



SCALABILITY BEYOND NUMBERS

Annual Report 2021-22

WHAT'S INSIDE...

FORWARD LOOKING STATEMENT

Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements are identified by forward-looking words such as believe, plan, anticipate, continue, estimate, expect, may, will or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.



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REPORTING PERIOD & SCOPE

This report covers financial and non-financial information and activities of Arihant Superstructures Limited ('the Company' or 'ASL') during the period from April 1, 2021, to March 31, 2022. The report's financial figures have been audited by Kailash Chand Jain & Co.

MATERIALITY

We cover key material aspects that have been identified through our ongoing stakeholder engagement and are addressed by various programmes or action points set by the key management personnel.

RESPONSIVENESS

Our reporting addresses a gamut of stakeholders, each having their own needs and interests. This report is one element of our interaction and communication. It reflects how we manage our operations by accounting and responding to stakeholder concerns.

ARIHANT
AALISHAN
Kharghar

MAHARERA NO.: P52000006391
ARTIST'S IMPRESSION



THE LAST FEW YEARS HAVE BEEN SOME OF THE TOUGHEST YEARS IN THE RECENT HISTORY OF THE INDIAN REAL ESTATE INDUSTRY.

ARIHANT
ASPIRE
Palaspe
Panvel



MAHARERA No.: P52000014107
ARTIST'S IMPRESSION

Marked by several challenges, such as demonetization, GST implementation, Real Estate (Regulation and Development) Act and NBFC crisis, pandemic induced disruption, rising input costs, labour shortage and delayed regulatory clearances, among others, sustainability was in question for many small and medium-sized players of the Indian residential real estate industry.

It also affected us.

Despite the constraints, we stood tall and looked for opportunities beyond the crisis, guided by our long-term strategy of **Scalability Beyond Numbers**.

We took this opportunity to introspect, went back to the drawing board, and redrew our plans in sync with our strategy and build the organization for the long term.

We emphasised on being agile, on pushing our boundaries and building on our core competencies. We adjusted to the new normal and worked with renewed vigour for a better tomorrow. We improved operational efficiencies and managed cash flows efficiently while keeping an eye on Scalability.

Result, we achieved our highest home sales and collections in 2021-22.

However, interestingly, the big story at ASL is not the year that passed, but the years ahead.

Not the fact that we posted highest ever pre-sales and collections, not the fact that we logged highest ever Revenues and not the fact that we recorded highest ever Profits, but how we worked towards building an organization for the future.

As we continued on our introspective path, we realised that for a business to be successful and sustainable in today's environment, one needs to build scale that helps them address not only the needs of today but also tomorrow.

To many, **Scalability** may seem just another word. But when combined with other business functions, it emerges as a powerful force to drive you ahead.

They form the foundation of an enduring and sustainable business model.

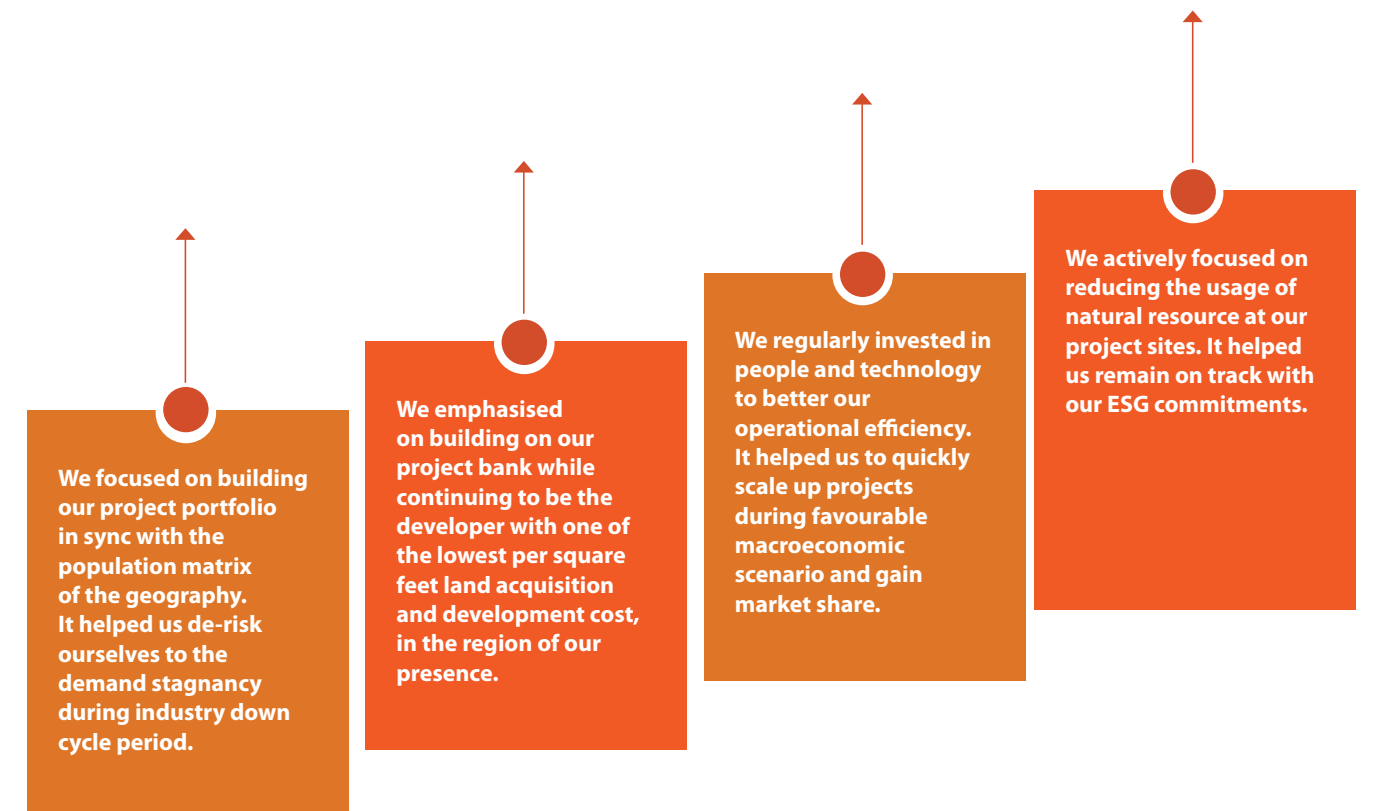
And it has been our driving force during the industry down cycle.

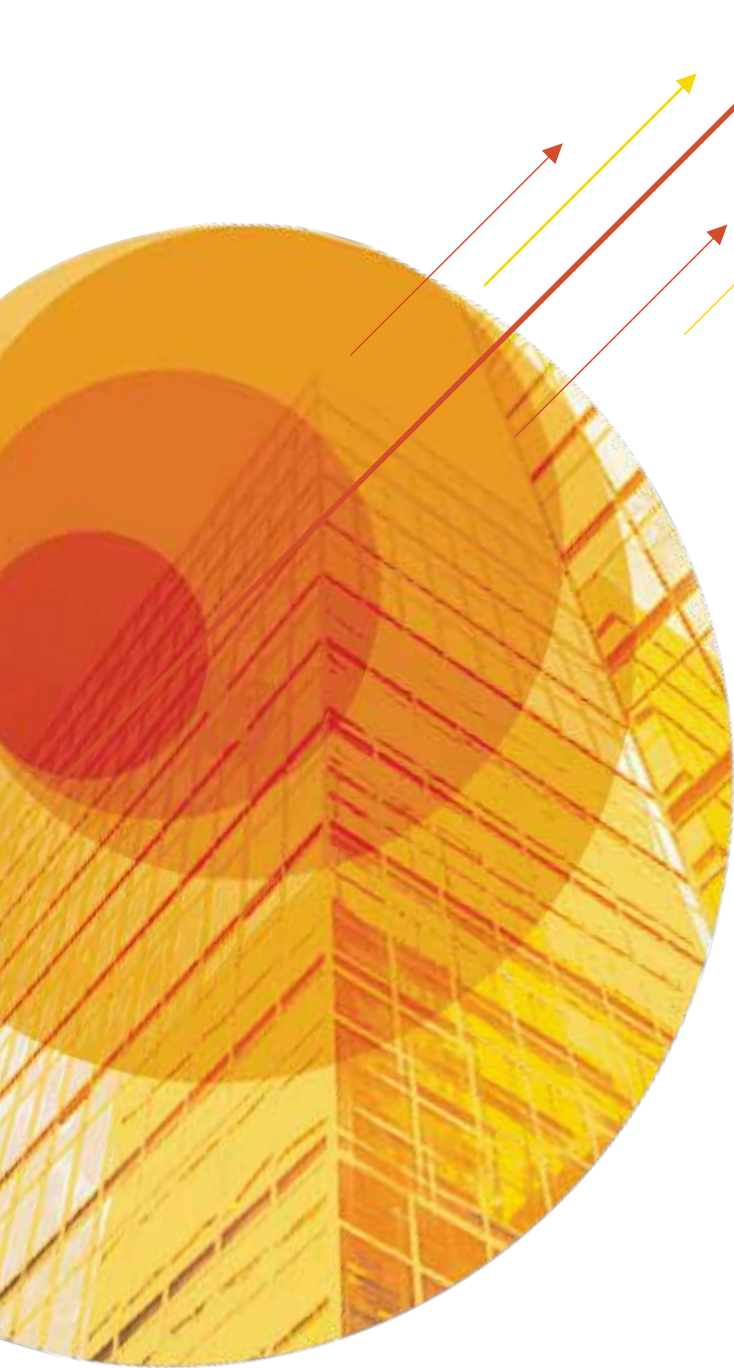
With each small step taken by us, during that phase, is helping us today to take a bigger stride towards our long-term goal as the industry returns to its upcycle period.

Over the last decade, we emphasised on laying the groundwork, ensuring that we build systems, processes, people and strategy that not only can withstand the test of any time but help us ascend with speed and scale. We drew the strategies, made the investments and put in the requisite effort.

And this year, we saw our efforts at strengthening the company come to fruition.

With that, we are confidently scaling up the ladder of healthy business development, operational excellence, and scalable possibilities. And thereby, we are empowering a sustainable future for all our stakeholders!





HOW WE WORKED TOWARDS BUILDING A SCALABLE, LONG-TERM, AND PROFITABLE BUSINESS IN 2021-22?

FINANCIAL GROWTH

₹332.5 CR
REVENUE FROM OPERATION
22% YoY growth

₹71.3 CR
EBIDTA
42% YoY growth

FINANCIAL GROWTH

₹41.4 CR
PAT
163% YoY growth

21.4%
EBIDTA MARGIN
300 bps YoY growth

12.4%
PAT MARGIN
666 bps YoY growth

BUSINESS GROWTH

₹7,800 CR
REVENUE POTENTIAL* FROM
ONGOING AND FORTHCOMING
PROJECTS

MORE THAN
4,700
units covering
4.5
million sq. ft. across
12
projects currently
being executed

MORE THAN
11,000
units covering
9.5
million sq. ft. in the
pipeline

*As per management estimates

CHAIRMAN'S COMMUNIQUE



We have a time-validated business model and a favourable external environment is likely to enable us to reach 3X of our current size over the next 3 years.



ASHOK CHHAJER

Chairman & Managing Director
Arihant Superstructures Limited

Dear Shareholders,

I'd like to begin by expressing my sincere gratitude to all of you for continuing to place your trust in Arihant Superstructures Limited, and enabling us in our pursuit of excellence. Your faith in us allowed us to report another year of commendable performance, and we look forward to building on this foundation in the years ahead.

2021-22 was another challenging year for all of us. We witnessed geopolitical unrest in several regions of the world, while the resurgence of the COVID-19 endangered business activity. All these factors taken together resulted in unprecedented volatility in commodity prices and high inflationary pressure. Overcoming this challenging environment, we recorded our highest ever homes sales, revenue and profitability in 2021-22, demonstrating the strength of our business model and strategy, and the dedication of our hardworking team.

We started the financial year amidst the havoc created by the second wave of COVID-19. Despite challenges, our sites and offices operated without any major glitch. The scaling up of human resources, technology and our systems and processes in the previous year ensured we were able to beat our sales guidance as reflected in a 91% Y-o-Y growth in pre-sales, while taking calibrated price hikes and improving our margins. This was a major achievement requiring enormous effort in the face of the macro and microeconomic challenges.

2021-22 in review

We continued to focus on building on our internal capabilities and sharpening our strategies. As a result, when the tide turned in our favour, we were able to execute our projects faster, sell better and deliver on our commitments backed by the favourable industry upcycle.

We recorded pre-sales of 1,628 units admeasuring ~1.4 million sq. ft. worth ₹764.0 crore in 2021-22, an increase of 91%, 59% and 74% respectively from the previous year. We grew our topline and bottom-line by 22% and 163% in 2021-22, to stand at ₹332.5 crore and ₹41.4 crore, respectively. Against all odds of high inflationary pressures, we expanded our EBITDA margins by 300 bps and PAT margins by 666 bps, a clear sign that the new age customers are willing to more than bear incremental costs for a brand they trusts and product they aspire.



We believe that Navi Mumbai and peripheral regions of MMR will garner a disproportionate share of growth in the housing industry in western India with its fast-growing infrastructure, connectivity, employment opportunities, and affordability.



Since post-covid, we have demonstrated financial jurisprudence by reducing debt and maintaining our preferred borrower status.



We invested in strategically important land purchases in newer micro-markets such as Kalyan, which will expand our reach and further strengthen our land bank. During the year we launched more than 1,600 units out of which we were able to sell nearly 35% within the same financial year. Operationally, by the end of 2021-22, we had ongoing projects with 5,000 units admeasuring 4.7 million sq. ft. saleable area under construction. These results are an outcome of an unwavering focus to build Scalability in all aspects of our business – Financial, Acquisition, Operational, Brand, People and Markets. With this objective, we have and we shall continue to work towards building scalability by pushing boundaries. We have upgraded our internal systems and processes and adopted newer technologies for better management and quicker project execution, achieve economies of scale and maximize efficiency to create a competitive advantage. It also allows us to further align with our Scalability pillars and guarantees growth underpinning our ability to produce high quality, sustainable homes into the future.

Building Scalability

The long-term housing market fundamentals continued to be favourable in 2021-22. With a strong demand for affordable houses across all our regions, interest rates remaining low by historical standards, inflationary pressures subsiding and the financial markets continuing to be supportive, the industry upcycle is here to stay for the next few years. Whilst the supply of labour is likely to be challenging, we believe, companies like us who have a strong track record in the contractor and vendor community will be able to deliver projects faster than the rest of the industry.

We believe that Navi Mumbai and peripheral regions of MMR will garner disproportionate share of growth in the housing industry in western India with its fast growing infrastructure, connectivity, employment opportunities and affordability. Being the market leaders in Navi Mumbai with fast increasing presence in the other parts of the MMR, we see a humongous opportunity in front of us which we are poised to capitalize. The first mover advantage gives us an edge to grow faster and scale higher. We have the people, resources and expertise to achieve this.

In the current financial year, we got approvals for 7 new projects/ phases translating into ~2.6 million sq. ft. saleable area providing us ammunition to scale up the business rapidly. We plan to launch more than 2,700 units in 2022-23 with over 2 million sq. ft. saleable area to ensure we meet the guidance of 45-50% growth on all metrics. We remain aggressive to scale up our portfolio to 20 million sq. ft. in the near future and scale up further to 40 million sq. ft. over medium term by a judicious mix of outright and asset-light acquisitions. To put everything in perspective, we have a time-validated business model and a favourable external environment is likely to enable us to reach 3X of our current size over the next 3 years.

Proven success of business strategy

On the strategy front, we are quite clear and have centred our focus around six strategic priorities:

- i. Continue to focus on the affordable and mid-income housing segment mirroring target population matrix
- ii. Efficient and judicious utilizations of funds for growth and leverage our track record and brand to increase our portfolio in the asset light model
- iii. Achieve scalability by focusing on technological up-gradation to further improve project management, operational effectiveness and customer centricity
- iv. Consolidate and grow our position as a prominent and preferred real estate developer in MMR and Jodhpur micro markets
- v. Continue to focus on sustainable development covering environmental parameters
- vi. Capitalise on emerging opportunities in rapidly evolving regulatory regimes and industry trends

The benefit of our business model and strategic priorities is demonstrated by ASL's impressive performance during 2021-22.

Continue to focus on the affordable and mid-income housing segment mirroring target population matrix.

Towards a better tomorrow

Since post-covid, we have demonstrated financial jurisprudence by reducing debt and maintaining our preferred borrower status. Raising funds for business growth has increased faith in our business strategy and enhanced our brand. Performance in this sector should be judged by the age spent in the industry. Even during the most challenging times, we successfully kept our operations running smoothly when many developers ran into trouble. This has proven our continuous stability providing us a platform to grow from.

Our Scalability strategy will continue to evolve as we gain knowledge and fully embed it not just across functions and operations but also organizational culture that can become our identity going forward. Over time, though, we fundamentally believe that our responsible approach is the right one to ensure the long-term future success of ASL and to contribute to strong, ongoing financial returns. Backed by a strong balance sheet, we are confident to retain our strong operational focus, nurture our people, give highest priority to health, safety, and quality, and have a laser sharp focus on customer service - all integral to our culture and at the forefront of our business. Notwithstanding the challenges faced in the recent years, we are looking forward to a successful 2022-23. As we move into our next phase of growth, we will continue to work towards scaling newer heights by continuing to build on our internal capabilities.

I am very proud of what we have achieved in this year, and would like to take this opportunity to thank every single one of our associates for their tireless contribution, excellent teamwork and inherent spirit of not giving up. With such a dedicated and focused team, I am confident that ASL will continue to grow and adapt to any situation and environment. I would also like to thank our business partners, shareholders, and other stakeholders for their ongoing engagement and support. With a proven resilient track record and a comprehensive strategic plan in place, Arihant Superstructures Limited is well-positioned to generate long-term value, achieve sustainable scalability and grow our business multi-fold in the years ahead.

Stay Safe. Stay Healthy.

ASHOK CHHAJER
Chairman & Managing Director
Arihant Superstructures Limited

LEADING THE TRANSFORMATION

Introducing the next gen leader of Arihant Superstructures Limited



Leadership development for us is not only about how we lead, but also about how we help others become leaders.

