	3	0	0	0	0	No
Independent Directors								
Mr. Virendra Mital DIN: 00376830	6	6	6	0	0	0	0	Yes
Mr. Raj Narain Bhardwaj DIN: 01571764	6	6	6	0	1	0	0	Yes

Name of the Director [Designation] [DIN]	Number of Board Meetings held during FY 2020-21			Number of Directorships in Public Companies*		Number of Committee positions held in other Public Companies*		Whether attended 37 th AGM (11.09.20)
	Held	Eligible to attend	Attended	Chairman	Member	Chairman	Member	
Ms. Divya Sameer Momaya ² DIN: 00365757	6	6	6	0	1	0	1	Yes
Mrs. Chandra Iyengar ³ DIN: 02821294	4	4	4	0	1	0	1	NA

Notes to the table:

*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.

¹ Mrs. Sangeeta Chhajjer resigned from the post of the Director with effect from on October 21, 2020.

² Mrs. Divya Sameer Momaya was appointed as an Additional Woman Independent Director with effect from June 16, 2020.

³ Mrs. Chandra Iyengar was appointed as an Additional Woman Independent Director with effect from October 21, 2020.

Directorship held by Directors of Arihant Superstructures Limited:

Details of Directorships held in other listed entities by the Directors of the Company as at the end of FY 2021 and the Category of their Directorship are set out in the following table:

No.	Name of the Director	Name of Listed Entity	Category
1	Raj Narain Bhardwaj (DIN: 01571764)	Jaiprakash Associates Limited	Non-Executive, Independent Director
2	Ms. Divya Sameer Momaya (DIN: 00365757)	Motilal Oswal Financial Services Limited	Non-Executive, Independent Director
3	Mrs. Chandra Iyengar (DIN: 02821294)	Adani Total Gas Limited	Non-Executive, Independent Director

Based on intimations/disclosures received from the Directors periodically none of the Directors of the Company hold memberships/Chairmanships more than the prescribed limits.

3. Board Procedures and Related Disclosures:

The Board of Directors have the ultimate responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Chairman & Managing Director reports to the Board and is in charge of the management of the affairs of the Company, executing business strategy in consultation with the Board and achieving annual long term business targets. The CMD acts as a link between the Board and the management.

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 Board has complete access to all Company-related information. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Chairman of

the Board and the Company Secretary in consensus determine the Agenda for every meeting along with explanatory notes. The Agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting.

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.

All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company. With the unanimous consent of the Board, all information which is in the nature of Unpublished Price Sensitive Information (UPSI), is circulated to the Board and its Committees at a shorter notice before the commencement of the respective meetings.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, the minutes are entered in the minutes book within 30 (thirty) days of conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the Directors. The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

The meetings of the Board of Directors are generally held in Registered office of the Company and the company also provides video conferencing facility for Board members to attend the meetings as per their convenience. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. The necessary quorum was present for all the meetings.

6 (six) Board Meetings were held during the Financial Year 2020-21. The dates on which the said Meetings were held, and the attendance of Directors is as follows:

Date of Board Meeting	Number of Directors attended
27th June 2020	6
01st August 2020	6
21st October 2020	6
07th November 2020	6
20th November, 2020	6
23rd January, 2021	6

The necessary quorum was present for all the Meetings.

During the Financial Year 2020-21, 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.

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.

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.

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.

Equity Shares and Inter-se relationship between Directors

Details of Equity Shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Category of Director	Number of Equity Shares
Mr. Ashok Chhajer	Non-Independent, Executive	1,23,09,147
Mrs. Sangeeta Chajjer	Non-Independent, Executive	60,70,000
Mr. Virendra Mital	Independent, Non- Executive	410

Mrs. Sangeeta Chhajer is wife of Mr. Ashok B Chhajer. Apart from the same, there are no other inter-se relationships between the Directors.

Independent Directors – Terms of appointment, declarations, meeting and attendance:

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.

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. The Independent Directors have also confirmed that they have registered themselves for including their name in the databank of persons offering to become Independent Directors. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and the Companies Act, 2013 and are independent of the management of the Company.

During the Financial Year 2020-21, 1 (One) Meeting of Independent Directors was held on 26th March, 2021 without the presence of any Non-Independent Directors.

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

During the year, Ms. Divya Momaya and Mrs. Chandra Iyengar were appointed as Independent Director, Non- Executive with effect from June 16, 2020 and October 21, 2020 respectively.

Attendance Record of Meetings of Independent Directors:

Name of Director	Number of Meeting held	Eligible to Attend	Number of Meeting attended
Mr. Virendra Mital	1	1	1
Mr. Raj Narain Bhardwaj	1	1	1
Ms. Divya Sameer Momaya	1	1	1
Mrs. Chandra Iyengar	1	1	1

Board qualification, experience and expertise:

The Company is in the business of construction and real estate industry. The following is the list of core skills/expertise/competencies identified by the Board of Directors, based on recommendations of the Nomination & Remuneration Committee, as required in the context of the Company's aforesaid business(es) for it to function effectively along with the names of Directors who have such skills/ expertise/ competence:

Name of Director	Business skills: Understanding of the real estate and construction industry, including regulatory and engineering requirements	Financial skills: Understanding the financial statements, financial controls, risk management, etc.	General Management Skills: Strategic thinking, decision making and protect interest of all stakeholders
Mr. Ashok B Chhajer	Yes	Yes	Yes
Mrs. Sangeeta Chhajer¹	Yes	-	Yes
Mr. Nimish Shah	Yes	Yes	Yes
Mr. Virendra Mital	Yes	Yes	Yes
Mr. R N Bhardwaj	Yes	Yes	Yes
Ms. Divya Sameer Momaya	Yes	Yes	Yes
Mrs. Chandra Iyengar	Yes	Yes	Yes

¹ Mrs. Sangeeta Chhajer resigned from the post of the Director with effect from on October 21, 2021 and Mrs. Chandra Iyengar was appointed as Independent Director with effect from October 21, 2020.

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 there understates 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, 2021 are as follows: Remuneration paid to Non-Independent, Executive Directors:

Name of Director	Salary and Allowance (` in Lakhs)
Mr. Ashok Chhajer [Chairman & Managing Director]	44.69
Mr. Nimish Shah [Whole-time Executive Director]	41.82

There are no separate Stock Options or performance linked incentives payable to the Executive Directors/Managing Director.

Remuneration paid to Independent, Non-Executive Directors:

Name of Director	Sitting Fees (` in Lakhs)
Mr. Virendra Mital	9.75
Mr. Raj Narain Bhardwaj	8.75
Ms. Divya Sameer Momaya	7.15
Mrs. Chandra Iyengar	5.40

There are no Stock Options or Commissions payable to Non-Executive/ Independent Directors of the Company. Except for the sitting fees payable to the Non-Executive Directors annually in accordance with the applicable laws, there is no pecuniary or business relationship between the Non-Executive Directors and 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. Over-seeing 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 37th Annual General Meeting of the Company held on 11th September, 2020;
- 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.

Six Audit Committee Meetings were held during the Financial Year 2020-21. These were held on 27th June, 2020, 01st August, 2020, 21st October, 2020, 07th November, 2020, 20th November, 2020 and 23rd January, 2021.

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 2020-21		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairperson)	Independent, Non-Executive	6	6	6
Mr. Raj Narain Bhardwaj	Independent, Non-Executive	6	6	6
*Mrs. Chandra Iyengar	Independent, Non-Executive	6	4	4
*Mr. Nimish Shah	Non-Independent, Executive	6	2	2

* Mrs. Chandra Iyengar was appointed as an Additional Woman Independent Director with effect from October 21, 2020. Mrs. Chandra Iyengar was appointed as a Member of Audit Committee on 21st October, 2021 in place of Mr. Nimish Shah.

The Board has accepted all the recommendations of the Audit Committee during the financial year.

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 inter alia 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.

Three Nomination and Remuneration Committee Meetings were held during the Financial Year 2020-21. These were held on 27th June, 2020, 21st October, 2020 and 23rd January, 2021.

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 2020-21		
		Held	Eligible to Attend	Attended
Mr. Raj Narain Bhardwaj (Chairperson)	Independent, Non-Executive	3	3	3
Mr. Virendra Mital	Independent, Non-Executive	3	3	2
* Ms. Divya Sameer Momaya	Independent, Non-Executive	3	2	2
*Mrs. Chandra Iyengar	Independent, Non-Executive	3	1	1

* Mrs. Chandra Iyengar was appointed as an Additional Woman Independent Director with effect from October 21, 2020. Mrs. Chandra Iyengar was appointed as a Member of Nomination and remuneration Committee on 21st October, 2021 in place of Ms. Divya Sameer Momaya.

The Board has accepted all the recommendations of the Nomination & Remuneration Committee during the year.

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 2020-21 are as follows:

Complaints at the beginning of the Year	Received during the Year	Disposed of during the Year	Unresolved as on 31 st March, 2021
Nil	Nil	Nil	Nil

v. Name, designation and address of Compliance Officer:

CS Govind Rao,
Arihant Superstructures Limited,
Arihant Aura, 25th Floor, B-Wing, PlotNo.13/1, TTC Industrial Area,
Thane Belapur Road, Turbhe, Navi Mumbai 400705, Maharashtra,
Tel.: 022 - 62493333 Fax: 022 62493334

Four Stakeholder's and Relationship Committee Meetings were held during the Financial Year 2020-21. These were held on 27th June, 2021, 01st August, 2020, 21st October, 2020 and 23rd January, 2021.

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 2020-21		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairerson)	Independent, Non-Executive	4	4	4
Mr. Raj Narain Bhardwaj	Independent, Non-Executive	4	4	4
Mr. Nimish Shah	Non-Independent, Executive	4	4	4
* Mrs. Chandra Iyengar	Independent, Non-Executive	4	1	1

* Mrs. Chandra Iyengar was appointed as an Additional Woman Independent Director with effect from October 21, 2020. Mrs. Chandra Iyengar was appointed as a Member of Stakeholders' Relationship Committee on 21st October, 2021.

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 2020-21 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.

Four Meetings of Corporate Social Responsibility Committee were held during the Financial Year 2020-21. These were held on 27th June, 2020, 01st August, 2020, 23rd January, 2021 and 27th March, 2021.

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 2020-21		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairman)	Independent, Non-Executive	4	4	4
Mr. Ashok Chhajer	Non-Independent, Executive	4	4	4
Mr. Nimish Shah	Non- Independent, Executive	4	4	4

6. Other Non-Mandatory Committees:

a) 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.

One Executive Committee Meetings were held during the Financial Year 2020-21. These was held on 26th October, 2020.

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 2020-21		
		Held	Eligible to Attend	Attended
Mr. Ashok Chhajer	Non-Independent, Executive	1	1	1
Mr. Nimish Shah	Non-Independent, Executive	1	1	1
Mrs. Sangeeta Chhajer	Member	1	1	1
*Mr. Deepak Lohia	Chief Financial Officer	1	0	0

*Mr. Deepak Lohia was appointed as a Member of Executive Committee on 07th November, 2020.

b) 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 2020-21 no Meeting of the Disinvestment Committee was held.

The Composition of Disinvestment Committee of the Company as on 31st March, 2021:

Name	Category
Mr. Virendra Mital (Chairperson)	Independent Non-Executive
Mr. Nimish Shah	Non-Independent, Executive
Mr. Ashok Chhajer	Non-Independent, Executive

c) Insider Trading Compliance Committee

The Insider Trading Compliance Committee was constituted for the purpose of examining the non-compliance of the Insider Trading Compliances by the Directors and Senior Managerial Personnel of the Company, if any. The Committee conducts its proceedings for ensuring due compliance of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, and for preparation and submission of the Report with Stock Exchanges and SEBI as required under the Regulations. The Composition of the Committee includes Independent Directors of the Company.

During the Financial Year 2020-2021 no Meeting of the Insider Trading Compliance Committee was held.

The Composition of Insider Trading Compliance Committee of the Company as on 31st March, 2021:

Name	Category
Mr. Virendra Mital (Chairperson)	Independent Non-Executive
*Mr. Nimish Shah	Non-Independent, Executive
*Mrs. Divya Momaya	Independent, Non-Executive

*Mrs. Divya Momaya was appointed as a Member of Insider Trading Compliance Committee on 21st October, 2020.

7. General Body Meeting: Annual General Meeting:**a) Information about last three Annual General Meetings:**

Year	AGM	Date	Time	Location
2018	35 th AGM	28.09.2018	10:30 A.M.	“Arihant Aura” B-Wing plot No. 13/1, TTC Industrial Area, Thane Belapur Road, turbhe, Navi Mumbai-400705
2019	36 th AGM	26.09.2019	10:30 A.M.	Hotel, The Regenza by Tunga, Plot No 37, Sector 30A, Vashi, Navi Mumbai – 400703
2020	37 th AGM	11.09.2020	11:00 A.M.	25 th Floor, “Arihant Aura” B-Wing plot No. 13/1, TTC Industrial Area, Thane Belapur Road, turbhe, Navi Mumbai-400705 (Through VC/OVAM)

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

Year	AGM	Date	Particulars of Resolution Passed
2018	35 th	28.09.2018	Reappointment of Mrs. Vijayalakshami R. Iyer (DIN: 05242960) as an Independent Women Director of the Company.
2018	35 th	28.09.2018	Re-appointment of Mr. Ashok Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company.