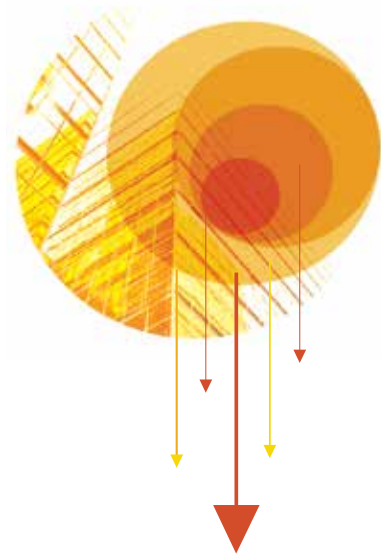
PARTH CHHAJER
Additional Whole-time Director
Arihant Superstructures Limited

A Bachelor of Science (Economics) from Pennsylvania State University, USA, Mr. Parth Chhajer began his career with the leading capital markets and investment group CLSA as trainee in its India Equity Research Team in 2017 before joining Arihant Superstructures Limited in 2018.

He rose through the ranks after gaining knowledge across various business functions operating within the organisation with a special interest in investors relations and product design. An astute marketing strategist, he works closely with the sales and digital marketing team and has been instrumental in driving business growth for the company. With an in-depth understanding of the market dynamics and customer needs, he also works closely with the Architectural division to introduce new and innovative product lines.

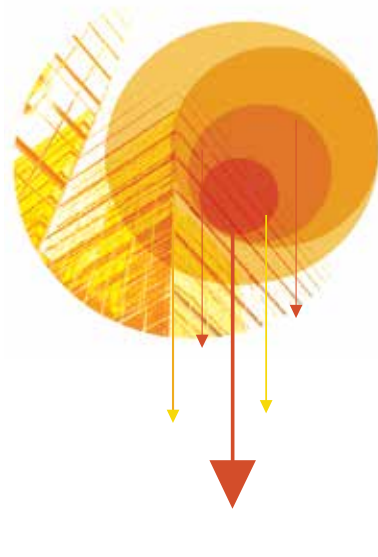
Under his leadership, the Company has tripled the size of sales team, rolled out various innovative channel partner schemes and undertook digitization of processes while keeping in mind focused product development and more engaged customer interaction. Inducted on the ASL board in July, 2022, he intends to enhance his cross-functional engagement and help the Company achieve its goal of scalability with sustainability.

OUR STORY



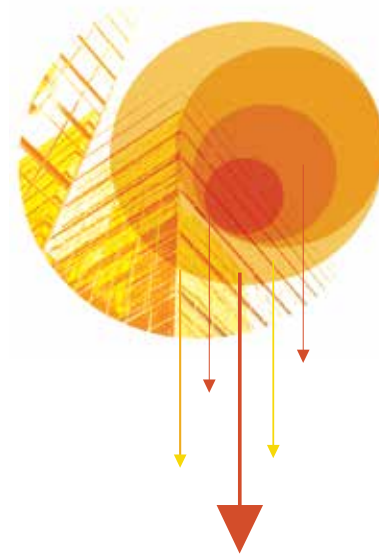
YESTERDAY

We started as a small player in the MMR dedicated to address the longstanding need of quality affordable housing in Mumbai Metropolitan Region. Our distinctiveness – we understand the hopes and emotions of a large section of the population who strive to secure an abode. We orchestrated a wide spectrum of variables required to successfully build an affordable housing platform long before it was recognized as a scalable and sustainable business model, in the process "Changing Lifestyle" for thousands of our customers.



TODAY

We are one of the market leaders in the regions of our presence. We are one of the premier residential real estate companies having a deep understanding of the market and the capability to deliver large scale residential housing project across different income groups, which are of top-notch quality making Arihant a household name in the region of our operations.



TOMORROW

We will continue to strengthen our position as preferred developer in newer geographies and product segments by continuing to focus on building scale by constructing most efficient spaces, acquiring value accretive projects, further technological advancement, investing in brand and people, increasing transparency, ease of transaction and superior service while leaving the least ecological foot-print.

This is what best describes Arihant Superstructures Limited, the Company which has embarked on the endeavour to empower people across income groups to own homes that give them wings of aspirations.

We are more than just another residential real estate developer. We are a business entity engaged in helping the new India achieve its goal of 'Housing for All'.



We aim to
Help tens of thousands of people achieve their dream of owning a home over next few years.



We live by our values
What we do is as important as how we do. Going beyond the financial numbers, we aim to deliver projects which are of top quality and of unmatched space efficiency.



We foster a culture of innovation
which helps in shaping ideas and developing model projects.



We do this by
Unlocking new opportunities in the most capital efficient manner.

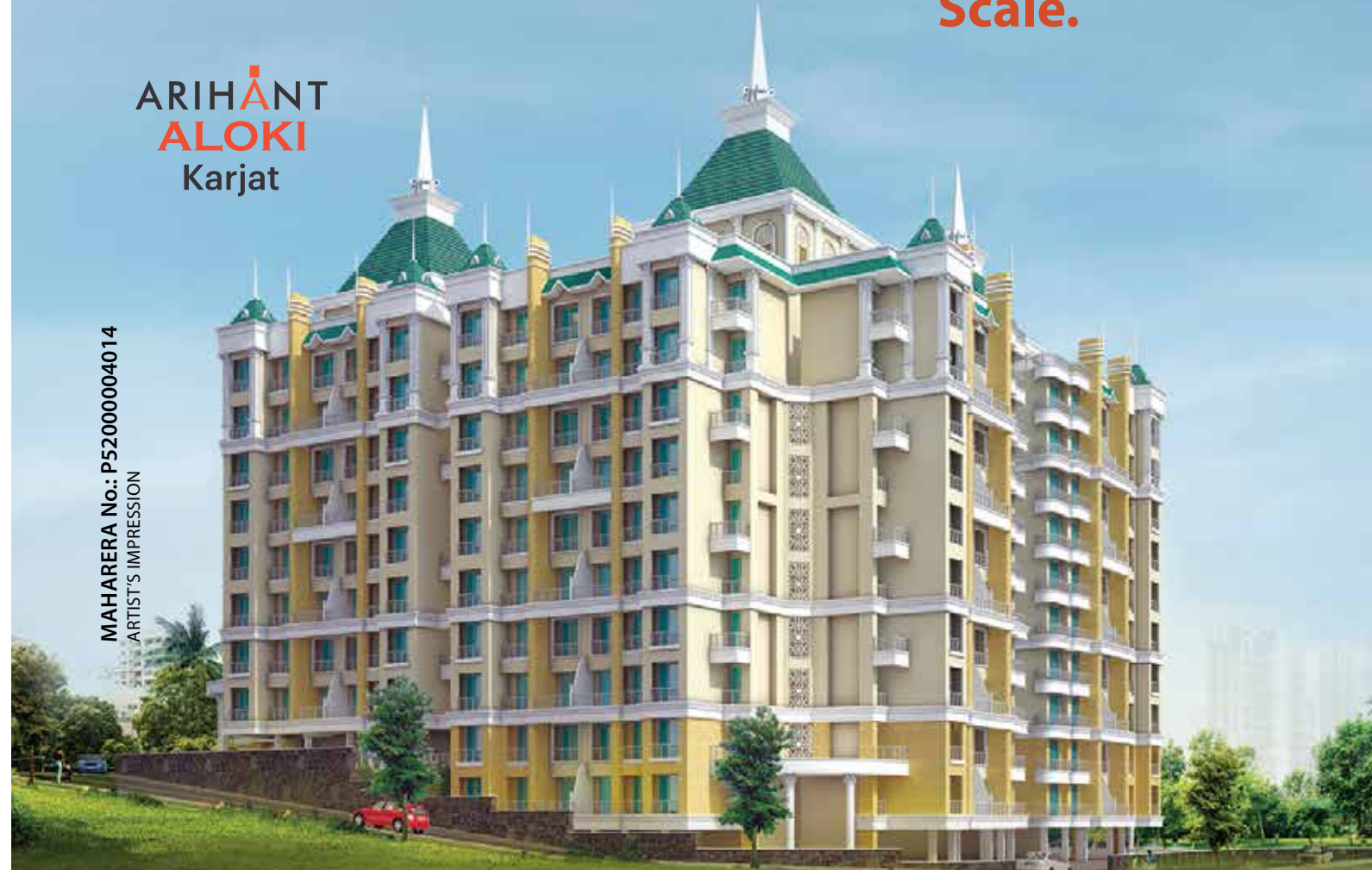


We are defined by the role we play
Build deeper relationships with consumers by encouraging them to make better life choices.

We look to create a platform for growth
By Building Scale.

ARIHANT
ALOKI
Karjat

MAHARERA No.: P52000004014
ARTIST'S IMPRESSION



KNOWING ARIHANT SUPERSTRUCTURES LIMITED

Guided by one of the legends of the industry, Mr. Ashok Chhajjar, Arihant Superstructures Limited (ASL) has evolved to emerge as one of the premier real estate developers in one of the fastest growing markets in India.

Over the years, ASL has carved a niche for itself as an industry benchmark for quality, customer focus, robust engineering, uncompromising business ethics, unswerving commitment to timeless values, capability to carry-out end-to-end operations of any project through our in-house teams and total transparency in every aspect of its business.

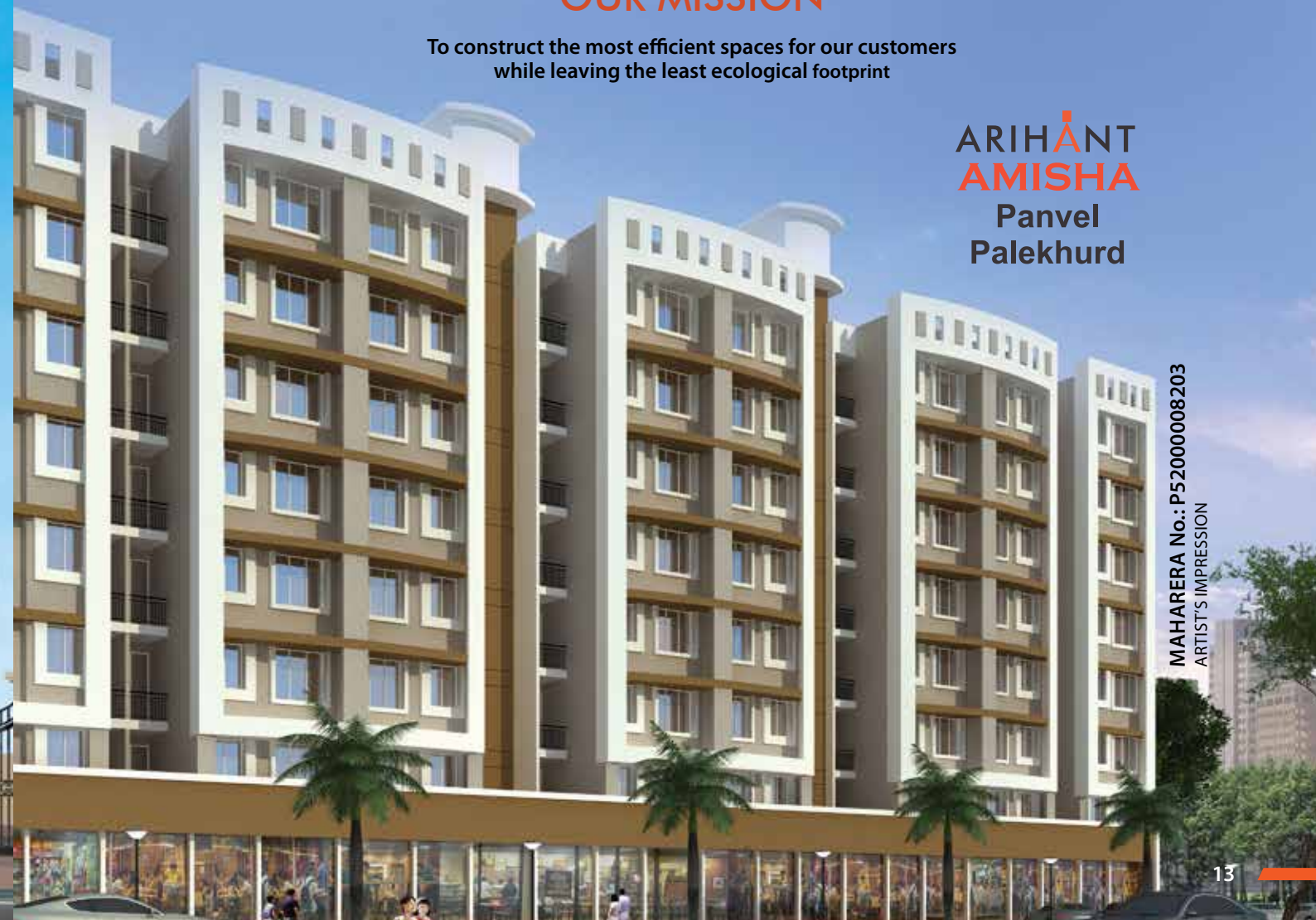
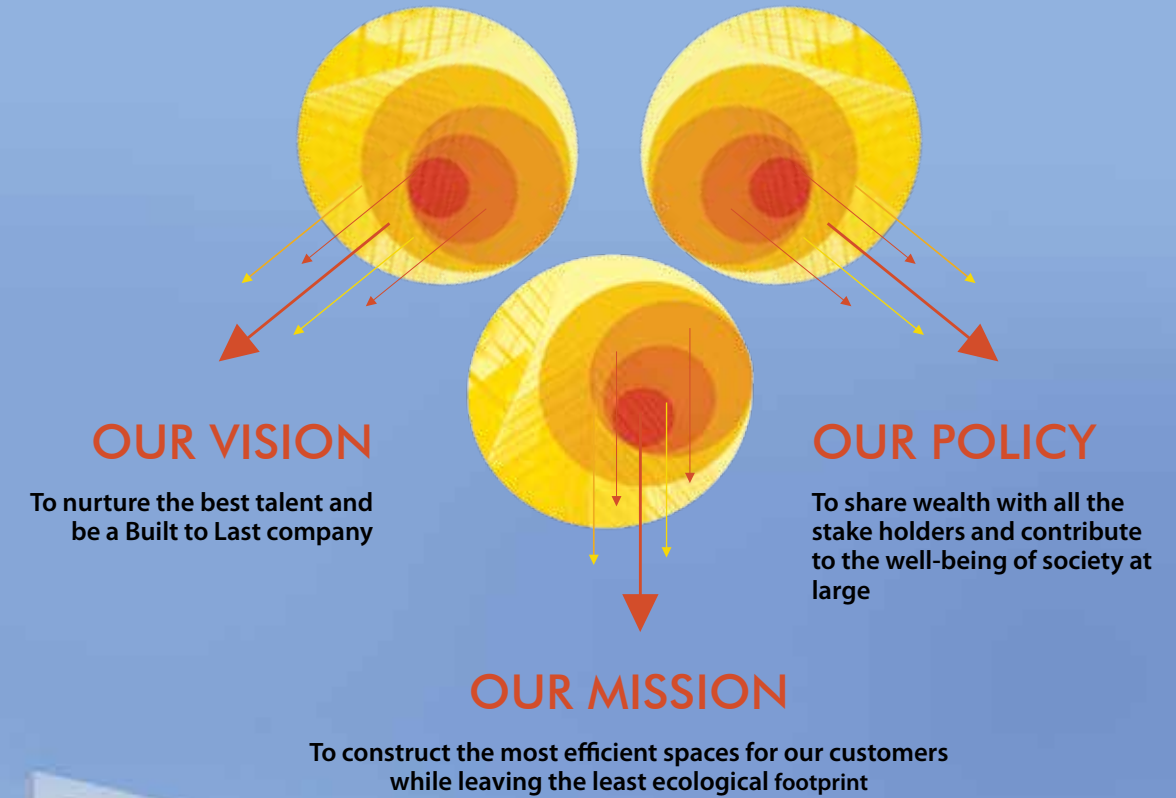
Headquartered in Navi Mumbai, Maharashtra, the Company has marked a dominating presence in some of the high growth micro markets in India, such as Mumbai Metropolitan Region (MMR) and Jodhpur. Arihant Group has established a powerful brand name for itself in all regions of its presence and has the largest market share in Navi Mumbai.

With decades of business wisdom and an ever-increasing trust of customers, ASL has built the capability to develop real estate projects catering to different income groups. One of the preferred real estate developers in the regions of our presence, we specialise in developing projects in the affordable and mid-income housing segment.



ARIHANT
AAROHI
Kalyan
Shil Road

MAHARERA No.: P51700004679
ARTIST'S IMPRESSION



ARIHANT
AMISHA
Panvel
Palekhurd

MAHARERA No.: P52000008203
ARTIST'S IMPRESSION

REWARDS & RECOGNITION

"Industry's No. 1 – Promoter", 2022 presented by Herald Global Real Estate Development



Business Excellence Award by Adsync and Zee Business for "Affordable Housing Project of the Year", 2021 awarded



"Best Developer for Green Buildings", 2021 awarded by CIA World



Developer of the Year – "Affordable Housing", 2019 awarded by Zee Business



"Affordable Housing Project of the Year", 2018 award by MCHI-CREDAI



Iconic Award by Radio City for Arihant Aspire, Panvel – Year 2018



IGBC Pre-certificated Platinum Rating for Aspire Project in Year July 2018



Dainik Bhaskar (94.3 My FM) - award for excellence in quality of construction



OUR FOCUS

Arihant Superstructures develops residential projects across various price segments in Mumbai Metropolitan Region (MMR) and Jodhpur, Rajasthan with growing footprint in newer micro-markets.

The Company strategically marked its presence in these regions, as they offer several important advantages, including increasing economic activity, growing count of working professionals, availability of high quality social and physical infrastructure and connectivity, extremely high population density in the city centric locations, emerging and wide-ranging livelihood opportunities, higher affordability and attractive profit margins.

Our approach to portfolio development

Our portfolio development is uniquely designed to cater to all sections of society. We call it **"Mirroring the population-matrix"**. India has the second largest population in the world currently at nearly 1.4 billion people and soon we could have the tag of the most populated country. This poses immense challenges as well as opportunities for real estate sector. We believe that excluding the Economically Weaker Section (EWS) segment, 60-65% of the residential housing demand would be from Low Income Group

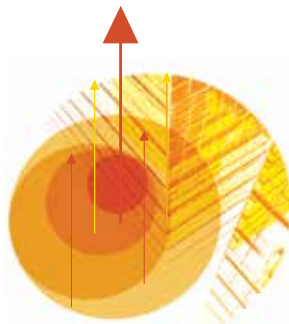
(LIG) home buyers with an affordability to buy houses up to ₹50 lakhs, 30-35% from Mid Income Group (MIG) with affordability between ₹50 lakhs to ₹1.5 Cr and balance up to 5% would be from High Income Group) with ticket size beyond ₹1.5 Cr. We consistently and consciously undertake projects in a similar ratio with an emphasis on the affordable and mid-segment.