Year	AGM	Date	Particulars of Resolution Passed
2019	36 th	26.09.2019	Approve increase in remuneration of Mr. Nimish Shah (DIN: 03036904), Whole time Director of the Company.
2019	36 th	26.09.2019	Raise Funds through issue of Securities upto an amount not exceeding Rs. 300 Crore including premium if any.
2019	36 th	26.09.2019	Approve the proposed Material Related Party Transactions for the year 2019-20.
2020	37 th	11.09.2020	Re-appointment of Mr. Nimish Shah (DIN: 03036904), as a Whole-time Executive Director, liable to retire by rotation and to fix his remuneration by rotation and to fix his remuneration
2020	37 th	11.09.2020	Appointment of Mrs. Sangeeta Chhajjer (DIN: 01965110), as an Executive Director, liable to retire by rotation and to fix her remuneration
2020	37 th	11.09.2020	Raise Funds through issue of Securities upto an amount not exceeding Rs. 300 Crore including premium if any.
2020	37 th	11.09.2020	Approve the proposed Material Related Party Transactions for the year 2020-21.

c) Extra Ordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the Financial Year 2020-21.

d) Postal Ballot:

No Resolutions passed through Postal Ballot during the Financial Year 2020-21.

8. Disclosures:

a) 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. The details of all related party transactions, including material transactions are stated in Audited Financial Statements and in Form AOC-2 which forms part of the Annual Report. The Related Party Transaction Policy is available on www.asl.net.in for the members.

b) 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 2020-21. Further the Internal Auditor has access and report to Audit Committee.

c) 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.

d) 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 2020-21. 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, during the Financial Year 2017-18, Shri Dinesh Babel had undertaken certain transactions in the securities including contra entries during Financial Year 2017-18, during the closure of trading window and the Company has not intimated to the concerned stock exchanges. Further, SEBI has issued a Show Cause notice against the Company and then Company has submitted the reply against the Show Cause Notice.

Further, after the hearing between the company and concerned authority between SEBI, SEBI has issued Adjudication order under Section 15-I of SEBI Act, 1992 read with Rule 5 of SEBI (procedure for Holding Inquiry and Imposing Penalties by Adjudicating officer) Rules, 1995 vide Adjudication order No. Order/BD/AB/2020-21/9454 dated 27th October, 2020 in the matter of Section 15A(b) of the SEBI Act, 1992. Further, SEBI has imposed a penalty of Rs. 2,00,000/- to the Company under the Provisions of Section 15A(b) of the SEBI Act, 1992 and company has paid the same to the concerned authority within the due time limit.

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. CEO and CFO Certification

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2020-21 signed by Mr. Ashok B Chhajer, Managing Director & Mr. Deepak Lohia, CFO respectively was placed before the Board of Directors of the Company at their meeting held on 20th July, 2021 and is annexed to this Report as Annexure ‘B’.

11. Subsidiaries Companies:

The Subsidiaries of the Company are as follows:

- a) Arihant Abode Limited.
- b) Arihant Vatika Realty Private Limited.
- c) Arihant Gruhnirman Private Limited.
- d) 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 Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiary, if any.

The Company has appointed an Independent Director on each of its subsidiary companies.

Arihant Aashiyana Private Limited and Arihant Vatika Realty Private Limited are Material unlisted subsidiaries of the Company.

The Company has a policy for determining 'Material Subsidiaries' and the Policy is available on the website of the Company at www.asl.net.in.

12. Certificate on Disqualification of Directors:

The Company has obtained a Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The same is attached as Annexure "C" to this Report.

13. Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has obtained the same from M/s D A Kamat & Co, Company Secretaries and is available on the website of the Company.

14. Fees paid to Statutory Auditors:

The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part of during Financial Year 2020-21 is Rs. 9.85 lakhs.

15. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at making a safe and equitable workplace for women. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed of during the financial year 2020-21 are as under:

No of Complaints filed during the Financial Year	0
No of complaints disposed of during the Financial Year	0
Number of complaints pending as on end of the Financial Year	0

16. 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) Newspapers. All updates are also uploaded on the website of the Company on www.asl.net.in.

The presentations on performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders immediately after the financial results are communicated to the Stock Exchanges. The Company also conducts calls/meetings with investors immediately after declaration of financial results to brief them on the performance of the Company. These calls are attended by the Managing Director & CEO, CFO & other members of the management.

17. 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>.

18. General Shareholder's Information:

a) Annual General Meeting:

Day: Saturday

Date: 28th August, 2021

Time: 04:00 PM

Venue: Through VC/OAVM. The Registered office of the Company shall be deemed to be the venue for the meeting.

b) Financial Calendar:

The Financial Calendar of the Company is from 1st April, 2021 to 31st March, 2022.

Board Meetings for Quarterly Results:

(Tentative and subject to change)

Quarter ended	Latest by
30 th June, 2021	20 th July, 2021
30 th September, 2021	20 th October, 2021
31 st December, 2021	20 th January, 2022
31 st March, 2022	20 th May, 2022

c) Book Closure Dates:

From 22nd August, 2021 to 28th August, 2021 (both days inclusive).

d) Dividend Payment Date:

Since the Board of Directors have not proposed any Dividend for the Financial Year 2020-21 at the forthcoming AGM, there are no disclosures stated therein.

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 2020-21 and 2021-22.

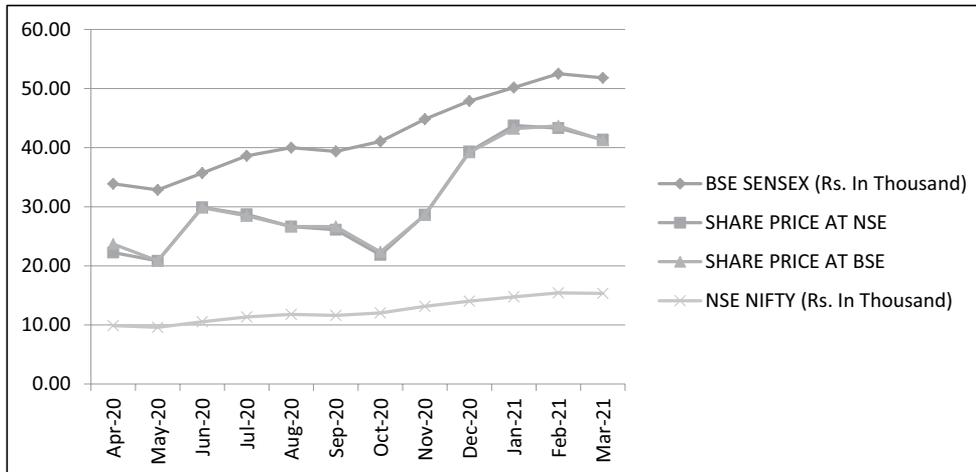
f) Listing of Equity Shares on Stock Exchanges:

Name and Address of Stock Exchanges	BSE Limited Phiroze Jeejee bhoy 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 Rs)

Month	BSE Limited		National Stock Exchange of India Limited	
	High Price	Low Price	High Price	Low Price
April 2020	23.70	17.05	22.25	16.55
May 2020	20.85	16.50	20.85	15.75
June 2020	29.85	16.85	29.90	16.50
July 2020	28.45	20.10	28.70	20.05
August 2020	26.65	20.15	26.65	19.75
September 2020	26.65	23.50	26.10	18.30
October 2020	22.35	19.40	21.85	17.70
November 2020	28.60	19.95	28.65	19.75
December 2020	39.20	24.15	39.35	24.50
January 2021	43.20	29.10	43.75	29.65
February 2021	43.70	35.10	43.30	35.05
March 2021	41.25	33.05	41.35	32.55

Stock Performance:



Source: BSE & NSE Website

h) Registrar and Transfer Agent (RTA): Adroit Corporate Services Private Limited

19/20, Jaffer bhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East) Mumbai 400059, Maharashtra.

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, 2021:

No. of Equity Shares held	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Upto 100	1951	55.36	68364	0.17
101-500	852	24.18	240040	0.58
501-1000	251	7.12	202193	0.49
1001-2000	146	4.14	226624	0.55
2001-3000	56	1.59	143041	0.35
3001-4000	44	1.25	160487	0.39
4001-5000	35	0.99	166173	0.40
5001-10000	55	1.56	408403	0.99
10001 -20000	48	1.36	681133	1.65
20001-50000	38	1.08	1313726	3.19
50001 & above	48	1.36	37549807	91.23
Total	3524	100.00	41159991	100.00

Category of Shareholders as on 31st March, 2021:

Category	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Residential Individuals	3387	96.11	6266983	15.23
Non Resident Indians (Individuals)	40	1.14	1004443	2.44
Corporate Bodies	51	1.45	2443556	5.94
Mutual Funds	1	0.03	567277	1.38
Banks	0	0.00	0	0.00
Director (Promoter)	3	0.09	12309147	29.91
Director Relatives	5	0.15	111967	0.27
Promoters	7	0.20	18277550	44.41
Financial Institutions	1	0.03	5	0.00
Foreign Institutional Investors	0	0.00	0	0.00
Clearing Members	25	0.71	32227	0.08
Corporate Body- Brokers	1	0.03	1000	0.00
Investor Education and Protection Fund	1	0.03	250	0.00
Foreign Portfolio Investors	2	0.06	145586	0.35
Total	3524	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, 2021 41,108,281 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, 2021 nor shall any payment be made in respect of such claims. Members who have not yet encashed their Dividend Warrant (s) pertaining to the Final Dividend for the Financial Year 2013-14 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.

The Company is under process to transfer an Amount of 1492.20 for the Financial Year 2010-11, being unclaimed/unpaid Dividend as on 12th August, 2019 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
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
2017-18	September 28, 2018	September 27, 2025
2018-19	September 26, 2019	September 25, 2026

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. 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>.

The complete details of the shares due for transfer to IEPF along with the manner to encash dividend and claim the shares are available on the website of the company at www.asl.net.in/investors. The Company has also appointed Mr. Ashok B Chhajer, Managing Director and Mr. Govind Rao, Company Secretary as the Nodal Officers under the IEPF Rules for the company.

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, Jaffer bhoy 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 2020-21.

n) Other disclosures:

- The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) requiring disclosure under these Regulations.
- The Company uses the NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & the Listing Centre for submission of all documents and intimations to the Stock Exchanges on a regular basis.
- There are no disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large, except any as disclosed in the Financial Statements of the Company.
- In terms of Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is moving towards a regime of financial statements with unmodified audit opinion and the company has received the Statutory Auditors Report for the Financial year 2020-21 with unmodified opinion.
- The Internal Auditors of the Committee report directly to the Audit Committee.
- The securities of the company are not suspended from trading on any recognized stock exchange.
- The company has not obtained any Credit Rating during the financial year and none of its securities have obtained a credit rating.
- There are no shares in DEMAT suspense account or unclaimed suspense account of the company, and hence no separate disclosures for the same are stated herein.

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

Place: Navi Mumbai

Date: 24th July, 2021

**Ashok Chhajer
Chairman & Managing Director
DIN: 01965094**

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

Arihant Superstructures Limited
Mumbai

Certificate on Corporate Governance

1. We, D A Kamat & Co, Company Secretaries, have examined the compliance of conditions of Corporate Governance by the Company, Arihant Superstructures Limited for the financial year ended on March 31, 2021, 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, as amended from time to time (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 presentations 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, 2021.
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

UDIN: F003843C000702101

Place: Mumbai
Date: 28th July, 2021

Annexure 'B'**CEO & CFO CERTIFICATION**

To,

The Board of Directors,

Arihant Superstructures Limited

We, Ashok Chhajer, Chairman & Managing Director and Deepak Lohia, 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, 2021 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.
 - (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.

Place: Navi Mumbai
Date: 19th June, 2021

Ashok Chhajer
Chairman & Managing Director
(DIN: 01965094)

Deepak Lohia
Chief Financial Officer
(PAN: AAIPL1119M)

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, 2021.

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

Place: Navi Mumbai
Date: 19th June, 2021

Ashok Chhajer
Chairman & Managing Director
DIN: 01965094

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
Pursuant to Regulation 34(3) and Schedule V Para-C clause 10(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
ARIHANT SUPERSTRUCTURES LIMITED
“Arihant Aura” 25th Floor, B-Wing, Plot No.13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai Thane MH 400705

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ARIHANT SUPERSTRUCTURES LIMITED** having CIN: L51900MH1983PLC029643 and having registered office at “Arihant Aura” 25th Floor, B-Wing, Plot No.13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai, Thane-400705, Maharashtra and (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority .

The list of Directors as at 31st March, 2021 is as follows:

No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Ashokkumar Bhanwarlal Chhajer	01965094	01/04/2011
2	Mr. Nimish Shashikant Shah	03036904	13/04/2010
3	Mr. Virendra Kumar Mital	00376830	23/05/2018
4	Mr. Raj Narain Bhardwaj	01571764	12/08/2017
5	Ms. Divya Momaya	00365757	16/06/2020
6	Mrs. Chandra Iyengar	02821294	21/10/2020

* Mrs. Sangeeta Chhajer (DIN 01965110) has resigned from the post of Executive Director of the Company w.e.f. 21st October, 2020.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, D. A. Kamat & Co
Company Secretaries

Place: Mumbai
Date: 24th July, 2021

D A Kamat
Partner
FCS No. 3843
CP No. 4965
UDIN: F003843C000683711

INDEPENDENT AUDITOR'S REPORT

To the Members of Arihant Superstructure Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Arihant Superstructure Limited (“the Company”), which comprise the standalone balance sheet as at 31st March 2021, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (‘the Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditors’ Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter.

Revenue recognition

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue from sale of residential and commercial units represents 99.50 % of the total revenue from operations of the Company.</p> <p>Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those units. The trigger for revenue recognition is normally percentage of completion of the project</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”</p> <p>The application of the new revenue accounting standard involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on management’s assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Due to the inherent nature of the projects and significant judgment involved in the estimate of costs to complete, there is risk of overstatement or understatement of revenue</p>	<p>Our audit procedures on Revenue recognition included the following:</p> <ul style="list-style-type: none"> • Evaluating that the Company’s revenue recognition accounting policies are in line with the applicable accounting standards and their application to the key customer contracts including consistent application; • Scrutinising all the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation’ • Conducting site visits during the year for selected projects to understand the scope and nature of the projects and to assess the progress of the projects; and • Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers; • Identified and tested operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers.