The Low Income Group or what is called affordable housing is a large segment but not everybody's cup of tea. The buyer, whether he falls in the LIG, MIG or HIG, is putting in his hard earned money for a permanent roof over his head. He would expect a good quality construction, efficient use of space, amenities and a matching environment. Providing value for money could take a hit on margins as it's a tight rope walk for many developers. Unless you have mastered the art of efficient space management, have a systematic supply chain, a factory model production and attractive terms of land acquisition the affordable housing segment can't be a win-win situation for all concerned. Over the years, we have developed the capabilities in all three segments with focus on standardization while keeping a keen eye on emerging customer needs and aspirations.

This strategy provides threefold benefit to ASL

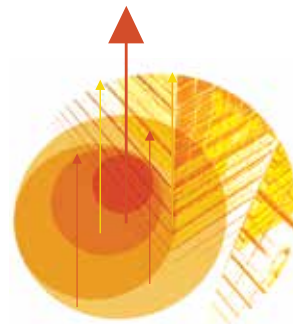
ONE

Helps in de-risking the Company from demand stagnancy during downward real estate cycle



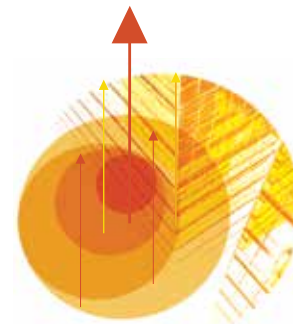
TWO

Helps to quickly scale up during favourable macroeconomic scenario

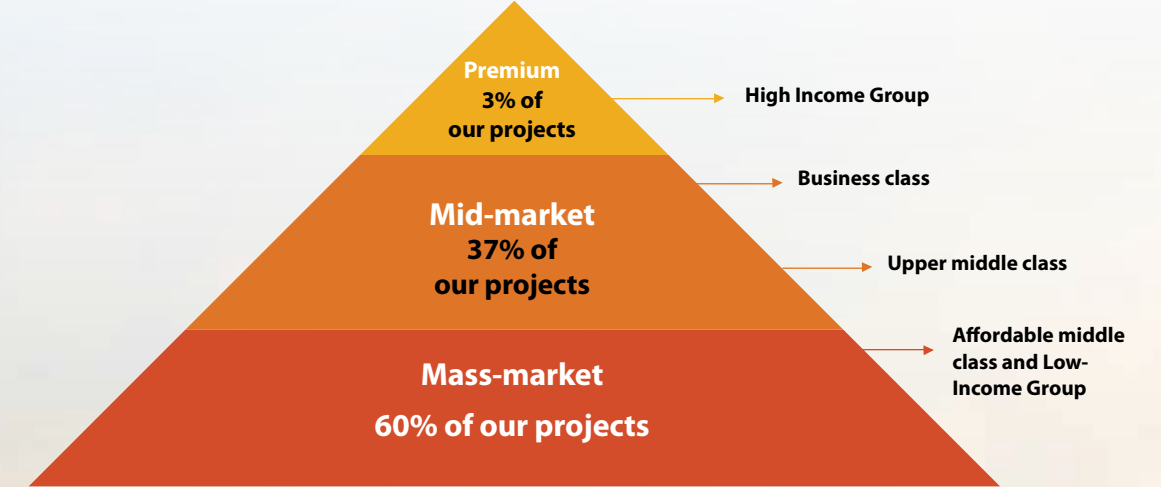


THREE

Helps gain market share in each category and micro-market



Our project allocation matrix



ARIHANT
ANMOL
Badlapur



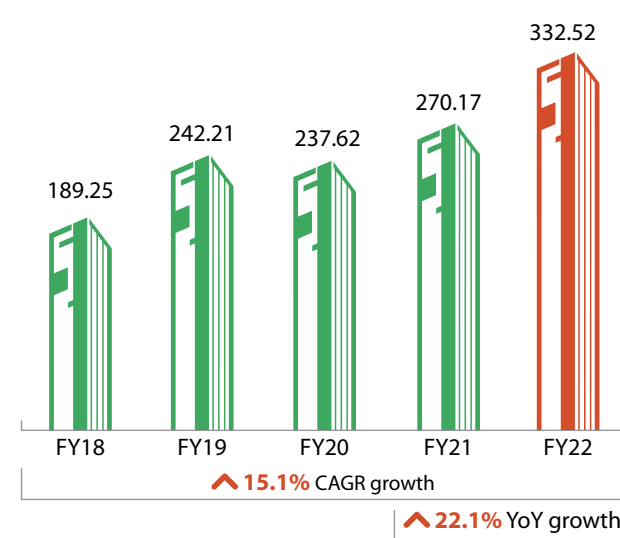
Numbers depicting our financial sustainability

KEY PERFORMANCE INDICATORS

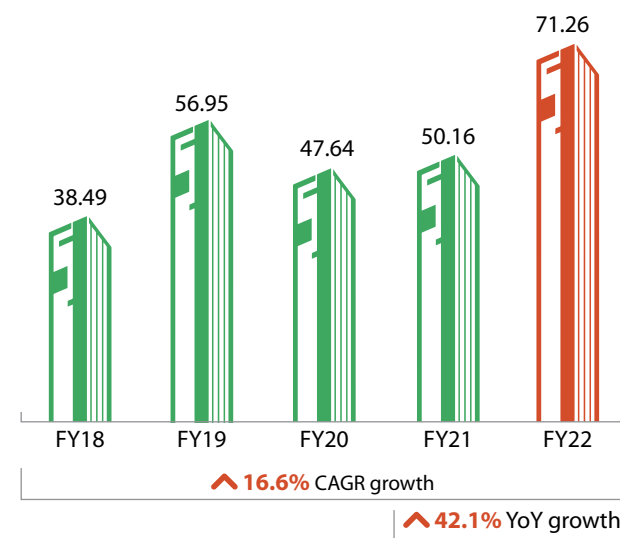
Driven by our commitment, we delivered on our promises in FY22 and recorded another year of commendable growth.

PROFIT AND LOSS INDICATORS

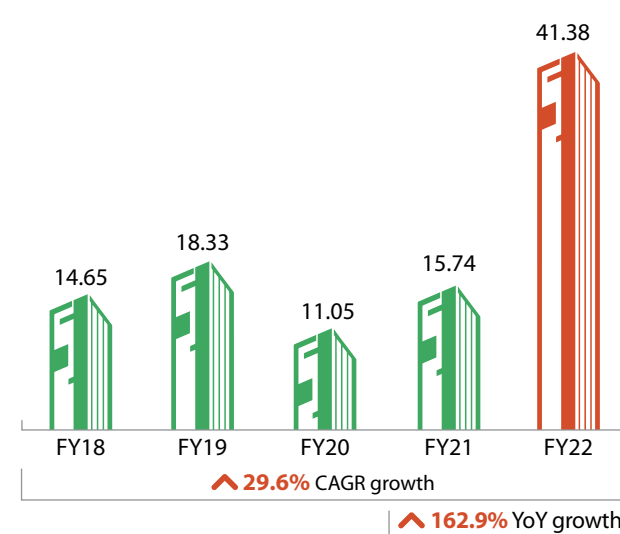
Total Revenues (₹ in crores)



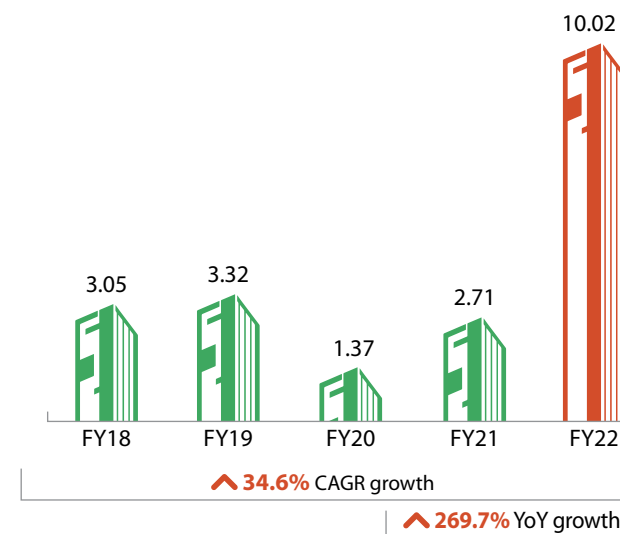
EBIDTA (₹ in crores)



PAT* (₹ in crores)



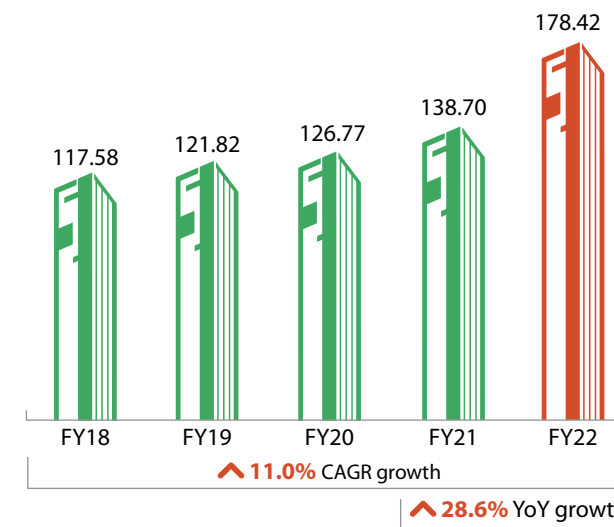
Earnings Per Share (₹)



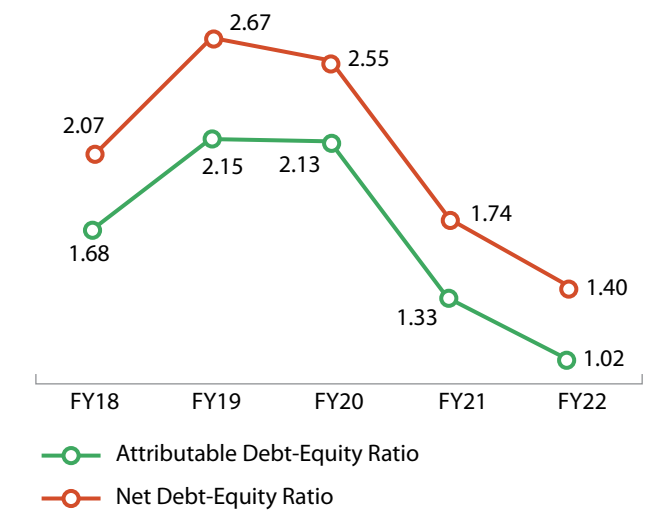
*Before non-controlling interest

BALANCE SHEET INDICATORS

Net-Worth (₹ in crores)

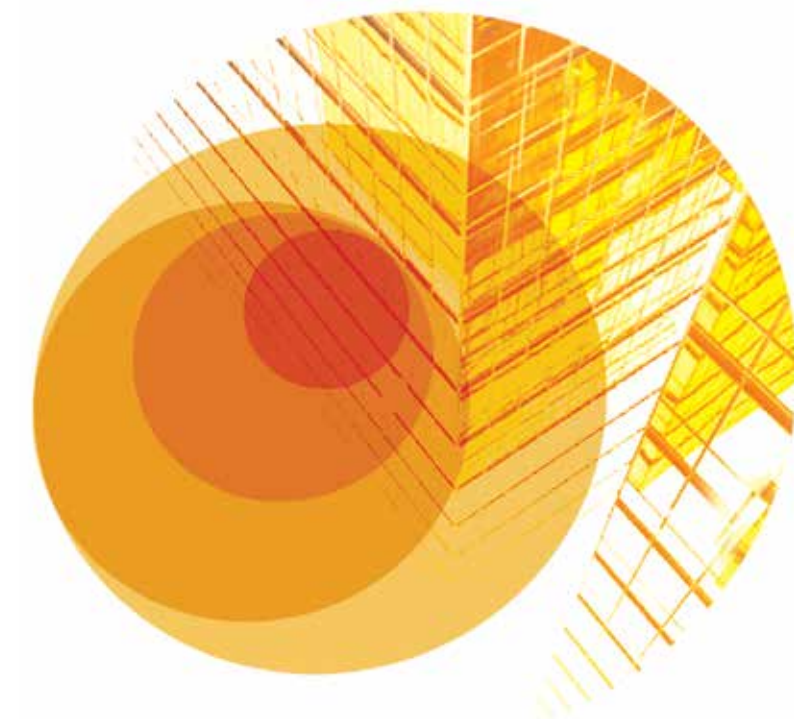
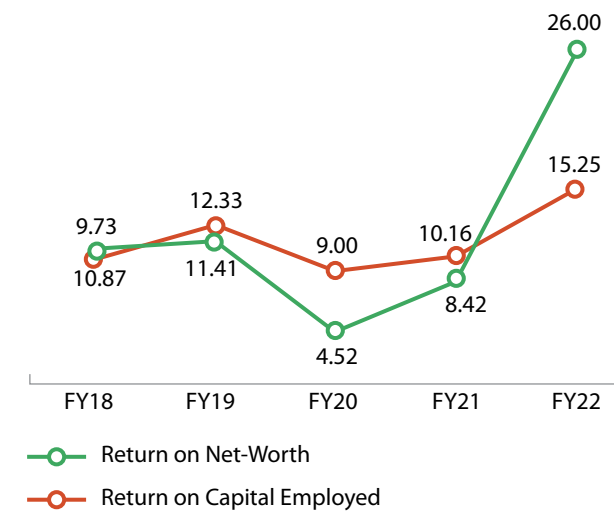


**Net Debt-Equity Ratio and
Attributable Debt-Equity Ratio#** (x)



#Attributable Debt is calculated on the basis of ASL's shareholding in its subsidiaries.

**Return on Capital Employed and
Return on Net-Worth** (%)



SCALABILITY BEYOND NUMBERS

Over the years, we have focused on sustainable scalability across our different business functions to enhance our performance and sustainability – each function we have worked upon is a strength in itself but, together, they combine to set us apart from our competitors, giving us a solid platform from which to innovate and grow.

We have steadily grown the scale and scope of the business, operating across a wide range of consumer segments within the residential real estate sector and have been successful in emerging as the preferred residential developer in the MMR and Jodhpur regions with one of the largest scale of operations in the affordable and mid-income housing segments among listed real estate companies.

ARIHANT
AAKARSHAN
Taloja

MAHARERA No.: P52000034793
ARTIST'S IMPRESSION

How did we do so?

We achieved this feat by imbibing the mindset of sustainable scalability across our key business functions, such as finance, project acquisitions, sales & operations and people strategy, among others.

SUSTAINABLE SCALABILITY BY DOING THE RIGHT THING

LAND ACQUISITION

- Acquisition of land directly from the landowners at fast growing locations in the region
- Early identification of new growth corridors
- Building a land bank with one of the lowest acquisition cost

APPROACH

- Delivering projects across different price points in the housing market
- Maximizing opportunities by adopting an asset light model
- Play a crucial role in the transformation of the real estate landscape of the region

PLANNING

- Build in-house planning expertise
- Plan projects based on the need of the region and customers
- Adopt sustainable and responsible approach

DESIGN

- Well designed and contemporary housing projects
- Creating places where people aspire to live
- Standardized specifications driving value across projects with continuous innovation

DEVELOPMENT

- Construction approach tailored to delivery
- Designing projects with high-quality standards keeping in mind safety and environmental norms
- Excellent reputation with delivery partners

SALES

- Adopt innovative and customer focused marketing approach
- Delivering excellent customer service
- Transparent end to end customer journey from purchase to possession

FINANCIAL SCALABILITY

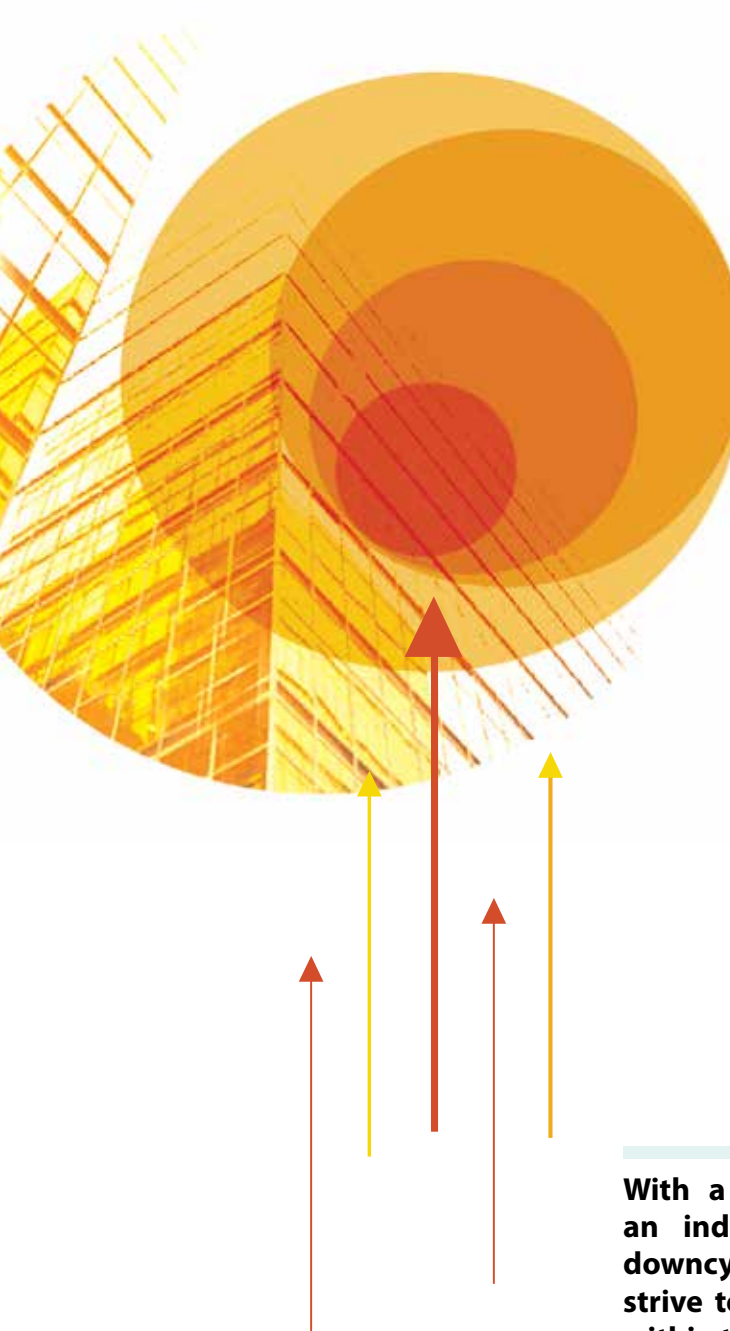
Sustainable growth through disciplined capital allocation and focus on profitability

Achieving a strong balance sheet and better returns ratio has been the core of our business strategy. We have a sustained focus on improving working capital management and bringing in cost efficiencies.