The Key Audit Matter	How the matter was addressed in our audit
	<p>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</p> <ul style="list-style-type: none"> • Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts and whether the related revenue had been recognised in accordance with the Company’s revenue recognition policies; • Identification and testing operating effectiveness of key controls over recording of actual costs incurred for the projects; • Read, analysed and identified the distinct performance obligations in these contracts. • Performed analytical procedures for reasonableness of revenues disclosed by the company. • Verification of construction cost and land cost directly attributable to the project.

Other Information

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated, if based on the work we performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact we have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements

The company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including Other Comprehensive Income), Changes In Equity and Cash Flows of the company in accordance with the accounting principles generally accepted in India including the Ind AS specified 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 of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 of India in terms of Section 143 (11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act
 - (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the adequacy of the internal financial controls with reference to the standalone 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act

- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has, to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The company is required to transfer Rs. 0.01 Lakh to the Investor Education and Protection Fund.

For Kailash Chand Jain & Co.

Chartered Accountants

Firm Registration No.: 112318W

Saurabh Chouhan

Partner

Membership No.: 167453

UDIN : 21167453AAAAKQ8571

Place : Navi Mumbai

Date : 19 June 2021

ANNEXURE - A 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, 2021 we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Investment properties.
- (b) The Property, Plant & Equipment's 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) The title deeds of immovable properties, as disclosed in Note 4 to the financial statements, are held in the name of the Company.
- (ii) The company inventory includes construction work in progress accordingly the requirement under paragraph 3 (ii) of the Order is not applicable for construction work in progress. The Inventory comprising of finished goods has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the books records.
- (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) In respect to the aforesaid loan granted, whether the amount (Principal as well interest) has been repaid/ paid regularly or not cannot be commented upon, as there is no stipulation as regards to the repayment of the amount.
- (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) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (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, 2021 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, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
-----NIL-----				

- (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) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (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

Saurabh Chouhan

Partner

Membership No.: 167453

UDIN : 21167453AAAAKQ8571

Place : Navi Mumbai

Date : 19 June 2021

Annexure - B 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, 2021 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, 2021 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 Reg.No: 112318W

Saurabh Chouhan

Partner
Membership Number: 167453
UDIN : 21167453AAAAKQ8571`

Place: Navi Mumbai
Date : June 19 , 2021

AUDITED STANDALONE BALANCE SHEET AS AT MARCH 31 2021

(All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
A ASSETS			
Non Current Assets			
Property, Plant & Equipment	3	222.00	272.08
Intangible Assets	3a	3.93	3.67
Investment in Property	4	254.30	246.02
Financial Assets			
Investments	5	5.41	5.41
Loans	6	-	2,397.94
Other Financial Assets	7	85.02	120.94
Deferred Tax Assets (Net)	11	8.11	4.34
		578.77	3,050.40
Current Assets			
Inventories	8	14,336.28	16,669.99
Financial Assets			
Investments	5	2.55	16.99
Trade Receivable	9	1,374.90	1,685.23
Cash & Cash Equivalents	10	500.98	432.86
Loans	6	6.99	6.42
Other Financial Assets	7	32.39	126.15
Current Tax Assets	11	436.10	199.43
Other Current Assets			
Land	12	4,531.86	5,392.67
Other	13	818.88	898.48
		22,040.93	25,428.22
		22,619.70	28,478.62
B EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	14	4,116.00	4,116.00
Other Equity	15	7,720.59	7,136.06
Total Equity		11,836.59	11,252.06
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	16	1,711.32	7,384.74
Total Non Current Liabilities		1,711.32	7,384.74
Current Liabilities			
Financial Liabilities			
Borrowings	16	156.24	2,185.14
Trade Payables	17	2,661.21	2,622.51
Other Financial Liabilities	18	128.91	106.33
Other Current Liabilities			
Advance from Customers	19	6,018.02	4,698.12
Other Current Liabilities	20	95.20	196.43
Provisions	21	12.21	33.29
Total Current Liabilities		9,071.79	9,841.82
TOTAL EQUITY AND LIABILITIES		22,619.70	28,478.62

The accompanying Notes 1 to 43 form an integral part of the Standalone Financial Statements

As per our report of even date

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

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

Saurabh Chouhan
Partner
Membership No.-167453

Ashok Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Place: Navi Mumbai
Date: June 19, 2021

Deepak Lohia
Chief Financial Officer

Govind Rao
Company Secretary
ICSI Mem No- A47094

AUDITED STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Note No.	For the year ended March 31 2021	For the year ended March 31 2020
1 Income from Operations			
Revenue from Operations	22	10,543.52	5,877.68
Other Income	23	178.83	235.90
Total revenue		10,722.35	6,113.58
2 Expenses			
Cost of construction, land and development expenses	24	6,025.48	3,244.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	2,333.71	924.35
Employee benefits expense	26	305.06	355.42
Finance costs	27	961.19	774.70
Depreciation expense	3	73.91	79.47
Other expenses	28	636.66	878.15
Total expenses		10,336.01	6,256.88
3 Profit / (Loss) before tax (1 - 2)		386.34	(143.30)
4 Tax expense:			
Current tax expense		113.04	-
Mat Credit Entitlement		(113.04)	
Deferred tax		(3.77)	(1.76)
Total Tax expenses		(3.77)	(1.76)
5 Profit / (Loss) after tax (3 - 4)		390.11	(141.54)
6 Other Comprehensive Income			
(a) Items that will not be classified to profit & loss			
(b) Items that will be reclassified to profit & loss		-	-
Total Other Comprehensive Income		-	-
7 Total Comprehensive Income for the period (5 + 6)		390.11	(141.54)
8 Earnings per share (of Rs.10/- each):			
Basic		0.95	(0.34)
Diluted		0.95	(0.34)

The accompanying Notes 1 to 43 form an integral part of the Standalone Financial Statements

As per our report of even date

For Kailash Chand Jain & Co.

Chartered Accountants

Firm Reg. No.: 112318W

Saurabh Chouhan

Partner

Membership No.-167453

Place: Navi Mumbai

Date: June 19, 2021

For and on behalf of the Board of Directors of**Arihant Superstructures Limited****Ashok Chhajer**

Chairman & MD

DIN- 01965094

Deepak Lohia

Chief Financial Officer

Nimish Shah

Whole Time Director

DIN- 03036904

Govind Rao

Company Secretary

ICSI Mem No- A47094

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Equity Share Capital	Other Equity			Total Equity Attributable to Equity Holders of the Company
		Reserves & Surplus		Other Comprehensive Income	
		Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2019	4,116.00	524.40	6,753.35	-	11,393.75
Profit / (Loss) from Firm	-	-	(0.15)	-	(0.15)
Profit/(Loss) for the year ended	-	-	(141.54)	-	(141.54)
Balance as of March 31, 2020	4,116.00	524.40	6,611.66	-	11,252.07

Particulars	Equity Share Capital	Other Equity			Total Equity Attributable to Equity Holders of the Company
		Reserves & Surplus		Other Comprehensive Income	
		Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2020	4,116.00	524.40	6,611.67	-	11,252.07
Profit / (Loss) from Firm	-	-	(0.01)	-	(0.01)
Profit/(Loss) for the year ended	-	-	390.11	-	390.11
Excess Provision of Income tax	-	-	194.43	-	194.43
Balance as of March 31, 2021	4,116.00	524.40	7,196.20	-	11,836.61

Security Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

The accompanying Notes 1 to 43 form an integral part of the Standalone Financial Statements

As per our report of even date

For Kailash Chand Jain & Co.

Chartered Accountants
Firm Reg. No.: 112318W

Saurabh Chouhan

Partner
Membership No.-167453

Place: Navi Mumbai

Date: June 19, 2021

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

Ashok Chhajer

Chairman & MD
DIN- 01965094

Deepak Lohia

Chief Financial Officer

Nimish Shah

Whole Time Director
DIN- 03036904

Govind Rao

Company Secretary
ICSI Mem No- A47094

AUDIT STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in currency INR Lakhs except as stated otherwise)

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items :	386.34	(143.30)
Adjustment for		
Depreciation & Amortisation	73.91	79.47
Loss /(Profit) from Partnership firm	(0.13)	0.15
Interest Paid	961.20	774.70
Interest Received	(168.14)	(209.29)
	1,253.18	501.73
Changes in Working Capital		
(Increase) / Decrease in Inventories	2,333.70	924.35
(Increase) / Decrease in Fianancial Assets	2,837.38	(624.77)
(Increase) / Decrease in Non- Fianancial Assets	1,053.45	(2,694.16)
Increase / (Decrease) in Financial Liability	61.29	470.09
Increase / (Decrease) in Non-Financial Liability	1,197.59	1,062.17
Cash flow from Operating Activities before Tax and Extraordinary Items	8,736.61	(360.58)
Income Tax paid	(155.29)	(110.67)
Cash flow from Operating Activities before Extraordinary Items	8,581.32	(471.25)
Adjustment for Extraordinary Items	-	-
Cash Generated from Operating Activities	8,581.32	(471.25)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(24.08)	(71.20)
(Purchase)/Sale of Investments In Property	(8.28)	(96.02)
(Purchase)/Sale of Investments In Equity	14.55	-
Interest Received	168.14	209.29
Cash Generated from Investment Activities	150.32	42.08
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Borrowing	(7,702.32)	1,257.12
Interest paid	(961.20)	(774.70)
Cash Generated from Financing Activities	(8,663.52)	482.42
Net Increase in Cash & Cash Equivalents	68.12	53.24
Opening Balance of Cash & Cash Equivalents (Net of Book o/d)	432.86	379.62
Closing Balance of Cash & Cash Equivalents	500.98	432.86
Components of Cash & Cash Equivalents		
(i) Cash in Hand	12.72	5.79
(ii) Balance with Bank	402.25	179.84
(ii) Balance with Fixed Deposit	86.01	247.24
Closing Balance of Cash & Cash Equivalents	500.98	432.86

The accompanying Notes 1 to 43 form an integral part of the Standalone Financial Statements

As per our report of even date

For Kailash Chand Jain & Co.Chartered Accountants
Firm Reg. No.: 112318W**Saurabh Chouhan**Partner
Membership No.-167453Place: Navi Mumbai
Date: June 19, 2021**For and on behalf of the Board of Directors of****Arihant Superstructures Limited****Ashok Chhajer**Chairman & MD
DIN- 01965094**Deepak Lohia**

Chief Financial Officer

Nimish ShahWhole Time Director
DIN- 03036904**Govind Rao**Company Secretary
ICSI Mem No- A47094

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 1

I. Company Overview

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.

II. Basis of preparation of Financial Statements

a. Statement of Compliance

The standalone 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.

The standalone Financial Statements of the Company for the year ended March 31, 2021 were authorized for issue by the Board of Directors on June 19, 2021.

b. Functional and presentation currency

The Financial Statements are presented in Indian Rupees (“Rs” or “₹”) and all amounts are rounded to the nearest lakhs, except as stated otherwise.

c. Basis of measurement

The Financial Statements have been prepared on accrual 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 recognized.

d. Use of Estimates and Judgments

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) Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition:

Determination of revenue under the satisfaction of performance obligation at a point in time method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. The Company recognizes revenue when the company satisfies its performance obligation

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2) Evaluation 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 relevant, 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 periodically. The effect of changes, if any, to estimates is recognised in the standalone Financial Statements for the period in which such changes are determined.

3) Evaluation of Net realisable Value of Inventories

Inventories comprising of finished goods and construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the Standalone Financial Statements for the period in which such changes are determined.

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

Useful lives of Property, Plant and Equipment and Intangible Assets are based on the life prescribed in Schedule II of the Companies Act, 2013 or based on internal technical evaluation. Assumptions are also made when the company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

5) Recognition of Deferred Tax Asset:

The extent of which deferred tax asset can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

6) 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 experience 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 provisions.

e. Standard issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification, which would have been applicable from April 01, 2021.

f. Recent Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance sheet

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency. specified under the head ‘additional information’ in the notes forming part of Standalone Financial Statements.
- The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

g. 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.

h. Operating Cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 2 Significant Accounting Policies

2.1 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 carrying 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	30
Rented Premises	Lease Period
Plant & Machinery	5-15
Furnitures & fixtures	8-10
Vehicles	5-10
Electrical Installations	10
Equipments and facilities	5-8
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's 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 development 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.

2.2 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.3 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.

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.

2.4 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 amortized 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 amortization 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.

2.5 Finance Costs

Borrowing costs that are directly attributable to the acquisition/construction of Qualifying Assets or for long-term project development are capitalised as part of their cost of such projects 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.

2.6 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 amortized while they are classified as Held for Sale.

2.7 Inventories

Construction Materials and Consumables

Construction Materials and Consumables are valued at lower of cost and net realizable value.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Land/Development Rights

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

Construction work in Progress

Completed units and project development forming part of Work in Progress are valued at lower of cost and net realizable value. Cost includes cost of Land, Premium for development rights, direct materials, labour, allocated interest and expenses incidental to the projects undertaken by the Company.

Finished Goods

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

Net realizable 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.

2.8 Cash and Cash Equivalents

Cash and Cash Equivalent in the Balance Sheet comprise Cash at Banks and on in 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.

2.9 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.

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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 substantially 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.

2.10 Selling Costs

Selling expenses related to specific projects/units are being charged to Statement of Profit and Loss in the year in which the expenses are incurred.

2.11 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

IndAS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The Company has applied full retrospective approach in adopting the new standard and accordingly recognised revenue in accordance with Ind AS 115 as compared to earlier Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)

In accordance with the principles of Ind AS 115 revenue in respect of real estate project is recognised on satisfaction of Performance Obligation at a point in time by transferring a promised good or services (i.e. an asset) to a customer and the customer obtains control of that asset.

To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the company considers following indicators of the transfer of control to customers:

- (a) the company has a present right to payment for the asset;
- (b) the company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- (c) the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;
- (d) the amount of revenue can be measured reliably;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- (f) the customer has accepted the asset.

The satisfaction of performance obligation and the control thereof is transferred from the company to the buyer upon possession or upon issuance of letter for offer of possession (“deemed date of possession”), whichever is earlier, subject to realisation/ certainty of realisation.

Obligations: The company is under an obligation to comply with the following In terms of the Real Estate (Regulation and Development) Act 2016 (RERA)

- (a) Obligation to keep 70% of the amounts realized from real estate project from allottees from time to time, in a separate account in a scheduled bank
- (b) To enable formation of the association or society of allottees
- (c) Liability to rectify structural defect or defect in workmanship within 30 days if brought to notice of the company by allottee within 5 years from the date of handing over possession.

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.

Dividend and Share of Profit / Losses in LLP

Dividend income and share of profits/losses in LLP is recognised when the right to receive/liability to pay the same 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 STANDALONE FINANCIAL STATEMENTS

2.12 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.

2.13 Taxes Expenses

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 recognized 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.

2.14 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 recognized nor disclosed.

2.15 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 is adjusted for the effects of all dilutive potential Equity Shares.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.16 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.

2.17 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 recognized 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 recognized. 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 recognized for the Asset in prior years.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 3 Property, Plant & Equipment

The changes in carrying value of Property, Plant & Equipment for the year ended March, 31 2020

Particulars	Building	P&M and Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2019	14.42	95.74	78.83	39.00	218.85	446.84
Additions	-	1.81	1.71	0.72	66.96	71.20
Deletions						
Gross carrying value as of March 31, 2020	14.42	97.55	80.54	39.72	285.81	518.04
Accumulated Depreciation as of March 31, 2019	1.68	38.47	29.79	17.30	83.69	170.93
Depreciation	0.56	18.81	23.30	6.15	26.21	75.03
Accumulated depreciation on deletion						
Accumulated Depreciation as of March 31, 2020	2.24	57.28	53.09	23.45	109.90	245.96
Carrying Value as of March 31, 2020	12.18	40.27	27.45	16.27	175.91	272.08

The changes in carrying value of Property, Plant & Equipment for the year ended March, 31 2021

Particulars	Building	P&M and Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2020	14.42	97.55	80.54	39.72	285.81	518.04
Additions	-	10.32	0.17	0.23	10.66	21.38
Deletions						
Gross carrying value as of March 31, 2021	14.42	107.87	80.71	39.95	296.47	539.42
Accumulated Depreciation as of March 31, 2020	2.24	57.28	53.09	23.45	109.90	245.96
Depreciation	0.59	18.50	20.35	4.99	27.04	71.46
Accumulated depreciation on deletion						
Accumulated Depreciation as of March 31, 2021	2.83	75.78	73.44	28.43	136.94	317.42
Carrying Value as of March 31, 2021	11.59	32.09	7.27	11.52	159.53	222.00

Note 3a Intangible Assets

The changes in carrying value of Intangible Assets for the year ended March, 31 2020

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2019	18.52	2.25	20.77
Additions	-	-	-
Deletions	-	-	-
Gross carrying value as of March 31, 2020	18.52	2.25	20.77
Accumulated Depreciation as of April 1, 2019	12.39	0.27	12.66
Depreciation	3.12	1.32	4.44
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2020	15.51	1.59	17.10
Carrying Value as of March 31, 2020	3.01	0.66	3.67

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The changes in carrying value of Intangible Assets for the year ended March, 31 2021

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2020	18.52	2.25	20.77
Additions	2.70	-	2.70
Deletions	-	-	-
Gross carrying value as of March 31, 2021	21.22	2.25	23.47
Accumulated Depreciation as of April 1, 2020	15.51	1.59	17.09
Depreciation	2.05	0.41	2.45
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2021	17.56	2.00	19.54
Carrying Value as of March 31, 2021	3.66	0.26	3.93

Note 4 Investments in Properties

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current Investments		
Investment in Properties		
Office at Arihant Aura(Refer note below)	254.30	246.02
TOTAL	254.30	246.02

The Company's investment property consist of commercial properties, total amount invested during the PY for these properties was Rs. 246.02 Lacs, there was no additional investment made in F.Y. 2020-21.

However in F.Y. 2020-21, the addition of Rs. 8.28 Lacs pertain to registration expenses resulting into total closing carrying value of 254.30 Lakh as on March 31 2021.

- Rental Income from Investment properties Rs NIL (CY) Rs NIL (PY).

Note 5 Investment

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Unquoted Equity (Non Current)		
Investment in Subsidiary Companies		
Arihant Abode Limited (30000 Share @ Rs.10 per Share)	3.00	3.00
Arihant Aashiyana Private Limited (10500 Share @ Rs.10 per Share)	1.05	1.05
Arihant Gruhnirman Private Limited (6000 Share @ Rs.10 per Share)	0.60	0.60
Arihant Vatika Private Limited (6000 Share @ Rs.10 per Share)	0.60	0.60
Associates		
Amoghvarsh Houses Private Limited (500 Share @ Rs.10 per Share)	0.06	0.06
Partnership Firm		
Arihant Aksh Realty LLP	0.10	0.10
	5.41	5.41
Current Investments		
(a) Investment		
Arihant Aksh Realty LLP	2.55	16.99
	2.55	16.99
TOTAL	7.96	22.40

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 6 Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current loans		
Loan and advances -		
- To Related Party (Unsecured, Considered Good)	-	2,397.94
	-	2,397.94
Current loans		
- To Employee (Unsecured) (Unsecured, Considered Good)	6.99	6.42
	6.99	6.42
TOTAL	6.99	2,404.36

Note 7 Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Non - current :		
Security Deposits (Unsecured, Considered Good)	85.02	120.94
	85.02	120.94
Current:		
Deposit with Government (Unsecured, Considered Good)	32.39	126.15
	32.39	126.15
TOTAL	117.41	247.09

Note 8 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Finished goods	3,824.40	5,583.48
Work in Progress	10,336.97	10,664.90
Raw Material	174.91	421.61
TOTAL	14,336.28	16,669.99

Note 9 Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables (Unsecured, Considered Good)	1,374.90	1,685.23
TOTAL	1,374.90	1,685.23

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 10 Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash in hand	12.72	5.79
(b) Balances with banks		
(i) In current accounts	402.25	179.84
(ii) In deposit accounts	-	-
Deposits with original maturity within 3 months	86.01	247.24
TOTAL	500.98	432.86

Note 11 Tax Expenses

Particulars	As at March 31, 2021	As at March 31, 2020
Current:		
Income Tax (Net)	436.10	199.43
Non Current:		
Deferred Tax (Net)	8.11	4.34
TOTAL	444.21	203.77

Note 12 Land

Particulars	As at March 31, 2021	As at March 31, 2020
Land	4,531.86	5,392.67
TOTAL	4,531.86	5,392.67

Note 13 Other

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses - Unsecured, considered good	3.01	5.10
Cenvat Credit Available	509.47	605.56
Advance for Land acquisition	57.00	57.00
Advances to Suppliers/Contractors	135.86	230.30
Mat Credit Entitlement	113.04	-
Others	0.50	0.52
TOTAL	818.88	898.48

Note 14. Equity

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	` in Lakhs	Number of shares	` in Lakhs
(a) Authorised				
6,00,00,000 Equity shares of `10 each.	60,000,000	6,000.00	60,000,000	6,000.00
1,50,00,000 Preference Shares of `10 each.	15,000,000	1,500.00	15,000,000	1,500.00
(b) Issued				
Equity shares of `10 each with voting rights	41,159,991	4,116.00	41,159,991	4,116.00
(c) Subscribed and fully paid up				
Equity shares of `10 each with voting rights	41,159,991	4,116.00	41,159,991	4,116.00
TOTAL	41,159,991	4,116.00	41,159,991	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 year:

Particulars	Opening Balance	Changes	Closing Balance
Equity shares with voting rights			
Year Ended 31 March, 2021			
- Number of shares	41,159,991	-	41,159,991
- Amount (₹ in Lakhs)	4,116.00	-	4,116.00
Year Ended 31 March, 2020			
- Number of shares	41,159,991	-	41,159,991
- Amount (₹ in Lakhs)	4,116.00	-	4,116.00

Shareholders holding more than 5% shares in the Company

Class of shares / Name of shareholder (holding more than 5%)	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Equity shares with voting rights				
Ashok B. Chhajer	12,309,147	29.91%	12,309,147	29.91%
Sangeeta A. Chhajer	6,070,000	14.75%	6,070,000	14.75%
Parth A. Chhajer	6,000,000	14.58%	6,000,000	14.58%
Bhavik A. Chhajer	6,000,000	14.58%	6,000,000	14.58%

Note 15 Other Equity

Particulars	Other Equity			Total Equity Attributable to Equity Holders of the Company
	Reserves & Surplus		Other Comprehensive Income	
	Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2019	524.40	6,753.35	-	7,277.75
Changes in Equity for the Year Ended March 31, 2020				
Firm Tax	-	(0.15)	-	(0.15)
Profit/(Loss) for the Year		(141.54)	-	(141.54)
Balance as of March, 31 2020	524.40	6,611.66	-	7,136.06
Balance as of April 1, 2020	524.40	6,611.66	-	7,136.06
Changes in Equity for the Year Ended March 31, 2021				
Firm Tax	-	(0.01)	-	(0.01)
Profit/(Loss) for the period	-	390.11	-	390.11
Excess Provision of Earlier year Income tax		194.43		194.43
Balance as of March 31, 2021	524.40	7,196.19	-	7,720.59

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 16 Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current borrowings		
Secured Loans		
- Term Loan	1,640.28	2,174.38
- Vehicles loan	71.04	98.88
Unsecured Loans		
- From Directors	-	3,000.00
- From Others	-	2,111.48
TOTAL	1,711.32	7,384.74
Current borrowings		
Secured Loans		
- Term Loan	-	-
- Vehicles loan	27.85	17.95
Unsecured Loans		
- From Directors	128.39	2,167.19
- From Others	-	-
	156.24	2,185.14
TOTAL	1,867.56	9,569.88

Details of Borrowing :

Note

- The term loan from DCB Bank Limited and STCI Finance Limited is secured by Arshiya Project and Adita Project respectively
- Interest Rate of all the above loans varies from 13% to 15% per annum
- Vehicles loans are secured against the vehicle itself.

Note 17 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables:		
(a) Total Outstanding Dues to Micro and Small Enterprises	14.44	4.82
(b) Total Outstanding Dues to Creditors other than Micro and Small Enterprises	2,205.07	2,186.53
Retention	441.70	431.16
TOTAL	2,661.21	2,622.51

Note 18 Other Financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current Other Financial Liabilities		
Security deposit	54.95	42.83
Other payables		
Book O/D	23.16	25.25
Other Payables	50.80	38.25
TOTAL	128.91	106.33

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 19 Advances from Customers

Particulars	As at March 31, 2021	As at March 31, 2020
Bookings Received	6,018.02	4,698.12
TOTAL	6,018.02	4,698.12

Note 20 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Statutory Dues	32.82	28.27
(ii) Others Payable (includes)	62.38	168.16
TOTAL	95.20	196.43

Note 21 Provisions (Current)

Particulars	As at March 31, 2021	As at March 31, 2020
Provisions		
Provision for Expenses	2.76	23.84
Provision for Gratuity	9.45	9.45
TOTAL	12.21	33.29

Note 22 Revenue From Operations

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Sale of Products	10,490.37	5,771.43
Sale of Services	-	100.00
Other Opeative Income	53.15	6.25
TOTAL	10,543.52	5,877.68

Notes :

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Sale of Product		
Arihant Aarohi	351.47	761.82
Arihant Arshiya	1,803.45	1,464.80
Arihant Arham	(0.80)	12.51
4Anaika	1,552.80	-
Arihant Aangan	189.83	272.52
Arihant Adita	1,000.53	1,597.94
Arihant Anchal	1,308.32	1,020.29
Ariahant Ayati	2,084.77	641.55
Sales Land	2,200.00	-
TOTAL	10,490.37	5,771.43

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 23 Other Income

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Interest income		
On Fixed Deposit	7.26	14.43
On Other	160.88	194.86
Rent	2.58	21.37
Profit/(Loss) from Partnership firm	(0.13)	-
Other Misc. Income	8.24	5.24
TOTAL	178.83	235.90

Note 24 Cost of Construction, Land and Development Expenses

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Purchases	1,209.40	1,013.01
Direct Expenses	3,063.11	2,231.78
Land	1,752.97	-
TOTAL	6,025.48	3,244.79

Note 25 Changes in Inventories of Finished Goods

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Inventories at the end of the period:		
Finished Goods	3,824.40	5,583.48
Work in Progrss	10,336.97	10,664.90
Raw Material	174.91	421.61
	14,336.28	16,669.99
Inventories at the beginning of the period:		
Finished Goods	5,583.48	5,029.72
Work in Progrss	10,664.90	12,093.53
Raw Material	421.61	471.09
	16,669.99	17,594.34
Net (increase) / decrease	2,333.71	924.35

Note 26 Employee benefits expense

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Salaries, wages and bonus (Refer note (i) below)	286.43	322.04
Staff welfare expenses	12.75	26.10
Contribution to provident fund	5.88	7.28
TOTAL	305.06	355.42

Note(i):

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Salary, Wages & Bonus	199.92	247.80
Director Remuneration	86.51	74.24
Total	286.43	322.04

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 27 Finance costs

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Interest expense on:		
Interest on secured loans	311.14	275.34
Interest on unsecured loans	634.64	469.75
Others Borrowing Cost	15.41	29.62
TOTAL	961.19	774.70

Note 28 Other expenses

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Administrative Expenses	54.18	102.59
Audit fees (Refer note (i) below)	5.75	5.75
Advestiment & Selling Exp		
Advertisement	79.83	121.11
Brokerage	127.58	104.21
GST Discount	142.17	62.67
Exhibition & Other Exp	11.28	58.36
Legal and Professional Expenses	102.13	200.48
Rent, Rates & Taxes	32.82	83.96
CSR expenses	38.60	89.11
Donation	-	2.61
Vehicle Expenses	25.19	36.77
Others	17.13	10.53
TOTAL	636.66	878.15