Our priorities for how we efficiently use our capital remain unchanged, as we will continue to invest in building our core to support organic growth. From just ₹46 Crores of funds infused in the Company by shareholders till FY12, the net-worth has grown to a staggering ₹178 by FY22, a growth of nearly 4x. With a strong track record of nearly 3 decades and an industry expertise of surviving several industry downcycles and scaling new peaks in the upcycles, we strive to deliver on our commitments on a timely basis, within the set quality standards. This has enabled us to garner a leadership position in the regions of our presence further validated by the trust placed by one of the largest and most reputed financial institutions such as HDFC and ICICI Group among others. Our strategy of mortgaging not more than 1/3rd of our projects has provided stability and room for growth in the coming years. This ensures the Company has adequate free cashflows from the project for future growth while simultaneously making us preferred borrowers by a wide range of financial institutions. We have built a well-defined priority for managing our assets with an aim to free up idle resources and have also focused on building an asset-light model by entering into Joint Developments and Development Management agreements with landowners.

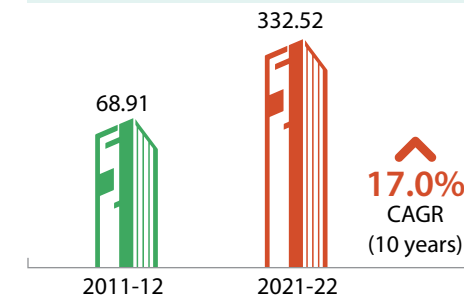
We have maintained our focus on balance sheet management and grown the Net-worth with particular emphasis on execution efficiency and increasing sales velocity. The focus on cost efficiency helped us grow our core EBITDA margins by 300 bps to 21.4% in 2021-22, even while absorbing the inflationary pressures and supply chain disruption on the raw material side. While we were scaling up sales and collections, we prudently reduced our debt in last two years due to which our interest cost as a percentage of sales have reduced from 12.6% in 2019-20 to 6.3% in 2021-22 given our directed efforts to rationalize the debt structure while ensuring growth. All of these augurs well for the next level of growth.

With a strong track record of nearly 3 decades and an industry expertise of surviving several industry downcycles and scaling new peaks in the upcycles, we strive to deliver on our commitments on a timely basis, within the set quality standards.

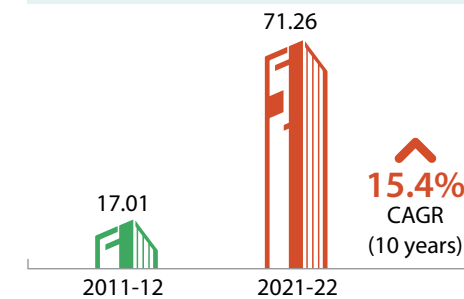


PROFIT AND LOSS INDICATORS

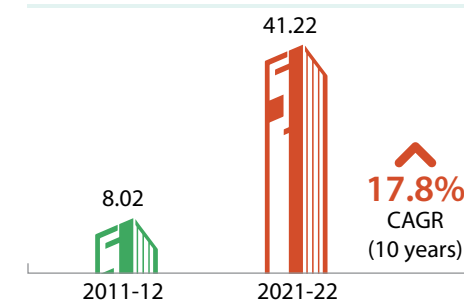
Revenue (₹ in crores)



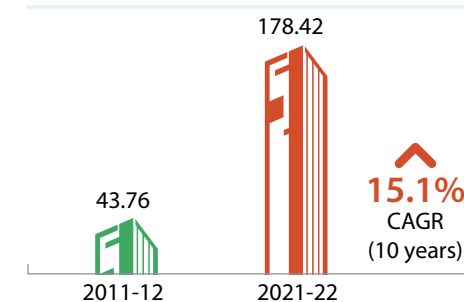
EBITDA (₹ in crores)



PAT (after non-controlling interest) (₹ in crores)



Net-worth (₹ in crores)



ARIHANT
ANAIIKA
Taloja

MAHARERA No.: P52000022982
ARTIST'S IMPRESSION

ARIHANT
ADVIKA
Vashi



MAHARERA No.: P51700028950
ARTIST'S IMPRESSION

ARIHANT
AALISHAN
Kharghar



MAHARERA No.: P52000006391
ARTIST'S IMPRESSION

ACQUISITION SCALABILITY

Efficient sourcing of land and projects, a key competitive advantage

There are a few key ingredients in every manufactured product and it's pertinent that the manufacturer needs to have a good control over quality & availability of those ingredients to ensure the same for the final manufactured product. The brand's reputation depends on that. In real estate, one of the key ingredients is "Land" and it's location. Being one of the pioneers in the residential real estate segment in the Navi Mumbai region since last 3 decades has enabled us to have deep penetration and understanding in the region spread across more than 150 square kilometres.

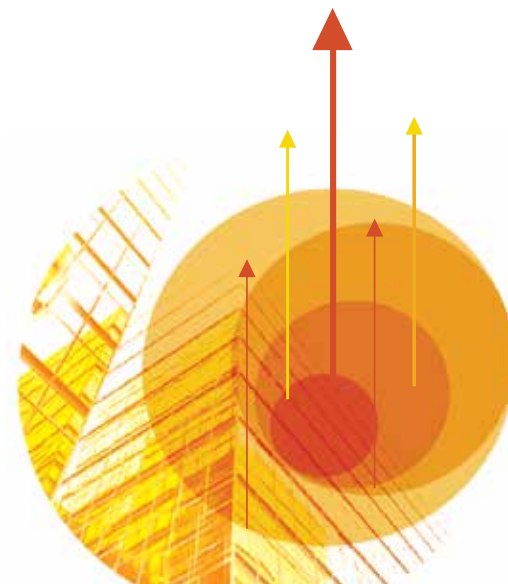
Navi Mumbai has become a major gateway in the western region and now with the New International Airport and other major infrastructure developments, it will become a key city which will get the lion's share of the developmental budget in this region. Most large developers across the country are looking at having a project in this growth region but Arihant has a natural edge in acquiring projects and lands in this area. MMR and Navi Mumbai's pull factor makes it among the best opportunity in the real estate space and given our deep rooted connect, makes sense for us scale up in this part of the MMR region. ASL has created a highly reputable track record of trust and transparency amongst the landowner community giving it an advantage on the acquisition front.

We are focusing on building our scale by building a project bank of 20 million square feet saleable area from 13 million square feet in 2021-22 in next 12-18 months which would drive our organic growth in a sustainable manner. Further, as a part of our acquisition strategy, we focus on acquiring land directly from the landowners rather than the land aggregators resulting in efficient costing. This ensures that we have enough headroom for additional margins and has helped us to steer clear of the downward trend with least impact on project feasibility. Acquiring high-quality land parcels in areas of strong customer demand that meet or exceed both our financial and non-financial acquisition criteria are key to the success of the business.

This strategy has translated into a multi-fold benefit for us.

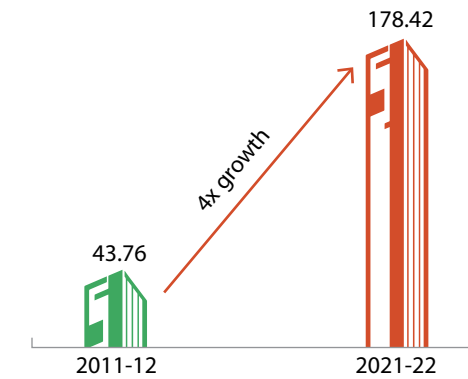
First, with a more than sufficient pipeline of projects with approvals in place at our disposal, we are confident in meeting our short to medium-term volume growth targets. **Second**, purchasing lands directly from the landowners has enabled us to minimise our acquisition cost. Our average cost of land acquisition is less than ₹250 per square foot on saleable area, one of the lowest in the industry giving us the opportunity to grow our business multiple times during the industry up cycle period. **Third**, with 35% of our ongoing and forthcoming projects have been under asset-light model allowing us to achieve volume growth from the available financial resources, thereby enhancing profitability and growing topline at an attractive rate. **Fourth**, with redevelopment opening up in the Navi Mumbai for the first time, we are well positioned to build a significant number of our projects in the high income premium category on brownfield land while contributing to the regeneration of areas in the regions of our presence. Further, it helps create sustainable value for our different stakeholders.

We are focusing on building our scale by building a project bank of 20 million square feet saleable area from 13 million square feet in 2021-22 in next 12-18 months which would drive our organic growth in a sustainable manner.

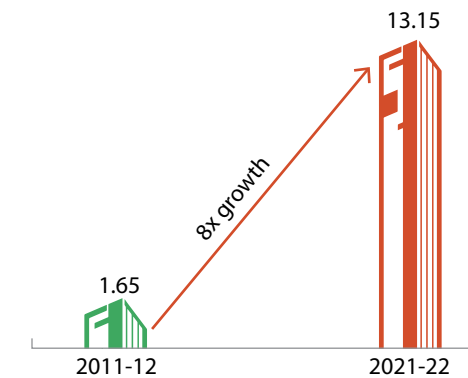


THANKS TO OUR CREDIBLE LAND BANK AND BACKED BY THE CURRENT INDUSTRY UPCYCLE, WE EXPECT TO GROW OUR TOPLINE AND BOTTOM-LINE BY 3X OVER THE NEXT THREE YEARS.

Net-Worth Deployed (₹ in crores)



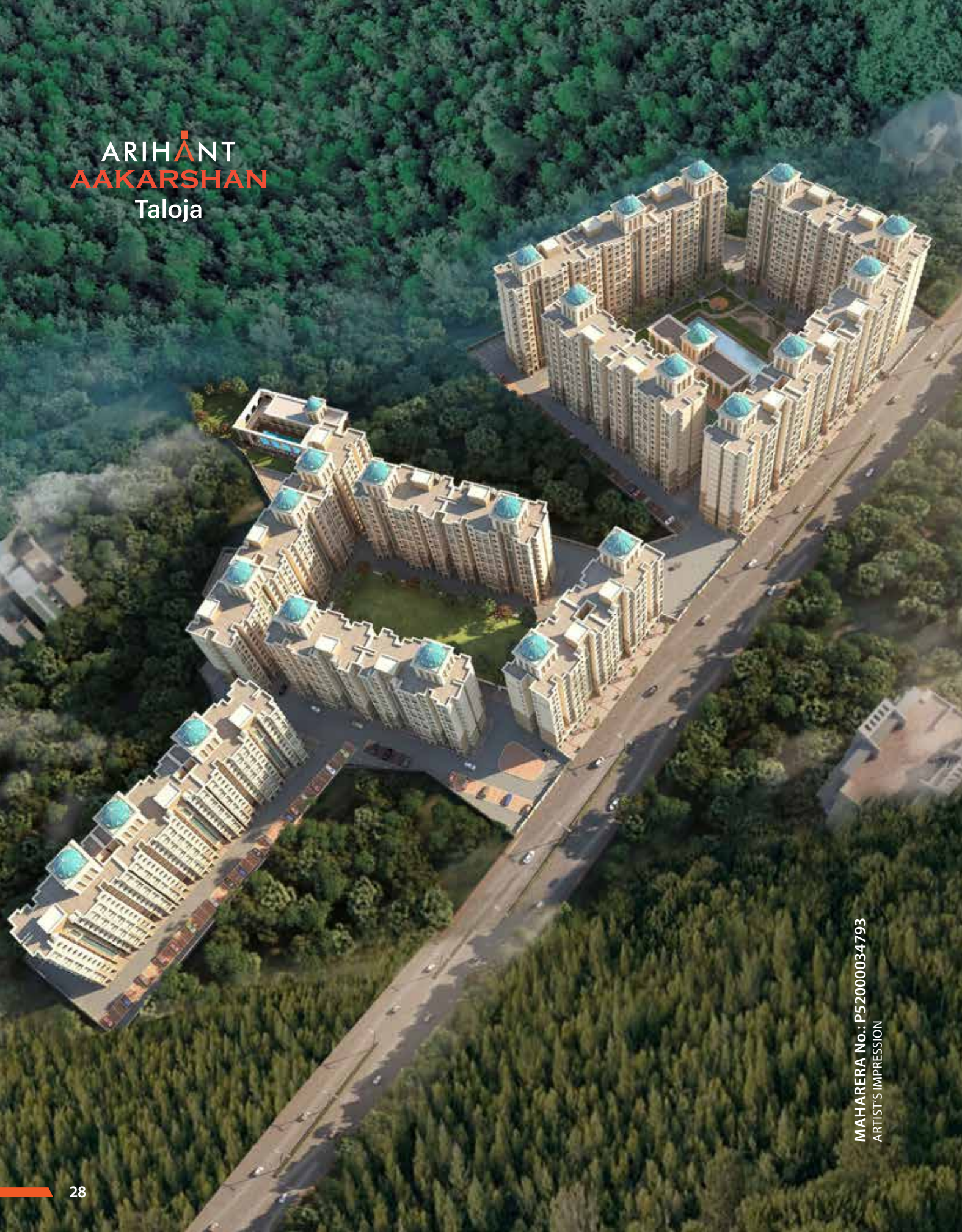
Saleable Area under ongoing and forthcoming projects (million sq. feet)



ARIHANT
ASPIRE
Palaspe
Panel

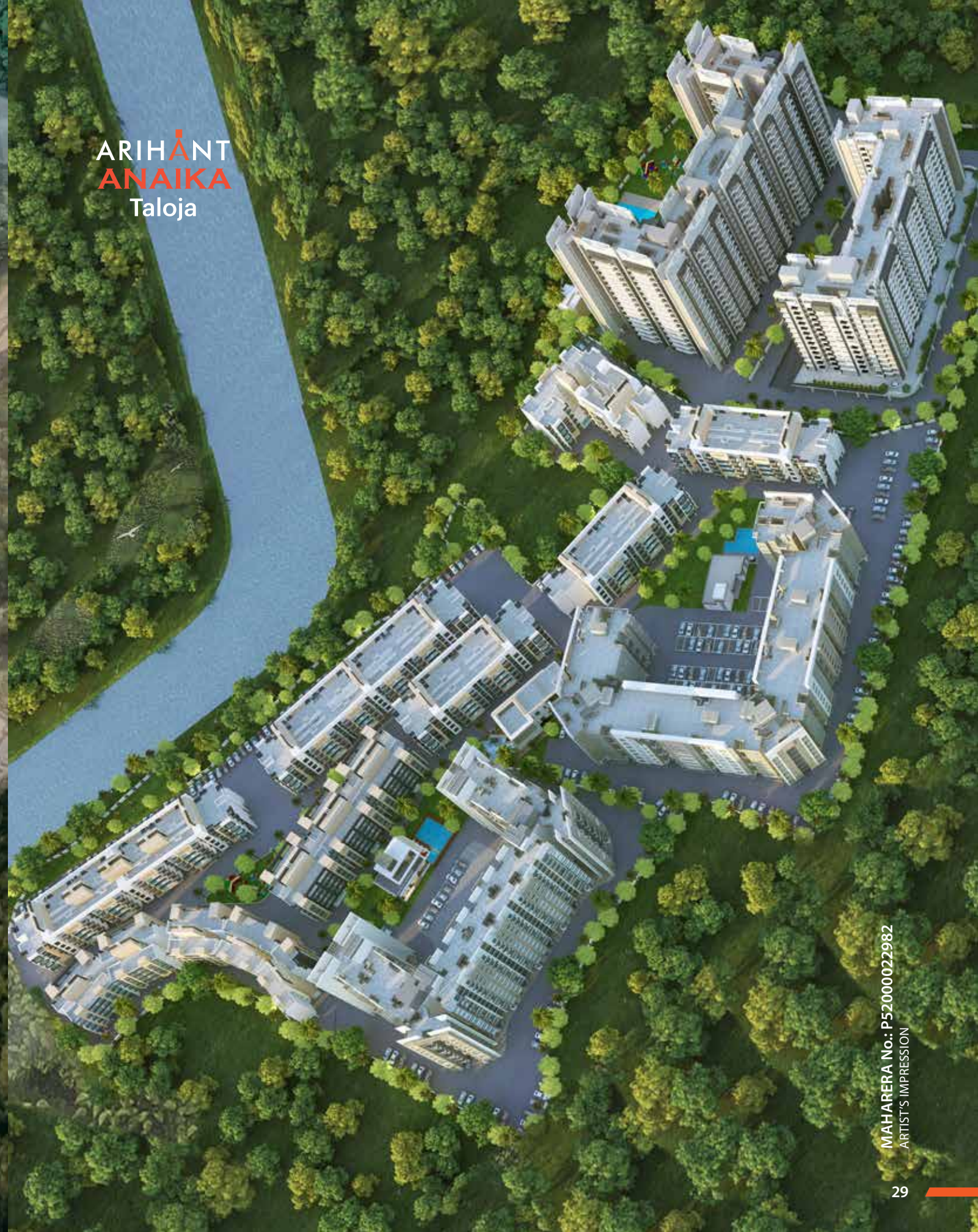
MAHARERA No.: P52000014107
ARTIST'S IMPRESSION

ARIHANT
AAKARSHAN
Taloja



MAHARERA No.: P52000034793
ARTIST'S IMPRESSION

ARIHANT
ANAIIKA
Taloja



MAHARERA No.: P52000022982
ARTIST'S IMPRESSION

OPERATIONAL SCALABILITY

Embracing operational excellence through technology and by building digital capabilities

In line with our growth strategy, we have been actively pursuing several cost-saving initiatives primarily focused on the areas of site operations and procurement. We continued to strengthen our business by focusing on operational excellence and simplifying and standardising processes with an aim to make our project delivery more efficient. To achieve this, we have designed lean and integrated processes along with end-to-end project execution capabilities, powered by technology and a digital framework.