Note(i):

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
(i) Payments to the auditors comprises		
As Statutory Auditor	4.00	4.00
As Tax Auditor	1.25	1.25
Others	0.50	0.50
TOTAL	5.75	5.75

Note 29: Financial Instruments : Accounting classifications and fair value measurements

(i) Accounting classifications

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, short term deposits, trade payables, payables for acquisition of property, plant and equipment, short term loans from banks, financial institutions and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(ii) Fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 — Quoted (unadjusted) market prices in active markets 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 techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents carrying value and fair value of financial instruments by categories and also fair value hierarchy of assets and liabilities measured at fair value :

As at March 31, 2021

Particulars	Note	Non-Current	Current	Carrying Value -Total	Classification			Fair Value		
					FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial Assets										
Investment in Equity Instruments	5	5.31	-	5.31	-	5.31	-	-	-	5.31
Investment in Firm	5	0.10	2.55	2.65	2.65					2.65
Loans	6	-	6.99	6.99	-	-	6.99	-	-	6.99
Other Financial Assets (i) Trade receivables	7	85.02	32	117.41	-	-	117.41	-	-	117.41
Trade Receivable (ii) Cash and cash equivalents	9	-	1,374.90	1,374.90	-	-	1,374.90	-	-	1,374.90
Cash & Cash Equivalents (iii) Bank Balances other than (ii) above	10	-	500.98	500.98	-	-	500.98	-	-	500.98
Total		90.43	1,917.81	2,008.25	2.66	5.31	2,000.28	-	-	2,008.25
Financial Liabilities										
Long term Borrowings (i) Borrowings	16	1,711.32	-	1,711.32	-	-	1,711.32	-	-	1,711.32
Short term Borrowings	16	-	156.24	156.24	-	-	156.24	-	-	156.24
Trade payables	17	-	2,661.21	2,661.21	-	-	2,661.21	-	-	2,661.21
Other Financial Liabilities (ii) Other Financial Liabilities	18	-	128.91	128.91	-	-	128.91	-	-	128.91
Total		1,711.32	2,946.36	4,657.69	-	-	4,657.69	-	-	4,657.69

As at March 31, 2020

Particulars	Note	Non-Current	Current	Carrying Value -Total	Classification			Fair Value		
					FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial Assets										
Investment in Equity Instruments	5	5.31		5.31	-	5.31	-	-	-	5.31
Investment in Firm	5	0.10	16.99	17.09	17.09					17.09
Loans	6	2,397.94	6.42	2,404.35	-	-	2,404.35	-	-	2,404.35
Other Financial Assets (i) Trade receivables	7	120.94	126	247.09	-	-	247.09	-	-	247.09
Trade Receivable (ii) Cash and cash equivalents	9	-	1,685.23	1,685.23	-	-	1,685.23	-	-	1,685.23
Cash & Cash Equivalents (iii) Bank Balances other than (ii) above	10	-	432.86	432.86	-	-	432.86	-	-	432.86
Total		2,524.29	2,267.64	4,791.93	17.09	5.31	4,769.53	-	-	4,791.93
Financial Liabilities										
Long term Borrowings (i) Borrowings	16	7,384.74		7,384.74	-	-	7,384.74	-	-	7,384.74
Short term Borrowings	16	-	2,185.14	2,185.14	-	-	2,185.14	-	-	2,185.14
Trade payables	17	-	2,622.51	2,622.51	-	-	2,622.51	-	-	2,622.51
Other Financial Liabilities (ii) Other Financial Liabilities	18	-	106.33	106.33	-	-	106.33	-	-	106.33
Total		7,384.74	4,913.99	12,298.72	-	-	12,298.72	-	-	12,298.72

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 30:

Financial Risk Management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The Company has identified financial risks and categorised them in three parts viz.

- (i) Credit Risk,
- (ii) Liquidity Risk and
- (iii) Market Risk.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management.

The Company's risk management framework, are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit Risk

Credit risk refers to the possibility of a customer and other counterparties not meeting their obligations and terms and conditions which would result into financial losses. Such risk arises mainly from trade receivables, other receivables, loans and investments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables, loans and advances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

i) The movement in Provision for Doubtful Debts is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening provision	-	-
Add: Provision made during the year	-	-
Less: Provision written back	-	-
Less: Provision reversed	-	-
Closing provision	-	-

ii) Bad debts:

Particulars	As at March 31, 2021	As at March 31, 2020
Bad-debts recognised in statement of Profit and Loss a/c	-	-
Total	-	-

Cash and cash equivalents

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates.

a) Financing arrangements

The Company has access to funds from debt markets through loan from banks. The Company invests its surplus funds in bank fixed deposits.

b) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows

As at March 31, 2021

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	1,711.32	-	1,711.32
Short term borrowings	156.24	-	-	156.24
Trade and other payables	2,661.21	-	-	2,661.21
Other financial liabilities	128.91	-	-	128.91
Total	2,946.36	1,711.32	-	4,657.69

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2020

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	7,384.74	-	7,384.74
Short term borrowings	2,185.14	-	-	2,185.14
Trade and other payables	2,622.51	-	-	2,622.51
Other financial liabilities	106.33	-	-	106.33
Total	4,913.99	7,384.74	-	12,298.72

(iii) Market Risk

The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price. Market risk further comprises of

- (a) Currency risk;
- (b) Interest rate risk; and

a) Currency risk

The Company is not exposed to any currency risk as the Company does not have any import payables, short term payables, short term borrowings and export receivables in foreign currency.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

- Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest bearing financial instruments as reported to the Management of the Company is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	227.28	7,395.50
Variable rate borrowing	1,640.28	2,174.38
Total	1,867.56	9,569.88

- Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

- Fair value sensitivity analysis for variable-rate instruments

Particulars	As at March 31, 2021	As at March 31, 2020
Interest sensitivity		
Interest rate increase by 50 basis points	1,648.48	2,185.25
Interest rate decrease by 50 basis points	1,632.08	2,163.51

- Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

a) Debt Equity Ratio

The Company monitors capital using debt equity ratio. The Company's debt to equity ratios are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Long term borrowings	1,711.32	7,384.74
Short term borrowings	156.24	2,185.14
Total Borrowing	1,867.56	9,569.88
Less: Cash and cash equivalents	500.98	432.86
Net Debt	1,366.58	9,137.02
Total Equity	11,836.59	11,252.06
Debt to Equity Ratio	0.12	0.81

b) Dividends

Dividends paid during the year

Particulars	As at March 31, 2021	As at March 31, 2020
- Interim Dividend		
Rate per Share	NIL	NIL
Amount in INR	NIL	NIL
- Final Dividend		
Rate per Share	NIL	NIL
Amount in INR	NIL	NIL

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 31 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on “Related Parties Disclosures” prescribed 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 Deepak Lohia Govind Rao
Relatives of KMP	Parth A Chhajer Bhavik A Chhajer Sangeeta A. Chhajer
Company in which KMP / Relatives of KMP can exercise significant influence	Parashakti Houses Pvt Ltd (Earlier Known as Adinath Realty Private Limited) Amoghvarsha Houses Pvt Ltd (Earlier known Arihant Technoinfra Pvt Ltd) Arihant Paradise Realty Pvt. Ltd Arihant Enterprises

Note: Related parties have been identified by the Management.

Details of related party transactions for the year ended 31 March, 2021

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans & Advances Given					
Current Year	1,843.96	-	-	379.15	2,223.11
Previous Year	1,699.50	-	-	138.25	1,837.75
Loan & Advances Given Received					
Current Year	5,614.61	-	-	831.52	6,446.14
Previous Year	1,039.73	-	-	233.00	1,272.73
Interest Received (Gross)					
Current Year	118.34	-	-	24.95	143.30
Previous Year	113.06	-	-	19.55	132.61
Loan Taken (Borrowings)					
Current Year	-	652.75	-	-	652.75
Previous Year	-	1,466.00	-	-	1,466.00
Loan Repaid					
Current Year	-	6,141.25	-	-	6,141.25
Previous Year	-	1,328.00	-	-	1,328.00

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Interest Paid (Gross)					
Current Year	-	486.17	-	-	486.17
Previous Year	-	398.79	-	-	398.79
Rent Paid (Gross)					
Current Year	-	4.80	-	-	4.80
Previous Year	-	4.80	-	-	4.80
Construction Contract					
Current Year	-	-	-	615.00	615.00
Previous Year	-	-	-	-	-
Purchase of materials					
Current Year	-	-	-	59.22	59.22
Previous Year	-	-	-	-	-
Remuneration					
Current Year	-	108.81	-	-	108.81
Previous Year	-	119.57	-	-	119.57
Purchase of Office					
Current Year	-	-	-	-	-
Previous Year	-	-	-	246.02	246.02
Professional Fees Received					
Current Year	-	-	-	-	-
Previous Year	-	-	-	100.00	100.00
Loans and Advances (Asset)					
Current Year	-	-	-	-	-
Previous Year	1,968.65	-	-	398.01	2,366.66
Loans and Payables Outstanding (Liability)					
Current Year	-	128.39	-	-	128.39
Previous Year	-	5,167.19	-	93.55	5,260.74
Deposits					
Current Year	-	20.00	-	-	20.00
Previous Year	-	20.00	-	-	20.00

Note 32 Disclosures under Ind-AS 33 on “Earnings Per Share”

Particulars	As at March 31, 2021	As at March 31, 2020
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders (₹ in Lakhs)	390.11	(141.54)
Weighted average number of Equity Shares	41,159,991	41,159,991
Par value per share (₹)	10.00	10.00
Earnings per share from continuing operations		
Basic (₹)	0.95	-0.34
Diluted (₹)	0.95	-0.34

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 33 Disclosures under Ind-AS 12 on “Income Taxes”

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax (liability) / asset		
Opening deferred tax (liability) / asset	4.34	2.58
Add/(less): Recognised/ reversed during the year	3.77	1.76
Closing deferred tax (liability) / asset	8.11	4.34

Note 34 : 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. Following expenses incurred by the company in foreign currency during the year:

Business Promotion Expenses - ₹ Nil. (Previous Year ₹ 1.29 Lakhs)

Note 35 : Contingent Liabilities :

(i) Guarantees:

- Guarantees given to Banks & Financial Institutions for Nil (Previous Year ₹ 3,000 Lakhs) against financial facilities availed by the subsidiary companies. Balance outstanding against the facility Nil (Previous Year ₹ 286.31 Lakhs)
- Facilities against which Guarantee was given outstanding Fund amount is ₹ 1,726 Lakhs as on March 31, 2021 (Previous Year ₹ 1,726 Lakhs). Balance outstanding against the facility ₹ 58.66 Lakhs (Previous Year ₹ 51.87 Lakhs)

(ii) Liability of Income Tax amounting to ₹ Nil (CY) ₹ 3.38 Lakhs (PY) towards penalty u/s 271(1)(C)

Note 36 : Additional Disclosure to Micro, Small and Medium enterprises:

Particulars	MARCH 31-2021	MARCH 31-2020
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	14.44	4.82
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(c) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the years ended and as at March 31, 2021 and March 31, 2020 to Micro, Small and Medium Enterprises on account of principal or interest.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 37 : 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 38 : CSR Expenditure

The company has framed CSR policy pursuant to the companies Act, 2013. the company has spent ₹ 38.60 Lakhs (Previous Year ₹ 90.02 Lakhs) against the gross requirement of ₹ 49.44 Lakhs (Incl Previous year ₹ 128.33 Lakhs) till date, as per provision of companies Act 2013. Remaining amount of ₹ 10.84 Lakhs (Previous year ₹ 39.22 Lakhs) to be spent in the subsequent year.

Note 39 : Impairment of Assets

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 31.03.2021.

Note 40 : 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 41 : Subsidiary Information :

Name of Subsidiary	No of Share	% of Holding and Voting Rights	% of Holding and Voting Rights
Arihant Abode Limited	30,000	60%	60%
Arihant Vatika Realty Private Limited	6,000	60%	60%
Arihant Aashiyana Private Limited	6,000	60%	60%
Ariahant Gruhnirman Private Limited	6,000	60%	60%

Note 42 : COVID-19 Effects

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information. As on current date, the Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 43 : 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.

As per our report of even date

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

Saurabh Chouhan
Partner
Membership No.-167453

Place: Navi Mumbai
Date: June 19, 2021

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

Ashok Chhajjer
Chairman & MD
DIN- 01965094

Deepak Lohia
Chief Financial Officer

Nimish Shah
Whole Time Director
DIN- 03036904

Govind Rao
Company Secretary
ICSI Mem No- A47094

INDEPENDENT AUDITOR'S REPORT

To the Members of Arihant Superstructure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arihant Superstructure Limited (“the Company”) and its subsidiaries (the Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter.

Revenue recognition

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue from sale of residential and commercial units represents 99.50 % of the total revenue from operations of the Company.</p> <p>Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those units. The trigger for revenue recognition is normally percentage of completion of the project</p>	<p>We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard.</p> <p>Our audit procedures on Revenue recognition included the following:</p> <ul style="list-style-type: none"> • Evaluating that the Company’s revenue recognition accounting policies are in line with the applicable accounting standards and their application to the key customer contracts including consistent application; • Scrutinising all the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation; • Conducting site visits during the year for selected projects to understand the scope and nature of the projects and to assess the progress of the projects; and

<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”</p> <p>The application of the new revenue accounting standard involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on management’s assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Due to the inherent nature of the projects and significant judgment involved in the estimate of costs to complete, there is risk of overstatement or understatement of revenue</p>	<ul style="list-style-type: none"> • Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers; • Identified and tested operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers. <p>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</p> <ul style="list-style-type: none"> • Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts and whether the related revenue had been recognised in accordance with the Company’s revenue recognition policies; • Identification and testing operating effectiveness of key controls over recording of actual costs incurred for the projects; • Read, analysed and identified the distinct performance obligations in these contracts. • Performed analytical procedures for reasonableness of revenues disclosed by the company. • Verification of construction cost and land cost directly attributable to the project.
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Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The parent Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the consolidated financial statements and our auditor’s report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report of the company, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact we have nothing to report in this regard.