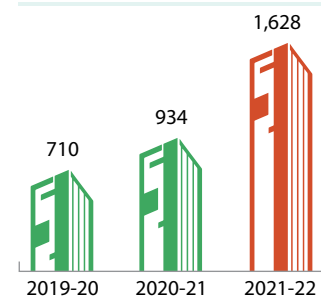
Concentrating on harnessing the opportunities provided by technology, we adopted several technologies over the years to sustainably enhance our operational capabilities. We successfully implemented "Far Vision" ERP across our systems and processes to ensure effective monitoring and timely completion of projects. Further, focused on building an extensive sourcing network by developing a strong procurement & engineering team. This has enabled us to drive profitable business growth, even during difficult times, by sourcing key raw materials at a competitive cost. Additionally, we have built integrated project execution capabilities by building in-house acquisition planning, designing,

construction, and quality assurance teams. This not only helps us to carry out projects from initialization to completion through our in-house teams but also helps us in minimizing and effectively controlling overhead costs and reducing our dependency on external third parties. It also enables us to quickly scale up our projects within the existing framework. We have consistently delivered 700-900 units year on year even during the lean period for the sector, which we look to significantly ramp up over the next 2-3 years.

On the sales front, after implementing the Customer Relationship Management (CRM) module, we have recently implemented the cloud-based SaaS platform "Salesforce" that will enable us to efficiently scale up our sales operations to further aid our business growth ambitions. We intend to increase our engagement with service providers closely to take advantage of advancements in digital marketing technologies and data analytics to gain insights into customer preferences, behaviour, and demand parameters to further improve our design process in a quest to provide the best value proposition to the customer.

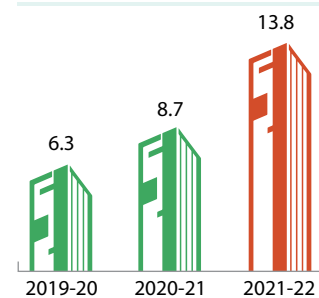
Pre-sales

(No. of Units)



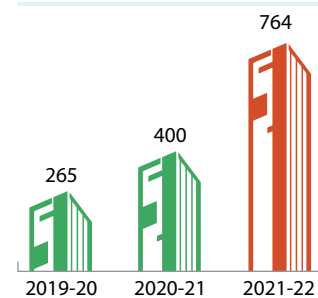
Pre-sales (Area)

(Lakh sq. ft.)



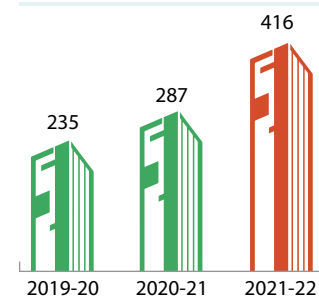
Pre-sales (Value)

(₹ Crores)



Collections

(₹ Crores)



ARIHANT
ADITA
Jodhpur

RAJREERA No.: RAJ/P/2018/599 (08/01/2018)
ARTIST'S IMPRESSION

BRAND SCALABILITY

Enhancing Arihant's brand equity

We construct a wide range of residential projects, with a deep focus on the requirements of the home buyers in each category in terms of lifestyle preferences and aspirations. We have undertaken several simple yet functional changes such as raising the door heights, designed aesthetically appealing elevations in affordable housing and many others thereby raising the living standards of the community we serve and living by our motto of "Changing Lifestyle" for all category of homebuyers. The art in this form has enhanced Company's brand and is now one of the most popular real estate company in Navi Mumbai-MMR and Jodhpur, Rajasthan. Standing by our commitments at all times has led us to be a trusted and preferred developer amongst vendors, homebuyers, financial institutions, and consultants. This strength of the brand will play a major role in the residential real estate sector which is largely a business-to-consumer segment where real estate is a retail product and appreciating asset class. Our various trademarks including "Changing Lifestyle" are an exercise to scale up the brand further.

ARIHANT
ALOKI
Karjat



MAHARERA No.: P52000004014
ARTIST'S IMPRESSION

ARIHANT
ARSHIYA
Khopoli



MAHARERA No.: P52000003422
ARTIST'S IMPRESSION

PEOPLE SCALABILITY

Evolution through people

Our mission is to build an organization where Company's success is closely knit with the growth of our People.



At ASL, we believe, our people are key to the success of our organisation and we aim to provide them with a rewarding and fulfilling career. A skilled and dedicated workforce is critical to our business. Proactively, we have undertaken initiatives to attract and retain a talented workforce that is totally engaged and is in sync with our long-term organic growth strategy.

The HR policy secures the employee of any uncertainty. The Company also introduced "Happy Holidays" policy in this financial year where each eligible employee is encouraged to take compulsory paid leaves of 10 consecutive days in a year for rejuvenation, family holiday, or any other activity of their liking. The Company also hosted its annual "Eklavya" awards recognizing the top performing individuals across different categories. We expect to add 80-100 people in 2022-23 supporting the scalability progress.

27%

Ratio of female employees in the organisation - one of the highest in the industry, showcasing ASL's focus on workforce diversity.

MARKET SCALABILITY

Presence and expansion in the fastest growing real estate markets

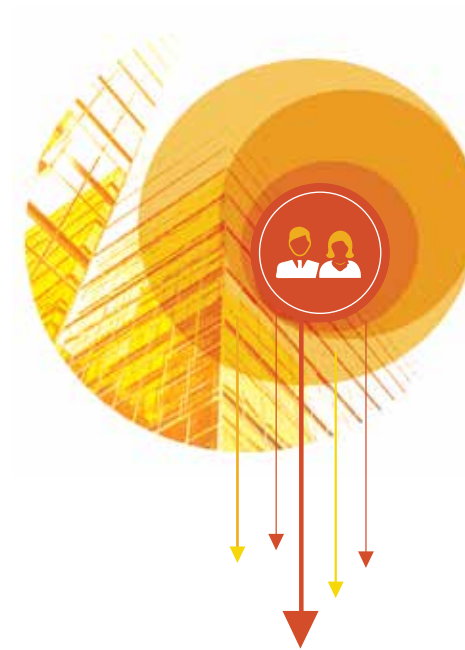
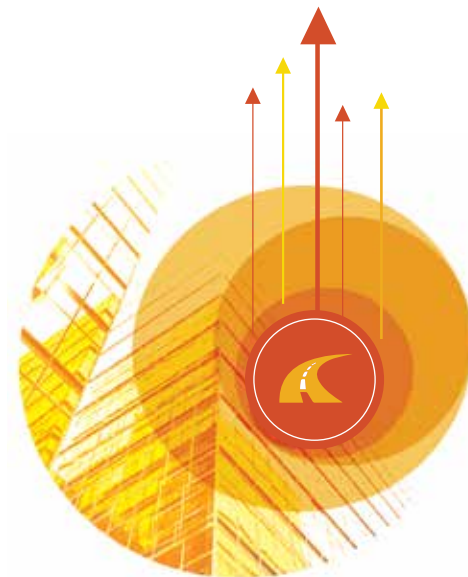


AFFORDABILITY

The straight answer to expensive housing in the metro markets lies in the micro markets of MMR. The average prices of housing stock is about one third of the average property prices in the prime suburbs of MMR.

CONNECTIVITY

In the MMR region, access to infrastructure and ease of transport are the key factors in selecting the property to invest into. It is well connected - via road to Pune, Mumbai, Thane and the Konkan region. Connectivity to Mumbai will be further enhanced once the ambitious 6-lane, multimodal Trans-harbour Link is built. Construction is also underway on the Metro Line 12. These along with the connectivity to be offered by Trans Harbour Sea Link, Virar-Alibaug growth corridor, Navi Mumbai International Airport etc. will prove to be a game changer with potential to redefine the real estate development market in the MMR region. Also, Navi Mumbai has a similar topography like Mumbai with sea on the western side and the hilly region including the western ghats on the east which will work in its advantage in the long term.

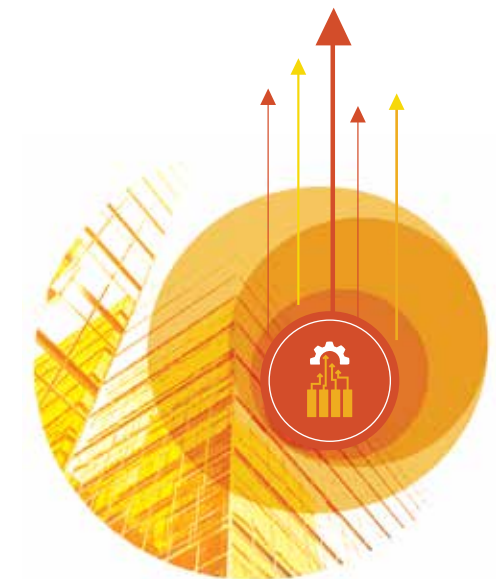


EMPLOYMENT OPPORTUNITIES

With the affordability of having a business premise in Mumbai city becoming a far-fetched reality, corporates prefer to have their campuses and spacious office branches in the upcoming micro markets, resulting in cheaper lease or outright rates. This is especially important for business requiring larger spaces such as IT, BFSI, Co-Working, Pharmaceuticals etc. resulting in huge employment opportunities in next 10 years in Navi Mumbai which has already established itself as a preferred destination of major industrial and corporate houses.

INFRASTRUCTURE

Social and physical infrastructure plays the role of deciding factor in real estate. Highest quality Schools, colleges, medical facilities, libraries, diagnostic centres etc are now easily available in the regions of our presence and are also comparatively modern in build age and facilities.





OUR BUSINESS MODEL

RESOURCES WE DEPLOYED



A TRUSTED BRAND

An established and trusted brand built on a customer-focused and high-quality residential projects. We embedded environmental sustainability across our operation and focus on delivering long-term value creation across a wide stakeholder base.

97%

Percentage of our projects dedicated to the affordable and mid-income groups



FINANCIAL CAPITAL

Financial capital underpinned by a strong balance sheet, forward sales, and rigorous investment in technology and people. Established track record of generating free cashflow and efficient deployment in value accretive project portfolio.

18%

CAGR growth in profitability over the last decade



STRONG RELATIONSHIPS

A recognised and trusted partner, we have built strong relationships with our partners, communities, suppliers and, most importantly, our customers. We try to bring together different stakeholders to develop projects which create long-term value and are built to last.

10,000+

Number of units delivered till date



LOW COST LAND ACQUISITIONS

We focused on building projects in the areas people aspire to live with best in class strategic project pipeline. We emphasised on building it with affordability and value for money at its core and help us to consistently offer homes at affordable price points to a broad and widening customer base.

< ₹250/SQ. FOOT

Our average acquisition cost on saleable area is one of the lowest in the industry.



ENHANCED SUPPLY CHAIN

We have built strong internal and external teams, aligned to our long-term growth strategy, with a capability to manage different business functions efficiently. We financially and operationally support our stakeholders to successfully deliver projects from an integrated delivery platform, supplemented by our focus on our ongoing innovation agenda.

HOW WE DO IT

OUR OPERATING MODEL WHICH HELPS CREATE LONG-TERM SUSTAINABLE VALUE



WE ARE DRIVEN BY



SUSTAINABLE SCALABILITY



QUALITY MANAGEMENT



TECHNOLOGY



COMMITTED AND ENGAGED WORKFORCE



AGILE & INNOVATIVE APPROACH



COLLABORATIVE MINDSET



LONGSTANDING RELATIONSHIPS



ESG FOCUS

VALUE WE CREATED

For our SHAREHOLDERS

We are a growth focused real estate developer backed by disciplined capital allocation. It helped us derive fair and sustainable return for our shareholders.

35% CAGR

in profitability (after non-controlling interest) between 2018-2022

For our CUSTOMERS

Our customers are fundamental to our business and we take great care to research their needs, listen to their feedback and evolve our carefully designed housing projects as lifestyles and aspirations change.

7,000+ units

covering 6.5 million sq. ft. delivered in the last 10 years

For our PEOPLE

Our people are key to the success of our business. We aim to provide them with a rewarding and fulfilling career. We aim to attract and retain the best talent through growth and development opportunities.

We have **doubled our employee strength** over last 5 years.

For our SOCIETY

We focus on developing high-quality housing projects in a way that minimises the impact on the environment, including using land in the most efficient way, driving down waste, reducing emissions during construction and delivering top rated projects in the regions of our presence.

CORPORATE INFORMATION

(As on 31st March, 2022)

BOARD OF DIRECTORS

Ashok Chhajjer Promoter, CMD

- Over 2.5 decades in the real estate business
- Prior experience ranging from textile, oil refinery to real estate sector
- At Arihant, he oversees corporate strategy, project design and land acquisition functions
- Works relentlessly towards, transparency, corporate governance and stake holder management

Nimish Shah Whole-Time Director

- A civil engineer with over 19 years of experience in construction and related activities
- Actively involved in all the nuances of engineering including Planning and Execution, project estimation, contracts, and site organization of projects
- Earlier a government-registered contractor in Maharashtra and was also associated with several entities in the real estate sector

Virendra Mittal Independent Director

- IIT Alumnus and a fellow chartered engineer
- Vast experience in construction, real estate, power plants, mining and highway projects
- Has been part of the leadership team in ITC Ltd, J. K. Synthetics Ltd., Ansal Properties & Industries, Renusagar Power Company Ltd. and Mukand Ltd.

Chandra Iyengar Independent Director

- 1973 batch IAS Officer
- Was Additional Chief Secretary-Home dept. for GOM
- Has led several departments in GOM and GOI, such as Public Health, Industries, Women & Child Development, Higher Education, Finance, etc.

Raj Narain Bharadwaj Independent Director

- Former Chairman and Managing Director of Life Insurance Corporation of India
- Has vast experience in economics and BFSI
- Former Member of the Securities Appellate Tribunal, Government of India and the Ministry of Finance

Divya Sameer Momaya* Independent Director

- Practicing Company Secretary and the founder of DS Momaya & Co.
- ~18 years of experience in Company Secretarial Practice
- Promoter of MMB Advisors Private Limited which trains and grooms independent directors, women directors and executive directors

*Resigned w.e.f. 10th August 2022

CORPORATE INFORMATION

(As on 31st March, 2022)

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, Thakur Complex, Kandivali East, Mumbai-400101

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

Listing

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

Registrar & Transfer Agent

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

Anjani Goyal & Co.

B-401, B Wing, Pritam Park,
Koparkhairne, Navi Mumbai-400709

Secretarial Auditor

D. A. Kamat & Co.

B/208, Shreedham Classic,
S V Road, Goregaon (West), Mumbai 400 104

Registered Office

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

[#]Resigned w.e.f. 5th July 2022

MANAGEMENT DISCUSSION AND ANALYSIS

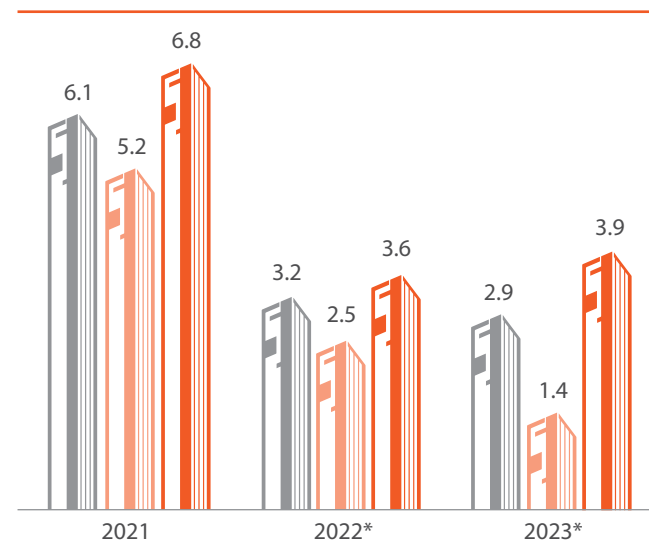
Global economy overview

Exactly two years back, the world had plunged into a mammoth crisis with the sudden outbreak of the covid pandemic. Though the major risk is behind us, the global community still faces intermittent disruption as new Covid-19 mutations and variants continue to disrupt economic activities. Steady deployment of vaccination programs across economies and relaxation of pandemic-related lockdowns in many countries helped boost demand. The global economy was on the path of a recovery in 2021 as the economy's started opening up and travel restrictions were relaxed post the pandemic. Post the first wave of covid, the recovery was led by pent-up demand on a lower base. However, labour market challenges with persistent disruptions in the global supply chain network caused inflationary pressures to build up across all major economies. The global economic output grew 6.1% in 2021 against a contraction of 3.1% in 2020, the credit of which goes to the world central banks for foresight and policy support.

However, the global growth prospects have weakened significantly owing to the onset of the Russia-Ukraine war in early 2022. The war in Ukraine has upended the fragile recovery from the pandemic, triggering a devastating humanitarian crisis in Europe, pushing up food and commodity prices and exacerbating inflationary pressures worldwide. According to economists in most countries, excess demand is driven mostly by constrained supply, not strong demand, resulting in the dominance of cost-push inflation. This is a type of inflation that is not being welcomed as it squeezes profit margins, erodes actual household income, and tends to self-correct when demand is weak. Geopolitical and economic uncertainties are dampening business confidence and investment and further weakening short-term economic prospects. Owing to these fresh sets of challenges, crude and commodity prices sky-rocketed to new highs, resulting in a new set of challenges for the economies. Further, the sanctions against Russia again set the supply chains in a quandary which was further stifled by frequent and severe lockdowns in China because of Covid, and this included it's key manufacturing hubs leading to further bottlenecks. As a result, the IMF has slashed the global growth forecast to 3.2% for 2022 from its earlier forecast of 3.6%, while the growth rate for 2023 has been projected at 2.9%, down from 3.6% earlier.

The global economic output grew 6.1% in 2021 against a contraction of 3.1% in 2020, the credit of which goes to the world central banks for foresight and policy support.

Global growth output



Global economy (%) Advanced economies (%) Emerging market and developing economies (%)

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>) [*Projected]

The rise in food and fuel prices has resulted into instability in weaker economies, as seen in the case of Sri Lanka. Further, monetary policies are being tightened to reign in the inflation. The higher interest rates regime will also make borrowing more expensive globally, further straining the public finances. The increased debt burden will be a challenge going ahead. Thus, the global growth outlook, therefore, remains susceptible to a lingering pandemic, persistent labour market challenges, ongoing supply chain disruptions, rising inflation, and the outcome of the Russia-Ukraine war. As an ongoing economic impact of the war, rising crude oil prices are likely to have a significant toll on the oil-importing nations. We are in for challenging times globally, but India seems to be moving into a sweet spot.