Management’s Responsibility for the Consolidated Financial Statements

The parent Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit 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 financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 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 and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The company is required to transfer Rs. 0.01 Lakh to the Investor Education and Protection Fund.

For Kailash Chand Jain & Co.

Chartered Accountants

Firm registration No. 112318W

Saurabh Chouhan

Partner

Membership No.: 167453

UDIN: 21167453AAAAKP9249

Date: June 19, 2020

Place: Navi Mumbai

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Arihant Superstructure Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Arihant Superstructure Limited (hereinafter referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are 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 respective Companies 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 (“ the 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 and its subsidiary companies, which are companies 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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, 2021, based on the internal control over financial reporting criteria established by the respective companies 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 registration No. 112318W

Saurabh Chouhan

Partner

Membership No.: 167453

UDIN: 21167453AAAACP9249

Date: June 19, 2020

Place: Navi Mumbai

CONSOLIDATED BALANCE SHEET

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant & Equipment	3	890.08	949.06
(b) Intangible Assets	3a	8.03	4.16
(c) Investment in Property	4	1,141.65	1,029.06
(d) Goodwill		-	-
(e) Financial Assets			
(i) Investments in Equity	5	0.16	0.16
(ii) Loan	6	-	429.29
(iii) Other Financial Assets	7	3,167.58	3,203.50
Deferred Tax Asset (net)	11	15.69	6.82
SUB-TOTAL		5,223.19	5,622.05
CURRENT ASSETS			
(a) Inventories	8	35,471.33	38,810.49
(b) Financial Assets			
(i) Investment	5	2.55	16.99
(i) Trade Receivable	9	2,598.77	3,514.18
(ii) Cash & Cash Equivalents	10	1,200.54	1,149.08
(iii) Loans	6	487.16	2,107.98
(iv) Other Financial Assets	7	254.53	1,011.91
(c) Land	12	19,979.67	19,250.42
(d) Current Tax Assets (Net)	11	484.23	30.50
(e) Other Current Assets	13	3,183.25	3,247.15
SUB-TOTAL		63,662.03	69,138.70
TOTAL ASSETS		68,885.22	74,760.75
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14a	4,116.00	4,116.00
(b) Other Equity	14b	9,754.21	8,559.27
(c) Non- Controlling Interest		2,459.98	2,003.07
SUB-TOTAL		16,330.18	14,678.34
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
Borrowings	15	24,989.70	31,564.70
SUB-TOTAL		24,989.70	31,564.70
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	15	4,562.21	7,104.17
(ii) Trade Payables	16	5,279.73	6,307.10
(iii) Other Financial Liabilities	17	310.35	251.93
(b) Other Current Liabilities			
(i) Advance from Customers	18	17,002.67	14,440.80
(ii) Other Current Liabilities	19	340.79	347.10
(c) Provisions	20	69.59	66.61
SUB-TOTAL		27,565.34	28,517.71
TOTAL EQUITY & LIABILITIES		68,885.22	74,760.75

The accompanying notes 1 to 40 are an integral parts of Consolidated financial statements.

As per our report of even date.

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

Saurabh Chouhan
Partner
Membership No.-167453

Place: Navi Mumbai
Date: June 19, 2021

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

Ashok Chhajer
Chairman & MD
DIN- 01965094

Deepak Lohia
Chief Financial Officer

Nimish Shah
Whole Time Director
DIN- 03036904

Govind Rao
Company Secretary
ICSI Mem. No. A47094

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

Particulars	Note No.	For year ended Mar 31, 2021	For year ended Mar 31, 2020
1 Income from Operations			
(a) Revenue from Operations	21	27,016.57	23,318.47
(b) Other Income	22	214.04	466.70
Total Revenue		27,230.61	23,785.17
2 Expenses			
(a) Cost of construction, land and development expenses	23.a	14,923.43	12,115.96
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.b	3,339.19	3,362.46
(c) Employee benefit expenses	24	1,192.09	1,256.37
(d) Finance costs	25	2,809.55	3,010.60
(e) Depreciation expense		203.92	203.76
(f) Other expenses	26	2,759.59	2,284.85
Total Expenses		25,227.77	22,234.00
3 Profit / (Loss) before exceptional items and tax (1 - 2)		2,002.85	1,551.17
4 Exceptional Items (net)			
5 Profit / (Loss) before tax (3 + 4)		2,002.85	1,551.17
6 Tax Expense:			
(a) Current Tax Expense		550.72	457.35
(b) Mat Credit Entitlement		(113.04)	-
(b) Deferred Tax		(8.87)	(4.58)
7 Profit / (Loss) after tax (5 - 6)		1,574.04	1,098.40
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 Non- Controlling Interest		456.91	550.16
10 Total Comprehensive income for the period (7 + 8-9)		1,117.13	548.24
11 Earnings per share (of Rs.10/- each):			
(a) Basic		2.71	1.33
(b) Diluted		2.71	1.33

As per our report of even date.

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

Saurabh Chouhan
 Partner
 Membership No.-167453

Place: Navi Mumbai
 Date: June 19, 2021

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

Ashok Chhajer
 Chairman & MD
 DIN- 01965094

Deepak Lohia
 Chief Financial Officer

Nimish Shah
 Whole Time Director
 DIN- 03036904

Govind Rao
 Company Secretary
 ICSI Mem. No. A47094

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED

(₹ in Lacs)

Particulars	Equity Share Capital	Other Equity				Total Equity Attributable to Equity Holders of the Company
		Reserves & Surplus			Other Comprehensive Income	
		Security Premium Reserve	Capital Reserve	Retained Earnings		
As at of April, 01, 2019	4,116.00	524.40	0.78	7,486.00	-	12,127.18
Profit / Loss of Firm				(0.15)		(0.15)
Firm Tax				-		-
Profit for the period				548.23		548.23
As at March, 31 2020	4,116.00	524.40	0.78	8,034.08	-	12,675.26
As at April 01, 2020	4,116.00	524.40	0.78	8,034.08	-	12,675.26
Short Provision of Income tax				77.84		77.84
Firm Tax				(0.01)		(0.01)
Profit for the period				1,117.12		1,117.12
As at March, 31 2021	4,116.00	524.40	0.78	9,229.02	-	13,870.21

Security Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Act.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

The accompanying notes 1 to 40 are an integral parts of Consolidated financial statements.

As per our report of even date.

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

Saurabh Chouhan
Partner
Membership No.-167453

Place: Navi Mumbai
Date: June 19, 2021

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

Ashok Chhajer
Chairman & MD
DIN- 01965094

Deepak Lohia
Chief Financial Officer

Nimish Shah
Whole Time Director
DIN- 03036904

Govind Rao
Company Secretary
ICSI Mem. No. A47094

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	(₹ in Lacs)	
	31-03-2021	31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items :	2,002.85	1,551.17
Adjustment for		
Depreciation & Amortisation	203.92	203.76
Interest paid	2,809.55	3,010.60
Loss on Sale of Fixed Assets	1.55	-
Less :- Non Operating Income		
Interest Received	(187.17)	(366.97)
	4,830.70	4,398.57
Changes in Working Capital		
(Increase)/ Decrease in Inventories	3,339.19	3,362.46
(Increase)/ Decrease in Financial Assets	3,771.69	(1,349.62)
(Increase)/ Decrease in Non- Financial Assets	(665.35)	(3,615.78)
Increase/ (Decrease) in Financial Liability	(968.95)	778.49
Increase/ (Decrease) in Non- Financial Liability	2,558.54	(456.81)
Cash flow from Operating Activities before Tax and Extraordinary Items	12,865.82	3,117.31
Income Tax paid	(813.61)	(576.27)
Cash flow from Operating Activities before Extraordinary Items	12,052.22	2,541.04
Adjustment for Extraordinary Items	-	-
Cash Generated from Operating Activities	12,052.22	2,541.04
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale /(Purchase of Fixed Assets (Net)	(148.83)	(104.96)
(Purchase)/Sale of Investments	(112.59)	(1,029.06)
Interest Received	187.17	366.97
Cash Generated from Investment Activities	(74.24)	(767)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) Borrowings	(9,116.96)	892
Interest paid	(2,809.55)	(3,011)
Dividend and Dividend Distribution Tax Paid	-	-
Cash Generated from Financing Activities	(11,926.52)	(2,119)
Net Increase in Cash & Cash Equivalents	51.46	(344.93)
Opening Balance of Cash & Cash Equivalents	1,149.08	1,494.02
Closing Balance of Cash & Cash Equivalents	1,200.54	1,149.09
Cash & Cash Equivalent Comprise of		
(i) Cash in Hand	50.63	43.92
(ii) Balance with Bank	807.86	525.89
(iii) Fixed Deposit	342.05	579.27
Closing Balance of Cash & Cash Equivalents	1,200.54	1,149.08

Note:- The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows".

The accompanying notes 1 to 40 are an integral parts of Consolidated financial statements.

As per our report of even date.

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

Saurabh Chouhan
Partner
Membership No.-167453

Place: Navi Mumbai
Date: June 19, 2021

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

Ashok Chhajer
Chairman & MD
DIN- 01965094

Deepak Lohia
Chief Financial Officer

Nimish Shah
Whole Time Director
DIN- 03036904

Govind Rao
Company Secretary
ICSI Mem. No. A47094

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 :

I. 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, Plot 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.

II. Basis of preparation of Financial Statements

(a) Statement of Compliance

The Financial Statements of the subsidiaries used for the purpose of consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2021.

The Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (IndAS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”) and the relevant provisions and amendments, as applicable. The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

The consolidated Financial Statements of the Group for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on June 19, 2021.

(b) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is also the functional currency of the Group. All financial information presented in Indian rupees has been rounded to the nearest crore, unless otherwise stated

(c) Basis of measurement

These consolidated financial statements have been prepared on historical cost basis except certain financial instruments, defined benefit plans and share based payments measured at fair value.

(d) 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 31. 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- 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.
- 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.

(e) 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) Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition:

Determination of revenue under the satisfaction of performance obligation at a point in time method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. The Company recognises revenue when the company satisfies its performance obligations.

2) Evaluation 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 relevant, 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 periodically. The effect of changes, if any, to estimates is recognised in the Standalone Financial Statements for the period in which such changes are determined.

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

Useful lives of Property, Plant and Equipment and Intangible Assets are based on the life prescribed in Schedule II of the Companies Act, 2013 or based on internal technical evaluation. 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.

4) Recognition of Deferred Tax Asset:

The extent of which Deferred Tax Asset can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

5) 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 experience 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 provisions.

(f) Operating Cycle

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

(g) Measurement of fair values

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.

Note 2

a) 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 IndAS, 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 carrying 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	30
Rented Premises	Lease Period
Plant & Machinery	5-15
Furnitures & fixtures	8-10
Vehicles	5-10
Electrical Installations	10
Equipments and facilities	5-8
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 assets' 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 include 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 development 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.

b) 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.

c) 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

d) 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.

e) Finance Costs

Borrowing costs that are directly attributable to the acquisition/construction of Qualifying Assets or for long term project development 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.

f) 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.

g) Inventories

Construction Materials and Consumables

Construction material and Consumables 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 realizable value. Cost includes direct materials, labour, project specific direct indirect expenses.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

h) 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.

i) 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.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 substantially 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.

j) 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.

k) Selling Costs

Selling expenses related to specific projects/units are being charged to Statement of Profit and Loss in the year in which the expenses are incurred.

l) 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

Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018.

The Company has applied full retrospective approach in adopting the new standard and accordingly recognised revenue in accordance with Ind AS 115 as compared to earlier Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)

In accordance with the principles of Ind AS 115 revenue in respect of real estate project is recognised on satisfaction of Performance obligation at a point in time by transferring a promised good or services (i.e. an asset) to a customer and the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

customer obtains control of that asset.

To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the company considers following indicators of the transfer of control to customers:

- (a) the company has a present right to payment for the asset;
- (b) the company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- (c) the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;
- (d) the amount of revenue can be measured reliably;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- (f) the customer has accepted the asset.

The satisfaction of performance obligation and the control thereof is transferred from the company to the buyer upon possession or upon issuance of letter for offer of possession (“deemed date of possession”), whichever is earlier, subject to realisation/ certainty of realisation.