Overview of the Indian economy

One of the reasons for a robust recovery of the Indian economy and was the pick up in vaccination with nearly 200 crs vaccine doses covering more than 90% of the eligible population. The booster precautionary doses too are being administered to the eligible population.

The RBI like other major central banks, was proactive in it's policy measures to control inflation as well support the rupee from any major depreciation. This also resulted in the INR outperforming peers, though depreciated against the USD. There has been a

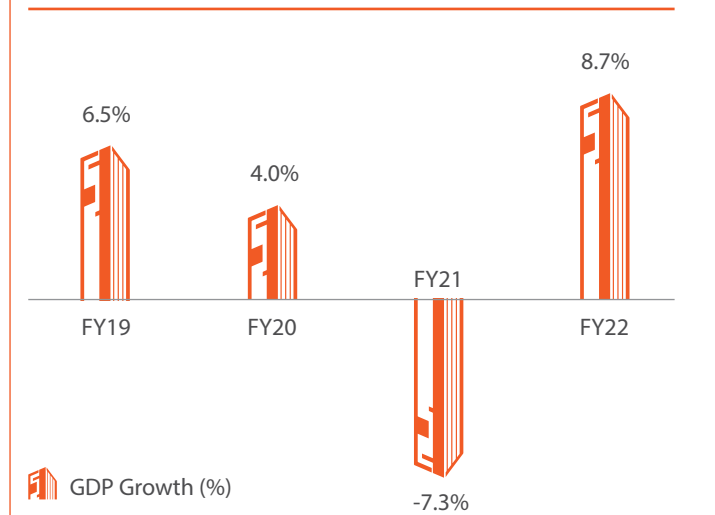
strong rebound in economic activity, despite a significant impact of the second and third waves of the pandemic, the National Statistical Office (NSO) pegged India's real GDP growth for FY22 at a robust 8.7%. RBI has hiked the repo rate by 140 bps since May 2022 and currently stands at 5.4%. It is expected that this upward trajectory will continue in this financial year with repo rates touching 6.0% by the end of FY23.

To help the economy recover from the shocks of the pandemic, the government of India introduced several favourable policies and prioritised investment in infrastructure, privatisation of state-owned businesses, and tax reforms to drive growth. Further, the government introduced the 'Make in India' initiative to boost the manufacturing sector, increase the purchasing power of an average Indian consumer, and drive the demand, making it a self-sustainable model. The government's push for the manufacturing is line with GOI's aim to enhance the contribution of manufacturing sector in the GDP from 17% to 25%. The Government also came up with a Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy. To boost the economy and the infrastructure of the nation, the government also announced PM GatiShakti Master Plan. Under this scheme, the government plans to enhance the National Highway Network by another 25,000 kms by FY 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive (PLI) schemes providing excellent opportunities across sectors. India has the third largest unicorn base in the world with over 100 unicorns valued at U S \$ 333bn and expected to shoot up to 250 unicorns by 2025, thus creating a huge employment as well as investment opportunity. The GST collection has been over ₹1.4 trillion per month for the last few months, reconfirming that the businesses are growing and compliance has improved sharply.

The Indian economy emerged as one of the fastest growing economies, as India continued to make remarkable economic progress since 2000. The COVID-19 pandemic led India's economy into a contraction in 2020, despite well-crafted fiscal and monetary policy support. Following the deadly 'second wave,' growth in FY22 is expected to be around 8.7%. According to IMF, India's economic growth projection for calendar year 2022 is expected to be around 7.4% from the previously forecasted 8.2% earlier, citing high inflation. India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching Covid-19 vaccinations, which helped reduce the severity of the third pandemic wave with minimal disruptions to mobility and economic activity. However, owing to the onset of the Russia-Ukraine conflict, the crisis has clouded India's growth outlook. Rise in crude oil prices, food and fertilizer prices is likely to weigh on household finances and spending in the months ahead. Further, rate hike to prevent energy and food inflation from becoming more generalized is expected to slow the demand recovery's momentum. India imports vegetable oils, machines, fertilizers, chemicals from Ukraine and is the largest importer country for Ukraine. It imports crude oil, precious metals and stones, mineral fuels, weapons etc. from Russia. Due to present

conflict various items which had been imported from Russia and Ukraine will be seriously impacted. Consumption demand, which has been a concern as the pandemic dented consumer finances and confidence, grew by 8.6% (YoY) – an enormous boost for the Indian economy.

Indian GDP growth (% annual growth)



(Source: National Statistics Office (NSO) and <https://www.republicworld.com/india-news/economy/imf-pegs-indias-2022-gdp-growth-at-8-dot-2-percent-us-at-3-dot-7-percent-china-at-4-dot-4-percent-and-russia-at-8-dot-5-percent-articleshow.html>)

India's short-term outlook looks challenging owing to the global headwinds, rates hikes and rising inflationary pressure because of external supply shocks and geopolitical tension. However, we believe the government is proactively tackling the situation to ensure a sustainable growth trajectory for the country. Indian economy now has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Indian real estate industry

Contributing ~7% to the Indian GDP, the Indian real estate industry is one of the key barometers of the economic growth. The second highest employment generator, after the agriculture sector, the Indian real estate sector is expected to reach US\$1 trillion in market size by 2030 up from US\$200 billion in 2021, and contribute 13% to the country's GDP by 2025. Comprising of four sub-sectors - housing, retail, hospitality, and commercial, the Indian real estate sector is likely to be driven by the emergence of nuclear families, rapid urbanisation and rising household income. The real estate industry ranks third among the 14 major sectors in terms of direct, indirect, and induced effects in all sectors of the economy.

Today, the Indian real estate sector stands at an interesting juncture. In the past few years, it has witnessed a slew of changes — be it demonetisation, RERA, the introduction of GST, or the fallout from the COVID-19 pandemic. All these measures, reforms, and scenarios have triggered an evolution in this industry. The sector has always been in focus for the Government. It has been an eventful decade for the sector – starting with NGT issues obstructing many approved and under-construction projects in their tracks, followed by demonetization, implementation of GST and RERA, rising input and compliance costs.

As the sector was just recovering, the NBFC crisis led to a severe liquidity squeeze and then finally the COVID-19 pandemic arrived, putting a question mark on the overall survival of the sector. Although the industry went through a slump during the pandemic period, it witnessed a healthy growth momentum ever since the opening up of the economy post the first covid wave. The recovery in the sector was majorly driven by increased house sales, new project launches, and increasing demand for new office and commercial spaces. Further support was driven by strong policy support by the government, with policies such as the Real Estate Regulatory Act (RERA). The government also provided a boost to the affordable housing construction with interest subsidy for home buyers and reduced stamp duties for limited period in many states, among others. Despite the pandemic's challenges, the real estate industry rebounded strongly in 2021, with residential sectors surpassing others sub segments as the uncertainty caused by the pandemic has reinstated the importance of home ownership. New trends emerged as a result of the pandemic such as preference for larger sized apartments, inclination towards reputed developers and a rising demand for township projects. Rapid urbanisation would be another reason for sustainable demand, considering the number of Indians living in urban areas is expected to reach 52.5 crores by 2025 and 60 crores by 2036.

The demand picked up well with a rising number of launches and declining inventory across Tier-1 cities. While the residential segment witnessed strong revival, the recovery for the commercial sector has been moderate. The slow commercial space demand has been due to work from home trend, while local restrictions



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and delay in consumption recovery have been a challenge for the retail real estate sector. However, that too has been reverting to normal in the past few months.

In line with the changing market trend, the realtors also had to invent their business model to ensure minimal disruption and higher customer connect. Most players in the industry adopted to digital sales and focused on greater adoption of technology to mitigate the labour shortages. Further, higher focus on technology helped efficiently use resources and helped mitigate the steep increase in input costs, especially steel, polymer, electrical, paints, and cement, among others. However, the Government of India's 'Housing for All' initiative is expected to bring US\$1.3 trillion investment in the housing sector by 2025 and is likely to drive growth of the sector. Construction is the third-largest sector in FDI and, with India's Global Real Estate Transparency Index ranking improving steadily, the flow of funds is expected to accelerate.

Though the interest rates are on an upward trend, the interest rates are still historically low. This coupled with the steady increase in income levels over the years has made it extremely affordable for homebuyers to own a home. This has created a huge demand for quality residential spaces, along with the realisation of the need for a better home during the lockdown. Further, the rupee-dollar exchange rate and the ever-changing stock market have furthered Non-Indian Residents' (NRI) interest in investing in real estate in India.

Budget impact on the Indian real estate sector

A number of initiatives have been undertaken by the Government of India with the hope of incentivizing real estate purchases. The announcements made in the Union Budget 2022-2023 will help in creating a thriving atmosphere in the real estate sector.

The government continues to prioritize the affordable housing segment and, parallelly looking at ways to strengthen the existing financing systems to provide liquidity to stuck real estate projects. In the first week of December, the Government of India extended the deadline to provide pucca houses to all families in rural India to 2024. The Cabinet decided that the flagship rural scheme, Pradhan Mantri Awas Yojana-Gramin, will be provided ₹2.17 lakh crore in additional Central and State funding to achieve its target of building 2.95 crore houses

Housing for All

As per the recent budget announcement, the Government allocated ₹48,000 crore under the Pradhan Mantri Awas Yojna (PMAY) initiative. Under this scheme, the government plans to complete the construction of ~80 lakh houses and allocate to persons eligible under the scheme.

Urban development plan

The government also announced reforms to accommodate rising urbanization, including modernization of development bylaws,

Town Planning Schemes (TPS), and Transit Oriented Development (TOD) which will facilitate reforms for people to live and work closer to mass transit systems.

The government formed a committee consisting of urban planners, economists, and institutions to make recommendations on the urban sector policies, capacity building, planning, implementation, and governance.

Residential real estate sector

The torchbearer for the recovery of the Indian real estate industry. The pandemic has re-affirmed that residential real estate is one of the safest asset classes to invest in. The continued appeal of this sector enabled it to weather the storm thrown by the pandemic and continued to drive steadily on the growth path. Supported by a healthy economic recovery and state governments' stimulus, the residential real estate sector quickly picked up the growth momentum and continued to ramp up sale into 2022. In 2022, the sector expects to see an increase in sales momentum as potential homebuyers elect to invest in larger homes with high-end amenities and increase in capital values. Many of the supply and demand-side factors that have gotten assessed over the last decade have begun to put upward pressure on house prices. Residential sales momentum is expected to gain traction in 2022-23, as prospective homebuyers' preferences for larger homes, better amenities, and competitive pricing keep them eager to close deals.

According to the Knight Frank affordability matrix, affordability for the top eight cities has improved over the last few years with rising income levels and time correction in the housing sector. Also, affordability has increased dramatically since 2015 due to declining interest rates. An EMI/income ratio of over 50% is considered unaffordable according to the matrix and most cities have witnessed a dramatic increase in affordability because of decadal low interest rates. According to the Anarock report, new supply in the residential sector increased by 27% between January and September 2021, compared to 2020, and sales increased by 5%. Further, according to property research report released by Knight Frank, the total sales volume in India's top eight cities enhanced by 51% in 2021 to 232,903 units.

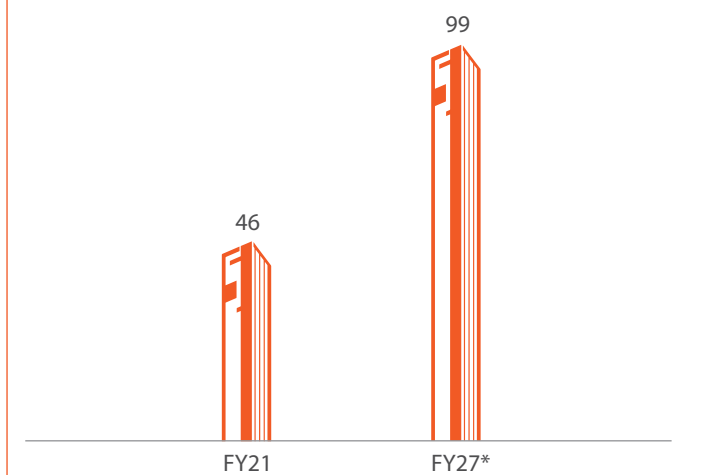
The pandemic-infused trends, combined with low-interest rates and affordability, have expanded real estate growth even in Tier II and Tier III cities. This led to the expansion of the sector and is likely to drive the growth of the segment. Backed by the evolving trends and new emerging markets. The housing sector was also quick to embrace digitalization and innovation. There was also a demand shift in which offerings with best-in-class amenities became the most desired choice of buyers. Large-sized homes emerged as a preferred choice in residential township projects and will continue to drive real estate growth in the years ahead. The coming year will be a significant one for the real estate sector.

Mumbai Metropolitan Region (MMR)

Being one of the least affected regions during the first covid wave, the Mumbai Metropolitan Region (MMR) was amongst the few residential markets which recorded a healthy recovery in 2021. Government incentives such as stamp duty waivers and reduction of home loan interest rates, along with developers becoming more consumer friendly and proper product positioning, helped improve demand as well as launch momentum in the MMR residential market. The MMR market contributed nearly 24% and 32% of new launches and sales by unit during CY2021 on an All India Basis per Anarock Research. On account of higher launches compared to the annual sales, the unsold inventory shot up by 5% y-o-y to 153,950 units in CY2021.

Sales in MMR rose by 29% y-o-y to 62,989 units, while launches increased by 39% y-o-y and stood at 70,023 units in CY2021. The sales and launch momentum picked up in the second half of 2021, even after discontinuation of the stamp duty waiver and a minor blip during the second wave. MMR real estate market is estimated to more than double by FY27 to absorption volume of 99 million sq. ft. and the majority of the growth is likely to be driven by ₹30 to ₹60 lakh segment as per Liasas Foras.

MMR market sales (in million sq.ft)



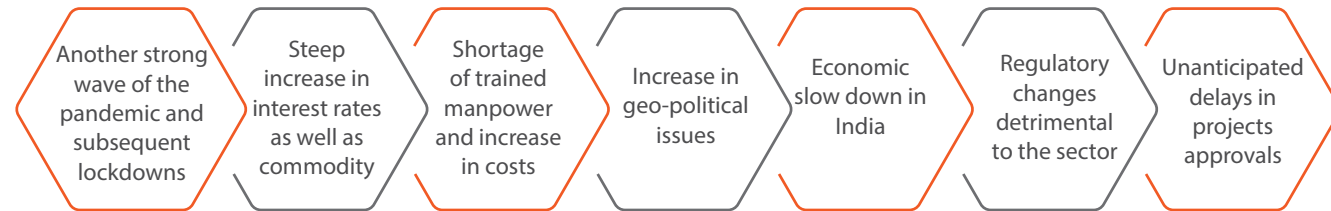
(Source: Liasas Foras) [* Expected]

Opportunities

The real estate sector in India has gone through "baptism by fire" in the last few years, thanks to the NBFC crisis, demonetisation, introduction of RERA and GST, and lately the pandemic. The industry witnessed substantial consolidation in the last few years and several marginal players got wiped out. As most customers in the affordable segment puts their net worth in this once in a lifetime purchase, customers expect timely delivery and promised quality. This gave the listed, branded and reputed players a big opportunity, and helped gain traction in the regional markets.

Threats & Challenges

Though we believe that we are in a multi-year upcycle, especially in affordable housing, it's always prudent to keep a watch on the threats and challenges which may emerge suddenly. The pandemic has taught us to "expect the unexpected" and be quick to react to any situation. While we are confident of creating and exploiting the opportunities, the following challenges can derail the momentum:



Company overview

Arihant Superstructures Limited (ASL) is one of India's growing real estate developer with a deep rooted presence in the Mumbai MMR and Jodhpur region. Till date ASL promoters have delivered over 60 projects with about 8 million sq. ft. of development across various formats in a cost-effective manner backed by strong execution skill and deep understanding of the consumer expectation. In addition, it has approximately 4.5 million sq. ft. currently under development and further 8.5 million sq. ft. to be developed in future.

The company's operations today span across all the aspects of real estate development, from the identification and acquisition of land, obtaining approvals, to the design, planning, execution and marketing of projects. Mirroring the population matrix of the region, we have established a strong brand image and a successful track record in the MMR and Jodhpur region thanks to our commitment to developing high-quality projects and products that meet the exacting standards and expectations of our customers.

Pioneering the concept of affordable housing in the regions of our presence, we have developed a deep-rooted presence in the attractive real estate markets of MMR and Jodhpur regions backed by our customer centric approach. We believe that our continued engagement with customers, even after the sale of units and delivery of possession, has resulted in further strengthening our brand and customer goodwill. Our customer goodwill and strong brand presence translated into significant customer referrals and

further strengthening of our sales network, resulting in increased sales. With a greater focus on the affordable segment, we seek to create mid-income and mass housing projects that help elevate the life of people.

Our growing presence in this segment is in response to the increasing demand for value-for-money and affordable housing in India and are aimed largely at first-time home buyers. We focus on developing projects that have small to medium unit sizes, largely priced from below ₹ 5,000/- per sq. ft. to ₹ 10,000/- per sq. ft. of saleable area, these come with a complete suite of amenities and facilities, such as swimming pools, clubhouses and multipurpose halls. Our projects may not be in the city centre but are strategically located in the growing regions of the state on the periphery of the city centre. These regions are situated in some of the most developing regions of the state, both economically and infrastructure wise, and are supported by public transportation connectivity and social infrastructure in the catchment. We can offer these projects to our customers within a pre-determined price range, which we have been able to achieve by applying innovative construction techniques and efficient designs that result in both cost and time savings, without sacrificing the quality that the brand represents.

A large and experienced team of engineers, designers, architects and technical specialists coupled with long-term relationship with some of leading architects and town planners, provides ASL with an experience, capability and expertise that has helped ASL stay ahead of competition.

As India policy reforms pick up speed, we believe that the demand for affordable homes would remain strong in the longer term as the country moves from a low-income economy to a mid-income economy. Arihant is a leader in most of the micro markets it operates in. Along with this, the financial performance has been steadily improving, backed by very experienced promoters and a professional team, which has always delivered.

Today, ASL has nearly 51% share in the supply of its projects in the ₹30 lacs – ₹1 crore segment and 58% share in the supply of projects below ₹5,000 per sq. ft. segment in extended suburbs of MMR.