Obligations: The company is under an obligation to comply with the following In terms of the Real Estate (Regulation and Development) Act 2016 (RERA)

- (a) Obligation to keep 70% of the amounts realized from real estate project from allottees from time to time, in a separate account in a scheduled bank
- (b) To enable formation of the association or society of allottees
- (c) Liability to rectify structural defect or defect in workmanship within 30 days if brought to notice of the company by allottee within 5 years from the date of handing over possession.

m) 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.

n) Dividends

Revenue is recognised when the Company’s right to receive the payment is established.

o) Delayed Payment Charges

Delayed Payment Charges claimed to expedite recoveries are accounted for on realisation.

p) Other Income

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

q) 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

r) **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.

s) **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.

t) **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.

u) **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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

v) 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 3 Property, Plant & Equipment

The changes in carrying value of Property, Plant & Equipment for the year ended March, 31 2021

Particulars	Building	P&M and Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2020	14.42	621.79	102.31	338.25	471.89	1,548.66
Additions	-	93.31	10.51	3.16	38.67	145.65
Deletions	-	-	-	-	(9.48)	(9.48)
Gross carrying value as of March 31, 2021	14.42	715.10	112.82	341.41	501.08	1,684.83
Accumulated Depreciation as of April 1, 2020	2.24	227.26	63.46	97.23	209.41	599.61
Depreciation	0.59	86.93	25.57	34.44	53.29	200.82
Accumulated depreciation on deletion	-	-	-	-	(5.68)	(5.68)
Accumulated Depreciation as of March 31, 2021	2.83	314.19	89.04	131.67	257.02	794.75
Carrying Value as of March 31, 2021	11.59	400.92	23.79	209.74	244.06	890.08

The changes in carrying value of Property, Plant & Equipment for the year ended March, 31 2020

Particulars	Building	P&M and Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2019	14.42	604.08	93.90	337.45	402.43	1,452.28
Additions	-	17.71	8.41	0.80	69.46	96.38
Deletions	-	-	-	-	-	-
Gross carrying value as of March 31, 2020	14.42	621.79	102.31	338.25	471.89	1,548.66
Accumulated Depreciation as of April 1, 2019	1.68	145.95	36.87	60.31	155.63	400.44
Depreciation	0.56	81.31	26.59	36.92	53.78	199.16
Accumulated depreciation on deletion	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2020	2.24	227.26	63.46	97.23	209.41	599.60
Carrying Value as of March 31, 2020	12.18	394.53	38.85	241.02	262.48	949.06

Note 3a Intangible Assets

The changes in carrying value of Intangible Assets for the year ended March, 31 2021

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2020	18.98	3.15	22.13
Additions	6.97	-	6.97
Deletions	-	-	-
Gross carrying value as of March 31, 2021	25.95	3.15	29.10
Accumulated Depreciation as of April 1, 2020	15.90	2.07	17.97
Depreciation	2.54	0.57	3.11
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2021	18.44	2.64	21.08
Carrying Value as of March 31, 2021	7.51	0.52	8.03

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

The changes in carrying value of Intangible Assets for the year ended March, 31 2020

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2019	18.98	3.15	22.13
Additions	-	-	-
Deletions	-	-	-
Gross carrying value as of March 31, 2020	18.98	3.15	22.13
Accumulated Depreciation as of April 1, 2019	12.78	0.59	13.37
Depreciation	3.12	1.48	4.60
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2020	15.90	2.07	17.97
Carrying Value as of March 31, 2020	3.08	1.08	4.16

Note 4 : INVESTMENT IN PROPERTY

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Property	1,141.65	1,029.06
Total	1,141.65	1,029.06

The Company's investment property consist of commercial properties, total amount invested during the PY for these properties was Rs. 1029.06 Lacs, there was an additional investment of Rs. 112.59 made in F.Y. 2020-21. The addition of Rs. 34.74 Lacs pertain to registration expenses and remaining amount of Rs. 77.85 Lacs pertain to additional investment resulting into total closing carrying value of Rs. 1141.65 Lacs as on March 31 2021.

- Rental Income from Investment properties Rs NIL (CY) Rs NIL (PY).

Note 5 : INVESTMENTS

Particulars	As at March 31, 2021	As at March 31, 2020
NON-CURRENT INVESTMENT :		
<u>Investment in Unquoted Equity Instruments</u>		
(i) Investment in Associates- Amoghvarsh Houses Private Limited (No of Share Held 500 @R.10 per Share)	0.06	0.06
(ii) Investment in LLP (Arihant Aksh LLP with 5% of Holding)	0.10	0.10
SUB TOTAL	0.16	0.16
<u>CURRENT INVESTMENT :</u>		
(i) Investment in Arihant Aksh LLP	2.55	16.99
SUB-TOTAL	2.55	16.99
Total	2.71	17.15

Note 6 : LOANS

Particulars	As at March 31, 2021	As at March 31, 2020
NON-CURRENT		
(Unsecured, considered good)		
(i) Loan to Related party	-	429.29
SUB-TOTAL	-	429.29
CURRENT		
(Unsecured, considered good)		
(i) Loan to Related party	11.01	1,303.63
(ii) Loan to Others	463.86	796.03
(iii) Loan to Employee	12.29	8.32
SUB-TOTAL	487.16	2,107.98
Total	487.16	2,537.27

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 7 : OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
NON CURRENT		
Security Deposit (Unsecured, Considered Good)	3,167.58	3,203.50
SUB-TOTAL	3,167.58	3,203.50
CURRENT		
(i) Security Deposit (Unsecured, Considered Good)	57.14	720.76
(ii) Deposit With Government	197.39	291.15
SUB-TOTAL	254.53	1,011.91
Total	3,422.11	4,215.41

Note 8 : INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Finished goods	4,623.64	10,182.10
(ii) Work in Progress	30,422.17	27,992.21
(iii) Raw Material	425.52	636.18
Total	35,471.33	38,810.49

Note 9 : TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables (Unsecured, Considered Good)	2,598.77	3,514.18
Total	2,598.77	3,514.18

The real estate sales are made on the basis of cash down payment or construction linked payment plan. In case of construction linked payment plan, invoice is raised on the customer in accordance with milestones achieved as per flat buyer agreement. The final possession of the property is offered to the customer subject to payment of full value of consideration. Accordingly, the company doesn't expect any credit loss

Note 10 : CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Cash in hand	50.63	43.92
(ii) Balances with banks		
(a) In current accounts	807.86	525.89
(b) In deposit accounts		
Deposits with original maturity within 3 months	342.05	579.27
Total	1,200.54	1,149.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 11 Tax Expenses

Particulars	As at March 31, 2021	As at March 31, 2020
Current:		
(i) Income Tax	484.23	30.50
Total	484.23	30.50
Non Current:		
(i) Deferred Tax Assets	15.69	6.82
Total	15.69	6.82

Note 12 Land

Particulars	As at March 31, 2021	As at March 31, 2020
Land	19,979.67	19,250.42
Total	19,979.67	19,250.42

Note 13 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Prepaid expenses	7.76	14.53
Advance to Supplier	551.87	635.49
Input Credit Receivable	1,281.21	1,418.76
Advance for Land Acquisition	1,226.68	1,175.65
Mat Credit Entitlement	113.04	-
Other Assets	2.69	2.72
Total	3,183.25	3,247.15

Note 14(a) Equity

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(a) Authorised				
6,00,00,000 Equity shares of Rs 10 each.	6,00,00,000	6,000.00	6,00,00,000	6,000.00
1,50,00,000 Preference Shares of Rs 10 each.	1,50,00,000	1,500.00	1,50,00,000	1,500.00
(b) Issued				
Equity shares of Rs 10 each with voting rights	4,11,59,991	4,116.00	4,11,59,991	4,116.00
(c) Subscribed and fully paid up				
Equity shares of Rs 10 each with voting rights	4,11,59,991	4,116.00	4,11,59,991	4,116.00
Total	4,11,59,991	4,116.00	4,11,59,991	4,116.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Changes	Closing Balance
Equity shares with voting rights			
Year Ended 31 March, 2021			
- Number of shares	4,11,59,991	-	4,11,59,991
- Amount (₹ in Lacs)	4,116.00	-	4,116.00
Year Ended 31 March, 2020			
- Number of shares	4,11,59,991	-	4,11,59,991
- Amount (₹ in Lacs)	4,116.00	-	4,116.00

Class of shares / Name of shareholder (holding more than 5%)	As at March 31, 2021		As at March 31, 2020	
	Number of shares	%	Number of shares	%
Equity shares with voting rights				
Ashok B. Chhajjer	1,23,09,147	29.91	1,23,09,147	29.91
Sangeeta A. Chhajjer	60,70,000	14.75	60,70,000	14.75
Parth A. Chhajjer	60,00,000	14.58	60,00,000	14.58
Bhavik A. Chhajjer	60,00,000	14.58	60,00,000	14.58

b) Other Equity

Particulars	Other Equity				Total Equity Attributable to Equity Holders of the Company
	Reserves & Surplus			Other Comprehensive Income	
	Security Premium Reserve	Capital Reserve	Retained Earnings		
Balance as of April, 01 2019	524.40	0.78	7,486.00	-	8,011.18
Changes in Equity for the year ended March, 31 2020:					
Profit / (Loss) of Firm	-	-	(0.15)	-	(0.15)
Firm Tax	-	-	-	-	-
Profit / (Loss) for the year	-	-	548.23	-	548.23
Balance as of March, 31 2020	524.40	0.78	8,034.08	-	8,559.27
Balance as of April, 01 2020	524.40	0.78	8,034.08	-	8,559.27
Changes in Equity for the year ended March, 31 2021:					
Short Provision of Income tax	-	-	77.84	-	77.84
Firm Tax	-	-	(0.01)	-	(0.01)
Profit / (Loss) for the year	-	-	1,117.12	-	1,117.12
Balance as of March, 31 2021	524.40	0.78	9,229.02	-	9,754.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 15 Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current borrowings		
(a) Secured Loans		
- Vehicle Loan	87.65	112.89
- Term Loan	12,330.39	16,118.98
(b) Unsecured Loans		
Loans From Relative	12,431.39	13,081.08
Loans From Others	140.27	2,251.75
	24,989.70	31,564.70
Current borrowings		
(a) Secured Loans		
- Vehicle Loan	37.84	22.84
- Term Loan	-	-
(b) Unsecured Loans		
Loans From Relative	4,485.60	6,923.69
Loans From Others	38.77	157.64
	4,562.21	7,104.17
Total	29,551.91	38,668.87

1. Term loan from DCB Bank @ 13% Interest rate is secured against Arihant Arshiya Project Situated at Khopoli, Repayable from 31st Jan 2021 to 30th April 2022.
2. Construction Finance from STCI Finance Limited @ 14% Interest rate is secured against Arihant Adita Project Situated at Jodhpur, Repayable between October 2022 and March 2023
3. Construction finance from HDFC Limited @ 12.10% Interest rate is secured against Arihant Aspire Project at phalspe, Taluka panvel, District Raigad. Repayable till may 2023.
4. Vehicles loans are secured against the vehicle itself.

Note 16 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables:		
Total Outstanding Dues to Micro and Small Enterprises	57.91	70.01
Total Outstanding Dues to Creditors other than Micro and Small Enterprises	4,037.18	4,894.34
Retention	1,184.64	1,342.75
Total	5,279.73	6,307.10

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 17 Other Financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current Other Financial Liabilities		
(a) Security deposit	54.95	42.83
(b) Other payables		
Society Maintenance	-	-
Book O/D	51.33	65.40
Other Financial Liability	204.07	143.70
Total	310.35	251.93

Note 18 Advances from Customers

Particulars	As at March 31, 2021	As at March 31, 2020
Bookings Received	17,002.67	14,440.80
Total	17,002.67	14,440.80

Note 19 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Other payables		
(i) Statutory Dues	143.93	89.12
(ii) Others Payable	196.86	257.98
Total	340.79	347.10

Note 20 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Provision for Expenses	58.26	55.28
Provision for Gratuity	11.33	11.33
Total	69.59	66.61

Note 21 Revenue from operations

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Sale of Real estate development/Land	26,847.94	23,199.72
Sale of Service	-	100.00
Other Operative Income	168.63	18.75
Total	27,016.57	23,318.47

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 22 Other income

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Interest income comprises:		
Fixed Deposits	20.79	49.99
Other balances	166.38	316.97
Rent on Unsold Properties	2.58	21.37
Profit / (Loss) from Partnership firm	(0.13)	-
Other Income	24.42	78.36
Total	214.04	466.70

Note 23.(a) Cost of construction, land and development expenses

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Purchases	2,896.51	3,343.72
Land Cost	1,752.97	397.72
Direct Expenses	10,273.95	8,374.52
Total	14,923.43	12,115.96

Note 23.(b) Changes in inventories

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
<u>Inventories at the end of the period:</u>		
Finished Goods	4,623.64	10,182.14
Incomplete projects (WIP)	30,422.17	27,992.21
Raw Material at site	425.52	636.18
	35,471.33	38,810.53
<u>Inventories at the beginning of the period:</u>		
Traded goods	10,182.14	5,514.17
Incomplete projects (WIP)	27,992.21	36,030.02
Raw Material at site	636.18	628.78
	38,810.53	42,172.97
Net (increase) / decrease	3,339.19	3,362.46

Note 24 Employee Benefit Expenses

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Salaries, wages and bonus (Refer to note (i) below)	1,128.10	1,160.36
Staff welfare expenses	45.50	72.98
Contribution to provident fund	18.50	23.03
Total	1,192.09	1,256.37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note (i):

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Salary, Bonus and allowance	1,011.59	1,056.33
Director Remuneration	116.51	104.03
Total	1,128.10	1,160.36

Note 25 Finance Costs

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Interest Expense on:		
Interest on Secured Loans	2,029.09	2,311.87
Interest on Unsecured Loans	765.05	667.68
Other Finance Cost	15.41	31.05
Total	2,809.55	3,010.60

Note 26 Other Expenses

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
Administrative Expenses	175.86	192.22
Audit fees (Refer to note (i) below)	9.88	9.88
<u>Advertisement & Selling Exp</u>		
Advertisement Exp	618.46	563.08
Brokerage Exp	643.73	377.37
GST Discount	725.32	328.07
Exhibition Exp	15.34	66.41
Legal and Professional Fees	289.79	356.56
Rent, Rates & Taxes	119.15	158.02
Corporate social responsibility	68.60	104.11
Vehicle Running Exp	70.41	80.20
Loss on sale of Car	1.55	-
Donation	-	2.61
Others	21.49	46.31
Total	2,759.59	2,284.85

Note (i)

Particulars	For year ended Mar 31, 2021	For year ended Mar 31, 2020
(i) Payments to the auditors comprises		
As Statutory Auditor	6.95	6.95
As Tax Auditor	2.40	2.40
Others	0.53	0.53
Total	9.88	9.88

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 27:

Financial Instruments : Accounting classifications and fair value measurements

(i) Accounting classifications

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The carrying amounts of trade receivables, cash and cash equivalents, bank balances, short term deposits, trade payables, payables for acquisition of property, plant and equipment, short term loans from banks, financial institutions and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

(ii) Fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 — Quoted (unadjusted) market prices in active markets 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 techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents carrying value and fair value of financial instruments by categories and also fair value hierarchy of assets and liabilities measured at fair value :

As at March 31, 2021

Particulars	Note	Non-Current	Current	Carrying Value -Total	Classification			Fair Value		
					FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial Assets										
Non Current										
Investment in Equity Instruments	5	0.06		0.06		0.06	-	-	-	0.06
Investment in Firm	5	0.10	2.55	2.65	2.65					2.65
Loans	6	-	487.16	487.16	-	-	487.16	-	-	487.16
Other Financial Assets	7	3,167.58	254.53	3,422.11	-	-	3,422.11	-	-	3,422
Trade Receivable	9	-	2,598.77	2,598.77	-	-	2,598.77	-	-	2,598.77
Cash & Cash Equivalents	10	-	1,200.54	1,200.54	-	-	1,200.54	-	-	1,200.54
Total		3,167.75	4,543.55	7,711.29	2.66	0.06	7,708.58	-	-	7,711.29
Financial Liabilities										
Long term Borrowings	15	24,989.70	-	24,989.70	-	-	24,989.70	-	-	24,989.70
Short term Borrowings	15	-	4,562.21	4,562.21	-	-	4,562.21	-	-	4,562.21
Trade payables	16	-	5,279.73	5,279.73	-	-	5,279.73	-	-	5,279.73
Other Financial Liabilities	17	-	310.35	310.35	-	-	310.35	-	-	310.35
Total		24,989.70	10,152.29	35,141.99	-	-	35,141.99	-	-	35,142.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

As at March 31, 2020

Particulars	Note	Non-Current	Current	Carrying Value -Total	Classification			Fair Value		
					FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial Assets										
Non Current										
Investment in Equity Instruments	5	0.06		0.06		0.06	-	-	-	0.06
Investment in Firm	5	0.10	16.99	17.09	17.09					17.09
Loans	6	429.29	2,107.98	2,537.27	-	-	2,537.27	-	-	2,537.27
Other Financial Assets	7	3,203.50	1,011.91	4,215.41	-	-	4,215.41	-	-	4,215
Trade Receivable	9	-	3,514.18	3,514.18	-	-	3,514.18	-	-	3,514.18
Cash & Cash Equivalents	10	-	1,149.08	1,149.08	-	-	1,149.08	-	-	1,149.08
Total		3,632.96	7,800.14	11,433.10	17.09	0.06	11,415.94	-	-	11,433.10
Financial Liabilities										
Long term Borrowings	15	31,564.70		31,564.70	-	-	31,564.70	-	-	31,564.70
Short term Borrowings	15	-	7,104.17	7,104.17	-	-	7,104.17	-	-	7,104.17
Trade payables	16	-	6,307.10	6,307.10	-	-	6,307.10	-	-	6,307.10
Other Financial Liabilities	17	-	251.93	251.93	-	-	251.93	-	-	251.93
Total		31,564.70	13,663.20	45,227.90	-	-	45,227.90	-	-	45,227.90

Note 28:

Financial Risk Management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The Company has identified financial risks and categorised them in three parts viz.

- (i) Credit Risk,
- (ii) Liquidity Risk and
- (iii) Market Risk.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management.

The Company's risk management framework, are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit Risk

Credit risk refers to the possibility of a customer and other counterparties not meeting their obligations and terms and conditions which would result into financial losses. Such risk arises mainly from trade receivables, other receivables, loans and investments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables, loans and advances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

- i) The movement in Provision for Doubtful Debts is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening provision	-	-
Add: Provision made during the year	-	-
Less: Provision written back	-	-
Less: Provision reversed	-	-
Closing provision	-	-

- ii) Bad debts:

Particulars	As at March 31, 2021	As at March 31, 2020
Bad-debts recognised in statement of Profit and Loss a/c	-	-
Total	-	-

Cash and cash equivalents

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates.

a) Financing arrangements

The Company has access to funds from debt markets through loan from banks. The Company invests its surplus funds in bank fixed deposits.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

b) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows

As at March 31, 2021

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	24,989.70	-	24,989.70
Short term borrowings	4,562.21	-	-	4,562.21
Trade and other payables	5,279.73	-	-	5,279.73
Other financial liabilities	310.35	-	-	310.35
Total	10,152.30	24,989.70	-	35,142.00

As at March 31, 2020

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	31,564.70	-	31,564.70
Short term borrowings	7,104.17	-	-	7,104.17
Trade and other payables	6,307.10	-	-	6,307.10
Other financial liabilities	251.93	-	-	251.93
Total	13,663.21	31,564.70	-	45,227.90

(iii) Market Risk

The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price. Market risk further comprises of

- (a) Currency risk;
- (b) Interest rate risk; and

a) Currency risk

The Company is not exposed to any currency risk as the Company does not have any import payables, short term payables, short term borrowings and export receivables in foreign currency.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

- Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest bearing financial instruments as reported to the Management of the Company is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	17,221.52	22,549.89
Variable Rate borrowings	12,330.39	16,118.98
Total	29,551.91	38,668.87

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

- Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

- Fair value sensitivity analysis for variable-rate instruments

Particulars	As at March 31, 2021	As at March 31, 2020
Interest sensitivity		
Interest rate increase by 50 basis points	12,392.04	16,199.57
Interest rate decrease by 50 basis points	12,268.74	16,038.39

- Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

a) Debt Equity Ratio

The Company monitors capital using debt equity ratio. The Company's debt to equity ratios are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Long term borrowings	24,989.70	31,564.70
Short term borrowings	4,562.21	7,104.17
Total Borrowing	29,551.91	38,668.87
Less: Cash and cash equivalents	1,200.54	1,149.08
Net Debt	28,351.38	37,519.79
Total Equity	13,870.20	12,675.27
Debt to Equity Ratio	2.04	2.96

b) Dividends

Dividends paid during the year

Particulars	As at March 31, 2021	As at March 31, 2020
- Interim Dividend	NIL	NIL
	Rate per Share	NIL
	Amount in INR	NIL
- Final Dividend	NIL	NIL
	Rate per Share	NIL
	Amount in INR	NIL

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 29 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on “Related Parties Disclosures” prescribed 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 Deepak Lohia Govind Rao
Relatives of KMP	Parth A Chhajer Bhavik A Chhajer Jagdishchand Shankarlal Chhajer Shankarlal Virdhichand Chhajer Sangeeta A. Chhajer
Company in which KMP / Relatives of KMP can exercise significant influence	Sarvodaya Vanaspati Pvt. Ltd. Vishvekshvaraaya Houses Private Limited (Earlier known as Arihant Dream Houses Private Limited) Parashakti Houses Private Limited (Earlier known as Adinath Realty Private Limited) Amoghvarsh Houses Private Limited (earlier known as Arihant Technoinfra Pvt. Ltd.) Dwellcons Private Limited (Earlier known as Arihant Dwellcons Private Limited) Arihant Paradise Realty Pvt. Ltd Arihant Enterprises

Note: Related parties have been identified by the Management.

Details of related party transactions for the year ended 31 March, 2021

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans Taken				
Current Year	3,687.25	2,784.73	-	6,471.98
Previous Year	7,133.43	782.54	-	7,915.97
Loan Repaid				
Current Year	9,072.73	1,621.17	-	10,693.90
Previous Year	7,402.19	160.50	2.00	7,564.69
Interest Paid (Gross)				
Current Year	810.42	160.39	-	970.81
Previous Year	827.97	244.07	3.83	1,075.87
Loans Given				
Current Year	-	-	380.04	380.04
Previous Year	-	-	693.25	693.25
Loans Given Repaid				
Current Year	-	-	2,156.58	2,156.58
Previous Year	-	-	699.00	699.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Interest Received				
Current Year	-	-	57.39	57.39
Previous Year	-	-	150.79	150.79
Remuneration				
Current Year	108.36	24.00	-	132.36
Previous Year	104.63	-	-	104.63
Rent Paid				
Current Year	4.80	-	136.50	141.30
Previous Year	8.36	-	136.50	144.86
Investment in Property				
Current Year	-	-	-	-
Previous Year	-	-	984.06	984.06
Purchase of Material				
Current Year	-	-	59.22	59.22
Previous Year	-	-	294.05	294.05
Professional Fees Paid				
Current Year	-	-	-	-
Previous Year	-	-	27.00	27.00
Professional Fees Received				
Current Year	-	-	-	-
Previous Year	-	-	100.00	100.00
Construction Contract				
Current Year	-	-	2,790.00	2,790.00
Previous Year	-	-	-	-
Outstanding Loans and Payables				
Current Year	5,014.42	6,985.53	-	11,999.96
Previous Year	12,732.08	2,595.53	1,081.36	16,408.98
Outstanding Loans and Receivables				
Current Year	-	-	1,011.26	1,011.26
Previous Year	-	-	1,593.64	1,593.64
Deposits				
Current Year	20.00	-	-	20.00
Previous Year	20.00	-	-	20.00

Note 30 Disclosures under Ind-AS 33 on “Earnings Per Share”

Particulars	As at March 31, 2021	As at March 31, 2020
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders (₹ in Lakhs)	1,117.13	548.24
Weighted average number of Equity Shares	4,11,59,991	4,11,59,991
Par value per share (₹)	10.00	10.00
Earnings per share from continuing operations		
Basic (₹)	2.71	1.33
Diluted (₹)	2.71	1.33

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 31 Disclosures under Ind-AS 12 on “Income Taxes”

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax (liability) / asset		
Opening deferred tax (liability) / asset	6.82	2.24
Add/(less): Recognised/ reversed during the year	8.87	4.58
Closing deferred tax (liability) / asset	15.69	6.82

Note 32 : 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. Following expenses incurred by the company in foreign currency during the year:

Business Promotion Expenses ₹ 0.08 Lakhs. (Previous Year ₹ 3.40 Lakhs.)

Purchase of Material ₹ 0.57 Lakhs. (Previous Year ₹ 323.86 Lakhs)

Note 33 : Contingent Liabilities :

(i) Guarantees:

- (a) Guarantees given to Banks & Financial Institutions for Nil (Previous Year ₹ 3,000 Lakhs) against financial facilities availed by the subsidiary companies. Balance outstanding against the facility Nil (Previous Year ₹ 286.31 Lakhs)
- (b) Facilities against which Guarantee was given outstanding Fund amount is ₹ 1,726 Lakhs as on March 31, 2021 (Previous Year ₹ 1,726 Lakhs). Balance outstanding against the facility ₹ 58.66 Lakhs (Previous Year ₹ 51.87 Lakhs)

(ii) Liability of Income Tax amounting to ₹ Nil (CY) and ₹ 3.38 Lakhs (PY) towards penalty u/s 271(1)(C)

(iii) Income Tax Liability to ₹ 1383.18 Lakh (CY) and ₹ Nil (PY) towards regular assessment for AY 2018-19.

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.

i) 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 35 : Additional Disclosure to Micro, Small and Medium enterprises:

Particulars	March 31, 2021	March 31, 2020
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	57.91	70.01
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(c) The amount of interest paid by the buyer under MSME Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the years ended and as at March 31, 2021 and March 31, 2020 to Micro, Small and Medium Enterprises on account of principal or interest.

Note 36 : 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 37 : Impairment of Assets

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 March 31, 2021.

Note 38 : CSR Expenditure

The company has framed CSR policy pursuant to the companies Act, 2013. the company has spent ₹ 53.60 Lakhs (Previous Year ₹ 104.11 Lakhs) during the year against the gross requirement of ₹ 74.10 Lakhs (Incl. previous year ₹ 160.23 Lakhs) till date, as per provision of companies Act 2013. Remaining amount of ₹ 20.50 Lakhs (Previous Year ₹ 56.12) Lakhs to be spent in the subsequent year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ In Lacs)

Note 39 : COVID-19 Impact: The Group and its joint ventures and associate has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group and its joint ventures and associate, as at the date of approval of these consolidated financial statements has used internal and external sources of information. As on current date, the Group and its joint ventures and associate has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Group and its joint ventures and associate will continue to monitor developments to identify significant uncertainties in future periods, if any

Note 40 : 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.

As per our report of even date.

For Kailash Chand Jain & Co.

Chartered Accountants
Firm Reg. No.: 112318W

Saurabh Chouhan

Partner
Membership No.-167453

Place: Navi Mumbai

Date: June 19, 2021

For and on behalf of the Board of Directors

Arihant Superstructures Limited

Ashok Chhajjer

Chairman & MD
DIN- 01965094

Deepak Lohia

Chief Financial Officer

Nimish Shah

Whole Time Director
DIN- 03036904

Govind Rao

Company Secretary
ICSI Mem. No. A47094

Particulars of Subsidiaries as at 31st March 2021 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 Lacs)

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, 2021	As on 31st March, 2021	As on 31st March, 2021	As on 31st March, 2021
1	Capital	5.00	1.00	1.00	1.00
2	Reserves	1.24	3,876.56	(18.45)	2,251.22
3	Total Assets	25,998.30	13,521.74	1,483.36	6,891.01
4	Total Liabilities	25,998.30	13,521.74	1,483.36	6,891.01
5	Details of Investment	-	-	-	-
6	Turnover & Other Income	2,076.07	7,653.26	5.04	6,892.25
7	Profit / (Loss) before Taxation	33.23	899.32	1.28	768.40
8	Provision for Taxation/ (Deferred Tax)	0.75	234.72	-	197.12
9	Profit / (Loss) after Taxation	32.48	664.60	1.28	571.28
10	Proposed Dividend	-	-	-	-

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

Chartered Accountants

Firm Reg. No. : 112318W

For and on behalf of the Board of Directors

Ashok Chhajjer

Chairman & MD

DIN- 01965094

Nimish Shah

Whole Time Director

DIN- 03036904

Saurabh Chouhan

Partner

Membership No.-167453

Deepak Lohia

Chief Financial Officer

Govind Rao

Company Secretary

ICSI Mem. No. A47094

Place: Navi Mumbai

Date: June 19, 2021

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