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Awards and recognitions

ASL has been honoured with several awards over the years in recognition of being one of the most trusted builders and real estate developers, and delivering quality apartments to its customers. A few of the awards bestowed upon us in the last year for our contribution to the real estate and construction industry are

 Best Developer for Green Building by CIA World, 2021

 Business Excellence Award by Adsync and Zee Business for Affordable Housing Project of the Year, 2021

 Industry's No. 1 –Promoter Presented by Herald Global Real Estate Development, 2021

Key strategic priorities for ASL moving forward

Build an asset light model

We focus on building an asset light model by regularly entering into JD, JV or DM arrangement in Mid-income segment. We target redevelopment opportunities primarily in the Navi Mumbai region for high-income housing projects, which presents a huge opportunity post implementation of UDCPR. Currently, ~35% of our ongoing projects are being developed on an asset-light model.

Optimize input costs by leveraging our network

Over the years, our procurement & engineering teams have developed an extensive sourcing network through strategic tie-ups with leading manufacturers of the various ancillary industries. This enables us to source our key raw materials of desired quality at a stable price and also helps us in offering our customers competitive price at quality.

Maintain our low-cost land acquisition strategy

When it comes to building our land bank, we follow a policy of acquiring land directly from the landowners and at an outright basis for affordable housing projects. This strategy has helped us to bring down our average cost of land acquisition is less than ₹500/sq. ft.

Build on our in-house capabilities

We are one of the few players to have the required capabilities to execute the end-to-end functionalities of a project with the help of an in-house team. From land acquisition planning to designing to construction management, including quality assurance, is managed in-house at ASL. This helps us execute projects with speed, keep the cost under control and be competitive.

Business segment review

P&L analysis

Particulars	FY21 (₹ in crore)	FY22 (₹ in crore)	Growth (change in %)
Revenue from operations	272.3	332.5	22%
Land development and construction cost	149.2	289.1	94%
Employee Benefits Expense	11.9	16.4	38%
Interest cost	28.1	21.0	-25%
EBITDA	50.2	71.3	42%
PBT	20	48.5	143%
PAT	15.7	41.4	164%
EPS (in ₹)	2.71	10.02	270%

During the year, we completed the development of 328 units and sold 1,628 units. We sold 1.38 million sq. ft. at an average realization of ~₹5,500 per sq. ft with a total sales value ₹764 crore.

Our revenues for the year stood at ₹332.5 crore compared to ₹272.3 crore in FY21, an increase of 22%. Growth in revenue was largely driven by high demand for affordable housing in the regions of our presence. We recorded a 91% growth in units sold in FY22 and 59% growth in area sold in FY22.

Construction and development costs increased during the year substantially as we scaled up construction activities and commenced new towers/phases in the existing projects. Our construction and development cost for the year stood at ₹289.1 crore compared to ₹149.2 crore in FY21, an increase of 94%, indicating high traction on construction sites.

Employee benefit expenses increased 38% from ₹11.9 crore in FY21 to ₹16.4 crore in FY22. This increase was on account of increments and an increase in the number of employees to support future growth.

Our EBITDA in FY22 stood at ₹71.3 crore compared to ₹50.2 crore in FY21, an increase of 42%. EBITDA margins increased by 300 basis points (bps) from 18.4% in FY21 to 21.4% in current year under review. Increase in EBITDA margin was on account of higher realisations from the units sold. Profit After Tax (PAT) increased from ₹15.7 crore in FY21 to ₹41.4 crore in FY22. PAT was reflective of the EBITDA trend and was also because of the reduced interest cost.

Key financial ratios

Ratios	FY21	FY22	Reason for change
Trade Receivables Turnover Ratio	8.84	7.71	Reduction in Trade Receivable Turnover ratio is due to increase in average trade receivable as compared to last year
Inventory Turnover Ratio	2.30	5.21	Improvement in Inventory Turnover ratio is due to reduction in average finished inventory as compared to the previous year
Debt Service Coverage Ratio	0.17	0.24	Improvement in DSCR is due to an increase in profit before tax as compared to last year
Current Ratio	2.31	1.68	Reduction in the Current Ratio is due to an increase in current liabilities.
Debt-Equity Ratio	1.66	1.68	Increase in the debt ratio is due to increase in debt as compared to previous year
Return on Equity Ratio	0.10	0.23	Improvement in Return on equity is due to an increase in profit after tax as compared to last year
Net Profit Ratio	0.06	0.12	Improvement in Net Profit ratio is due to a drastic increase in profit after tax as compared to previous year
Return on Capital Employed	0.10	0.15	Improvement in Return on Capital Employed ratio is due to an increase in profit before finance cost & tax as compared to the previous year

Analysis of Balance Sheet

Particulars	FY21 (₹ in crore)	FY22 (₹ in crore)	Growth (change in %)
Total equity	163.3	203	24%
Long-term borrowings	249.9	175.2	-30%
Short-term borrowings	45.6	124.1	172%
Total non-current assets	52.2	54.9	5%
Trade receivables	26.0	59.8	130%
Advances from Customers	170.1	277.0	63%
Cash and cash equivalents	12.0	14.7	23%
Land	199.8	219.5	10%

As on March 31st March, 2022, the Company's Equity Capital stood at ₹203 crores compared to ₹163 crores as of 31st March, 2021. This is because of a 41% increase in reserves and surplus during the year.

Total borrowings of ASL as of 31st March, 2022 stood at ₹299.3 crores vis-à-vis ₹295.5 crores as on 31st March, 2021.

Advances from Customers rose 63% to ₹277.0 crores as of 31st March, 2022 signifying higher collection efficiency.

Our land asset as of 31st March, 2022 stood at ₹219.5 crore vis-à-vis ₹199.8 crore as on 31st March, 2021, an increase of 10%.

Our ESG focus

We are conscious of our environmental impact and are committed to working responsibly towards our ESG focus. Over the years, we have consistently adopted various initiatives which helped us in minimizing our environmental footprint by prudent use of resources such as fuel, electricity, water, and raw materials. ASL engages in sustainable development of the environment, society, and governance.

Environment

- As a part of our green initiative, we have installed sewage treatment plants, rain-water harvesting facilities, and solar power & heating facilities across our projects.
- We use aerated autoclave blocks across our projects, having lower embodied energy and much higher insulation value.
- We focus on using environment friendly products, such as energy efficient lighting system and low VOC paints & adhesives, to minimise environmental impact.

Social

- Besides executing projects responsibly, we have invested in education, environment sustainability, economic empowerment, rural development, health care and sanitation.
- We focus on social development by undertaking rural development projects, rural infrastructure and livelihood enhancing projects.
- We strongly believe in giving back to the society by doing our part. We focused on social development by promoting education in the regions of our presence. Education involves special education and employment enhancing vocation skills.
- We engage in disaster management by involving in relief, rehabilitation and reconstruction activities.

Governance

- We believe that good governance contributes to value creation in the short, medium and long term and retains the trust and confidence of the Company's stakeholders.
- Backed by an experienced management team, the Board has inculcated a culture of accountability, transparency, and integrity in its working.
- Our Board comprises 4 Non-Executive and Independent Members, out of the total 6-member board.
- The Company has adopted governance framework in accordance with the applicable SEBI regulations.

Risk management

Given the nature of our business, we are often exposed to various risks owing to the changing marketing dynamics and volatile external environment. Risk management at our company has enabled us to protect and enhance value, and is designed to deliver upon its short- and long-term objectives. A consistent and comprehensive risk management process has helped prepare an organisation better for future eventuality.

Here are some of the key risks and mitigation strategies adopted by the company:

Risk type	Risk impact	Mitigation measures
Industry risk Slump in the real estate market may lead to a significant decline in property prices	<ul style="list-style-type: none"> Reduction property prices Impact on demand for properties 	<ul style="list-style-type: none"> Affordable housing segment has been an area of focus for the government and is one of the most dynamic sectors in the Indian real estate industry The affordable segment is expected to see demand of 40 million units We have a firm presence in the affordable housing segment and over 60% of our project are in this segment Vast majority of our affordable segment projects are in the range of below \$5000 per sq. ft to 10,000 per sq. ft. Flexibility in pricing has enabled the Company to mitigate price risk Low land acquisition costs and integrated process enables us to have better control on cost
Economy risk Slump in the economic growth may result in slowdown across industries	<ul style="list-style-type: none"> Reduced sales owing to low purchasing power Lower demand for big ticket investments 	<ul style="list-style-type: none"> Despite the covid, India is still one of the fastest growing economies in the world India is expected to clock more than 7% GDP growth in FY23
Policy risk Declining affordability because of an increase in loan interest rates, withdrawal of tax benefits and decrease in availability of home loans	Decreased demand for properties	<ul style="list-style-type: none"> Backed by adequate policy support from the government, the Indian residential real estate industry is currently in its upcycle period House loan interest rates are at record low
Geography risk Multiple projects in one area or projects in areas with timid demand may affect the performance of the company	<ul style="list-style-type: none"> Reduced sales Decline in profitability 	<ul style="list-style-type: none"> The Company has project presence in some of the growing micro markets The Company follows the population matrix of the region to develop project, ensuring steady demand for the homes across different income groups
Cost escalation risk In ability to control cost may lead to loss of reputation and customer	Project cost exceeding the planned cost may lead to higher per sq. ft. cost and reduced sales	<ul style="list-style-type: none"> Strong procurement team to efficiently source raw material at competitive price Developed a network vendor providing raw material at various price points and of desired quality Use ASL's brand image for attracting good vendors Enter into long-term contracts or project-based contracts with the vendors to mitigate price rise

Risk type	Risk impact	Mitigation measures
Land acquisition risk Unavailability or shortage of suitable land parcels, required for development, may lead to escalation in land prices.	May lead to a decrease in profitability. Further, a drop in the land prices may erode the book value carrying cost of land.	<ul style="list-style-type: none"> Our land acquisition strategy focuses on acquiring agricultural land and directly from the land owners to keep our acquisition costs low. Further, we venture into lesser exploited territories to acquire land.
Contract labour risk Shortage of skilled manpower could result in the delay project completion.	May result in an increased project cost.	<ul style="list-style-type: none"> To decrease our dependence on human labour we enhanced the usage specialized machine equipment's. We have supply of labour outsourced to different sub-contractors, therefore we don't have excessive dependence on any one contractor. Further, our dedicated planning and execution team enters into contracts with the contractors with penalty clauses for delay in agreements with contractors. We also have an in-house team of skilled labour to help mitigate the shortage.
Input costs risk Fluctuating raw material cost is a risk inherent to the real estate industry.	<p>Increase in construction costs (raw-materials), repair and maintenance costs, sub-contracted service costs</p> <p>and labour costs may lead to higher operating expenses. Increased operating expenses may affect profit margins as</p> <p>the prices of properties sold cannot be altered. Correspondingly, if the selling price of unsold properties rises, sales and demand may get adversely impacted.</p>	<ul style="list-style-type: none"> We create a master vendor list based on product quality and price and source raw materials from them on a long-term basis Have contracts multiple vendors with approved products We emphasize on using branded materials to attract vendors with a credible track record We enter into long-term and full project contracts with our vendors to mitigate the cost fluctuations and to ensure uninterrupted delivery
Competition risk In ability to compete with other players in the market.	Lower demand for the developed projects may negatively impact the revenue of the company. Also competition may force to reduce margins as the flats may be sold at lesser price.	<ul style="list-style-type: none"> Experienced, trained, and skillful of sales team. Enhanced channel partner engagement to connect with customers. Planned marketing and branding initiatives across different media platform. Enhanced our digital marketing initiatives to connect with the new age customers Track the schemes introduced by competitors, better the competitor schemes with innovative offerings.

Risk type	Risk impact	Mitigation measures
Environment risk	Any delay in approval from the environment committee would result in hampering the launch of the project	<ul style="list-style-type: none"> Improve relationship with the government departments Associate with the government ministry at platforms Use Industry associations platform to raise appropriate concerns and resolve issues
Funding Risk Inability to provide for the funding required for smooth operation of the business	Tightening of liquidity in the market may result in issues in funding. Issues in funding may delay payments to vendors, which may impact day-to-day operations of the projects.	<ul style="list-style-type: none"> We have ensured that we maintain a good relationship with our bankers & financiers, resulting in steady availability of finance and at low cost. Further, we adopted a strategy of construction linked payment with the customer with maximum payment for finishes ensures self-financing of the project and non-diversion of funds.
Government Regulation Risk Change in government regulations may lead to delay or stalling of projects	New regulations may slow down approvals and impact approvals, resulting in cost escalation	<ul style="list-style-type: none"> Anticipate the impact and prepare for the contingencies Adopt the policies in advance for new regulations
Product Selection Risk	Any mismatch in gazing the demand of the product may result in no buyers or less response to the project launched	<ul style="list-style-type: none"> We undertake detailed market research, project feasibility study, demand analysis before commencing a project
Receivable Risk Not receiving the receivables in due time	A decline in the economy or the salaries of the people can have a negative impact on the receivables from the customers	<ul style="list-style-type: none"> Maximise sales via home loans and various schemes Book sales of customers who have a steady source of income or who are backed by proper finance facilities Have a team in place to keep in regular touch with the client and help them with advance reminders via letters, SMS & call
Natural Disaster Risk Loss due to natural calamities	Natural calamities may result in financial loss or may emerge as a roadblock to complete the project on schedule	<ul style="list-style-type: none"> Appropriate insurance policies are undertaken to safeguard from the loss arising out of natural calamities Our projects are planned and executed in a phased manner. Hence, helps us with a better control in terms of limited selling and developing With a pre-launch strategy, we get at least 15% booking amount and it helps us take care of the initial construction cost Strategy of collection of major amounts from customers only when a project building structure is ready ensures self-financing and completion of project

Risk type	Risk impact	Mitigation measures
Price risk Slump in the real estate market / significant decline in property prices	Decline in property prices may lead to decline in profitability	<ul style="list-style-type: none"> Land acquired at historically low prices, which have helped us reduce cost and don't hurt even in recession Arihant has 60% of its portfolio in the 'Affordable housing' segment of ₹3,000 to ₹5,000 per sq ft, 37% of portfolio falls in the MIG housing from ₹5,000 to ₹8,000 per sq ft. Achieved economies-of-scale due to in-house integrated capabilities which ensures low cost of construction & minimizes overhead costs. Working in phase wise on a project gives flexibility to start / stop of the project
Acquisition Risk Compulsory land acquisition by government owing to development of infrastructure projects	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 Take required NOC's from government prior to purchase of land Project commenced only after receipt of sanctions from the relevant authorities
Land Bank Risk 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.	May affect sustainability and stem business growth	<ul style="list-style-type: none"> Arihant brand, has ensured land owners prefer dealing with Arihant JV / Development model being received from land owners We currently have more than 2.6 million sq. ft. of area under development

Human Resources

At ASL, our employees across our projects are core towards delivering on our shared mission, vision and growth of the

organization. ASL's unique caring culture has a combined focus on customer experience where listening and empathy are emphasized, with employee experience where people express themselves to find meaning and feel fulfilled, which results in achievement outcomes where ownership, meritocracy, & excellence are our guiding stars.

All employees play vital roles in delivering quality residential projects for our customers. Our diverse and integrated teams are the core factors which helped in sustained success of the company. We are an equal opportunity employer & strive to build diverse teams. ASL drives a high-performance culture through continuous learning & development interventions focused on organizational wide capability building and professional growth for our people.

We believe that a self-motivated workforce is a well-functioning workforce. The company appraises the performance of individual employees and provides recognition & rewards to outstanding performers. This has helped us build a productive work culture and has aided the company in achieving its growth targets. As of March 31, 2022, the Company and its subsidiaries has workforce strength of 265 across various functions.

Internal control systems and their adequacy

The Management has laid down internal financial controls to be followed by the Company. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the 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 disclosures.

The internal control system is commensurate with the nature of business, size and complexity of operations and has been designed to provide reasonable assurance on the achievement of objectives, effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The internal control framework is supplemented with an internal audit program that provides an independent view of the efficacy and effectiveness of the process and control environment and supports a continuous improvement program.

The Company has put in place function wise Standard Operating Procedures (SOPs) to help better manage project. It has in place internal controls covering all fields across all financial and operating functions. Further, the Company appointed independent auditors to 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 the audit backed by a well thought out implementation plan are recommended or 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

Certain statements in the Management Discussion and Analysis section concerning future prospects may be forward-looking statements which involve several underlying identified / non-identified risks and uncertainties that could cause actual results

to differ materially. Besides the foregoing changes in the macro-environment, a global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether because of new information, future events, or otherwise.

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 materialize, 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.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **Thirty Ninth (39th) Annual General Meeting** of Arihant Superstructures Limited ('the Company') will be held through **Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")**, on **Tuesday, 20th, September, 2022 at 10.00 AM IST** to transact the following business. The Registered Office of the Company shall be the deemed venue for the AGM:

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, 2022, 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: Continuation of term of Mr. Virendra Kumar Mital (DIN: 00376830) as an Independent Director of the Company:

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

"RESOLVED THAT, pursuant to the recommendation of the Nomination & Remuneration Committee and Board of Directors and pursuant to the provisions of Section 149, 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 Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018 ("Amendment Regulations, 2018") and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") (including any statutory modification (s) or re-enactment thereof for the time being in force), the consent of the shareholders of the Company be and is hereby accorded for continuation of Mr. Virendra Kumar Mital (DIN: 00376830) as an Independent Director of the Company, beyond the age of 75 years, till the completion of his current term, upto 22nd May 2023 on the existing terms and conditions."

RESOLVED FURTHER THAT, the Board of Directors and Company Secretary of the Company be and is hereby authorized to do all

such necessary acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

Item No. 04: Re-appointment of Mr. Raj Narain Bhardwaj (DIN: 01571764) as an Independent Director of the Company for a second term of five consecutive years:

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

"RESOLVED THAT, pursuant to the recommendation of the Nomination & Remuneration Committee and Board of Directors and pursuant to the provisions of Section 149, 150, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013, 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 Regulation 17(1A) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") (including any statutory modification (s) or re-enactment thereof for the time being in force), the consent of the Shareholders of the Company be and is hereby accorded for the re-appointment of Mr. Raj Narain Bhardwaj (DIN: 01571764), as an Independent Director of the Company not liable to retire by rotation for the second term for a period of 5 (Five) consecutive years with effect from August 13, 2022."

RESOLVED FURTHER THAT, the Board of Directors and Company Secretary of the Company be and is hereby authorized to do all such necessary acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

Item No. 05: 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 provisions of Sections 23, 42, 62 and 71 and other applicable provisions, if any, of the Companies Act 2013, and the applicable rules framed thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), including any amendment(s) or statutory modification(s) or re-enactment(s) thereof for the time being in force ("**Companies Act**") read with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, as amended from time to time ("**SEBI Listing Regulations**"), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the provisions of the Foreign Exchange Management Act, 1999 and the regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 or the Depository Receipt Scheme, 2014 as amended from time to time ("**FEMA Regulations**") and such other statutes, notifications, clarifications, circulars, rules, regulations, as may be applicable and relevant or guidelines promulgated or issued from time to time by the Ministry of Finance, Ministry of Corporate Affairs ("**MCA**"), 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**"), Registrar of Companies, Mumbai ("**RoC**") and any other appropriate authorities, institutions or bodies in India or abroad, 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, required from the GOI, RBI, RERA, MCA, SEBI, ROC, Stock Exchanges and any other appropriate authorities, institutions or bodies in India or abroad, as may be necessary and in supercession of any previous resolutions passed in this regard, and subject to such terms, conditions or modifications as may be prescribed or imposed by any of them while granting any such approval, consent, permission, and/or sanction, which may be agreed to/accepted by the Board of Directors (hereinafter referred to as the "**Board**" which term shall deem 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 Company 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. 500 Crores (Rupees Five 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 one or more of the permissible modes including but not limited to preferential issue, private placement and Qualified Institutional Placement ("**QIP**"), Follow on Public Offer ("FPO") 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 as may be mentioned in the prospectus and/or offer document and/or placement document and/or private placement offer letter (along with the application form) and/ or such other documents/ writings/ circulars/ memoranda to be issued by the Company in respect of the proposed issue, as permitted under applicable laws and regulations, in such manner, 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 ICDR Regulations ("QIBs") including resident and/or Non-resident/foreign investors (whether institutions and/or incorporated bodies and/or trusts or otherwise), Foreign Portfolio Investors ("**FPI's**"), 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 Company as per extant regulations/guidelines or any combination of the above (whether or not such investors are Members of the Company, to all or any of them, jointly and/ or severally), 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 book running lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed by the Company and the terms of the issuance as may be permitted by SEBI, the Stock Exchanges, RBI, MCA, GOI, ROC, RERA or any other concerned governmental/statutory/regulatory authority in India or abroad, together with any amendments and modifications thereto, 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 ("**Issue**"),

RESOLVED FURTHER THAT, in the event the Issue is undertaken by way of a QIP, following provisions of the SEBI ICDR Regulations shall apply:

- (I) The allotment of Securities shall only be made to Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI ICDR Regulations (**"QIB's"**);
- (II) The allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution or such other time as may be allowed under the Companies Act, 2013 and/or SEBI ICDR Regulations, from time to time;
- (III) The **"relevant date"** for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised committee decides to open the proposed QIP or in case of issuance of convertible securities, the date of the meeting in which the Board or a duly authorized committee of the Board decides to open the issue of the convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares as provided under the SEBI ICDR Regulations.
- (IV) No single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations. It is clarified that QIBs belonging to the same group or who are under same control shall be deemed to be a single allottee;
- (V) The Securities (excluding warrants) shall be allotted on fully paid-up basis;
- (VI) The Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time;
- (VII) The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at the meeting of the Shareholders.

RESOLVED FURTHER THAT, in case the Issue is made pursuant to QIP, it shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Regulation 176(1) of the SEBI ICDR Regulations (**"Floor Price"**), and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, as may be applicable. However, pursuant to the proviso under Regulation 176(1) of SEBI ICDR Regulations, the Board, at its absolute discretion, may offer a discount, of not more than 5% or such other percentage as may be permitted under applicable law on the Floor Price.

RESOLVED FURTHER 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.

RESOLVED FURTHER THAT, in pursuance of the aforesaid resolution, the Securities to be created, offered, issued, and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company, as updated and the Equity Shares may be created, offered, issued and allotted under the Issue or allotted upon conversion of the equity linked instruments issued by the Company shall rank pari-passu with the existing Equity Shares of the Company in all respects including dividend with the existing Equity Shares of the Company.

RESOLVED FURTHER 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.

RESOLVED FURTHER THAT, the issue and allotment of securities, if any, made to NRIs, FPIs and/or other eligible foreign investors pursuant to this resolution shall be subject to the approval of the RBI under the Foreign Exchange Management Act, 1999 as may be applicable but within the overall limits as set forth thereunder.

RESOLVED FURTHER THAT, the approval of the Members of the Company be and is hereby accorded to issue and allot such number of Equity Shares as may be required to be issued and allotted under the Issue or to be allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the Issue.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded to open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions

including closure thereof as may be required and deemed appropriate by the Board.

RESOLVED FURTHER 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 of 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, the date of opening and closing of the Issue, 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 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, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/or authorities as required from time to time, finalize utilisation of the proceeds of the Issue, give instructions or directions and/or settle all questions, difficulties or doubts that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the Stock Exchanges, the MCA, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the Issue and as the Board 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 Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to engage/appoint the Book Running 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, costs, charges 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.

RESOLVED FURTHER 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 them by or under this Resolution to any Director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as it may consider appropriate in order to give effect to this Resolution, Exchanges, the MCA, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the Issue and as the Board 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 Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

Item No. 06: To approve the proposed Material Related Party Transactions for the Year 2022-23:

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

"RESOLVED THAT, pursuant to the Regulation 2(zb), 2(zc) and 23(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and provisions of Section 184, 185, 186, 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 for the Material Related Party Transactions proposed to be entered in the Financial year 2022-23 as per details as set out under Item no. 06 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.

RESOLVED FURTHER 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.”

Item No. 07: Appointment of Mr. Parth Chhajjer (DIN: 06646333) as a Whole Time Director of the Company.

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

“**RESOLVED THAT**, pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions thereof including any statutory modification or re-enactment thereto and applicable clauses of the Articles of Association of the Company and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, and pursuant to the approval of the Nomination and Remuneration Committee and the Audit Committee, the approval of the Shareholders be and is hereby accorded for the appointment of **Mr. Parth Chhajjer** (DIN: 06646333), (hereinafter referred to as “the appointee”) as a Whole-time Director liable to retire by rotation with effect from July 23, 2022, for the tenure of 5 (five) years on such terms and condition as stated in the Explanatory Statement.”

RESOLVED FURTHER THAT, in terms of the provisions of Section 197, 198 read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and the SEBI (LODR) Regulations, 2015, the remuneration payable to Mr. Parth Chhajjer, as a Whole-time Director shall be Rs. 35,00,000/- (Rupees Thirty Five Lakhs only) per annum, with the power to the Board of Directors to further revise the remuneration, within the permissible limits as under the relevant provisions of the Companies Act, 2013, in line with the Nomination and Remuneration Policy of the Company.”

RESOLVED FURTHER THAT, subject to the provisions of Section 197 of the Companies Act, 2013 as amended from time and time, in the event of loss or inadequacy of profits in any financial year, the minimum remuneration payable to Mr. Parth Chhajjer (DIN: 06646333), shall be as set out in this resolution, subject to the applicable provisions of Section II, Part II of Schedule V to the Companies Act, 2013.”

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, and any other provisions thereof, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), i.e., the salary, perquisites, allowances, etc. within such prescribed limit or ceiling, and the terms and conditions of the said appointment as agreed to between the Board and Mr. Parth Chhajjer be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.”

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms/documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution and any amendments thereof.”

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

**Place: Navi Mumbai
Date: 23rd July, 2022.**

**Ashokkumar Chhajjer
Chairman & Managing Director
DIN: 01965094**

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:

- 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 dated April 13, 2020, Circular No.22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020, circular No.02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022, (collectively referred to as “MCA Circulars”) 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. 18** below and is also available on the website of the Company at www.asl.net.in .
- 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.
- (I) 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. 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.
(II) The Members can join the 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 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 AGM without restriction on account of first come first served basis.

- The attendance of 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.
- 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), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com, NSE India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- The Company’s Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is Adroit Corporate Services Pvt. Ltd. (hereinafter referred to as “Company’s Registrar and Transfer Agent”) 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059.
- The Register of Members and Share Transfer Books (“hereinafter referred to as Book Closure”) of the Company will be closed, from 14th September 2022 to 20th September 2022 (both days inclusive) for the purpose of holding Annual General Meeting.
- Authorized Representative to send the authority letter for attending the Annual General Meeting (AGM) to the Company and Scrutinizer.

7. In accordance with, the above mentioned circulars as issued by MCA and 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).
8. Members holding Shares in Dematerialized form are requested to intimate all changes pertaining to their Bank details such as Bank account number, name of the Bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent, to provide efficient and better services. Members holding Shares in Physical form are requested to intimate such changes to Company's Registrars and Transfer Agent.
9. Members holding Shares in Physical form are requested to consider converting their holdings to Dematerialized form to eliminate all risks associated with Physical Shares and for ease of Portfolio Management. Members can contact the Company or Company's Registrars and Transfer Agent for assistance in this regard.
10. Members holding Shares in Physical form, in identical order of names, in more than one folio are requested to send to the Company or Company's Registrar and Transfer Agent the details of such folios together with the Share Certificates for consolidating their holdings in one folio. A consolidated Share Certificate will be issued to such Members after making requisite changes.
11. In case of joint holders attending the Annual General Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
12. Members seeking any information with regard to the accounts are requested to write to the Company at an early date (i.e. not later than 7 days before Annual General Meeting), so as to enable the Management to keep the information ready at the Annual General Meeting.

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

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

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

Pursuant to Sections 123, 124 and 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed/unpaid Dividend, Application money, Debenture interest and interest on Deposits as well as the principal amount of Debentures and Deposits, as applicable, remaining unclaimed/unpaid for a period of Seven Years from the date they became due for payment, in relation to the Company, Arihant Superstructures Limited have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amount so transferred prior to March 31, 2022, 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 2015-16 and onwards are requested to make their claims without any delay to Company's Registrar 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 amount lying with the Company on the website of the Company under the 'Investors' Relation Section and 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 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
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>.

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

17. The Notice of AGM along with Annual Report for the financial year 2021-22, 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.

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. **13th September 2022**, 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. 13th September 2022 may follow steps as mentioned under "Procedure for Joining the AGM through VC/OAVM".

18. PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

A. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

i) The remote e-voting period begins on Friday, 16th September 2022 (9:00 a.m. IST) and ends Monday, 19th September 2022 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 13th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 13th September, 2022.

ii) The EVEN number of the Company for the purpose of e-voting is 121019.

iii) The Board has appointed CS Rachana Shanbhag as the Scrutiniser to scrutinize the e-voting at the AGM and remote e-voting process.

iv) How do I vote electronically using NSDL e-Voting system?





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.	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.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. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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 (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. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>
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.

Type of shareholders	Login Method
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 Meeting on NSDL e-Voting system.

How to cast your vote electronically and join 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 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.

General Guidelines for shareholders

1. 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 rhs@csdakamat.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "e-Voting" tab in their login.
2. 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.
3. 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 1020 990 and 1800 22 44 30 or send a request to Mr. Sanjeev Yadav at evoting@nsdl.co.in

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:

1. 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 evoting@nsdl.co.in and cs@asl.net.in
2. 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 evoting@nsdl.co.in and cs@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.**
3. 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.
4. 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.

B. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

C. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the 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 meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join 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 cs@asl.net.in. The same will be replied by the company suitably
6. Members who would attend the AGM through VC/OAVM and 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, demat account number/folio number, email id, mobile number at cs@asl.net.in by 13th September, 2022 (5:00 p.m. IST). The 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.

19. Other Instructions:

- i. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- ii. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.asl.net.in and on the website of NSDL <https://www.evoting.nsdl.com> immediately.

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

**Ashokkumar Chhajjer
Chairman & Managing Director
DIN: 01965094**

**Place: Navi Mumbai
Date: 23rd July, 2022.**

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

**EXPLANATORY STATEMENT TO THE ANNUAL GENERAL MEETING NOTICE
(Under Section 102 of Companies Act, 2013)**

Item No. 03:

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Mr. Virendra Kumar Mital (DIN: 00376830) who was appointed as an Independent Director of the Company with effect from 23rd May 2018 for a period of five years by way of special resolution shall attain the age of 75 years on 29th April 2023. In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Nomination and Remuneration Committee discussed the matter and recommended the continuation of Directorship of the above mentioned Independent Director for the remaining period of their term until 22nd May 2023. Mr. Virendra Kumar Mital (DIN: 00376830) has vast experience in execution of Hotels, Residential, Commercial and Industrial Projects and considering his qualifications & expertise; the Board of Directors is of the opinion that the continuation of Mr. Virendra Kumar Mital (DIN: 00376830) as an Independent Director and his contributions and guidance will greatly benefit the Company. The said appointment is in line with the Nomination and Remuneration Policy of the Company. The brief profile of Mr. Virendra Kumar Mital (DIN: 00376830) along with the other disclosures required under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standards is attached as a Note to this Explanatory Statement. Members are requested to please refer to the same. No revision in the terms and conditions or tenure of the Independent Director is proposed along with the resolution. All other terms and conditions of his current appointment shall continue to remain the same.

The Board of Directors recommends the resolution for the continuation of Mr. Virendra Kumar Mital (DIN: 00376830) as an Independent Director for the period as mentioned above for approval of the shareholders as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution, except Mr. Virendra Kumar Mital (DIN: 00376830).

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:

Mr. Raj Narain Bhardwaj was appointed as Additional Independent Director of the Company with effect from 12th August 2017 for a term of 5 years with effect from 12th August, 2017. The said appointment was approved by the members at the 34th Annual General Meeting of the Company held on September 30th, 2017. Pursuant to same, the tenure of Mr. Raj Narain Bhardwaj shall come to an end on 12th August 2022.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on 6th May 2022 has appointed Mr. Raj Narain Bhardwaj as an Additional Independent Director for a further period of 5 years with effect from 13th August 2022. The said appointment is in line with the Nomination & Remuneration Policy of the Company.

Mr. Raj Narain Bhardwaj possesses the requisite knowledge and vast experience in Capital Markets and Insurance and hence considering his qualifications & expertise; it is recommended for the appointment of Mr. Raj Narain Bhardwaj as an Independent Director of the Company for a second term of 5 (Five) years. The Nomination and Remuneration Committee and the Board of Directors is of the opinion that the appointment of Mr. Raj Narain Bhardwaj for a second term shall be beneficial to the interests of the company and its stakeholders.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

In view of the same, the Board of Directors have recommended the appointment of Mr. Raj Narain Bhardwaj, as an Independent Director of the Company who has completed his 75 years of age on May 8th, 2020. Such appointment is proposed to be undertaken for a period of 5 years with effect from 13th August 2022.

The Board of Directors recommends resolution for the appointment of Mr. Raj Narain Bhardwaj (DIN: 01571764) as an Independent Director for a term of 5 (five) years as mentioned above for approval of the shareholders as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution, except Mr. Raj Narain Bhardwaj (DIN: 01571764).

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. 05:

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 Extra-Ordinary General Meeting held on 02nd November, 2021 for raising capital through issue of securities not exceeding Rs. 500 Crores.

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 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 an enabling resolution is valid for a period of 12 months from the date of passing of Resolution. Accordingly, the validity of the resolution shall cease on 1st November 2022.

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, general corporate purposes' repayment of existing indebtedness of the Company, expansion of the existing business of the Company and investment in its subsidiaries.

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. 500 Crores (Rupees Five 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.

Further, in terms of the resolution passed in the Extra-Ordinary General Meeting held on 2nd November 2021, the Company has allotted 45,00,000 (Forty-Five Lacs) Senior, Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures of face value

Rs. 100/- each, amounting to INR 45,00,00,000 (Rupees Forty-Five Crores) to Indian Real Estate Investment Fund on a private placement basis as a part of its fund raising process.

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. 06:

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 2022-23 which are of value exceeding Rs. 1000 crores or 10% of the Annual Consolidated Turnover of the Company, whichever is lower. In terms of the provisions of the SEBI (LODR) Regulations, 2015, as amended from time to time, any related party transaction or arrangement which exceeds 10% of the Annual Consolidated Turnover or Rs. 1000 Crores, whichever is lower, requires the prior approval of the members in a General Meeting.

Further, in terms of the provisions of Section 185 of the Companies Act, 2013, any issue of loan or providing guarantee or security on a loan obtained by a subsidiary company, shall require the approval of the members by means of a Special Resolution.

The details of the related party transactions along with the necessary disclosures are provided 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 3rd parties	The agreements for sale, purchase or supply shall be at the same rate at which it is provided to unrelated parties	100	Mentioned in Attached Table A below
2	Selling or otherwise disposing of, or buying of property	Market Price as applicable to 3rd parties	The agreements for sale, purchase or supply shall be at the same rate at which it is provided to unrelated parties	500	Mentioned in Attached Table A below
3	Leasing of property	Market Price as applicable to 3rd parties	The agreements for leasing shall be at the prevalent market rates	100	Mentioned in Attached Table A below
4	Availing or rendering of any services	Market Price as applicable to 3rd parties	The agreements for availing or rendering services shall be at the same rate at which it is provided to unrelated parties	100	Mentioned in Attached Table A below
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.	300	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 3rd 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	300	Mr. Ashok Chhajer, Mrs. Sangeeta Chhajer (Chairman & Managing Director/ Promoter/ KMP)
Total				1400	

Table 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	Amoghvarsh Houses Pvt. Ltd. (earlier known as Arihant Technoinfra Pvt Ltd)	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	Ashokkumar 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 (includes step-father)
- II. Mother (includes step-mother)
- III. Son (includes step-son)
- IV. Son's Wife
- V. Daughter
- VI. Daughter's Husband
- VII. Brother (includes the step-brother)
- VIII. Sister (includes the step-sister)

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 Rupees 1000 Crores or 10% of the Annual Consolidated Turnover of the Company as per the last Audited Financial Statement of the Company, whichever is lower.

Further a transaction involving payments made to a related party with respect to brand usage or royalty shall also be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements 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 Rupees 1000 Crores or 10% of Annual Consolidated Turnover on the basis of their last Audited Financial Statements, whichever is lower, 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. The list of related party transactions undertaken by the Company in the previous financial year form a part of the Annual Report for the reference of the members.

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

Except Mr. Ashokkumar 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 Board of Director recommends the resolution for approval of members as Special Resolution.

Item No. 7:

The Board in it's meeting dated 23rd July 2022 had appointed Mr. Parth Chhajer (DIN: 06646333) as an Additional Whole Time Director of the Company in accordance with the applicable provisions of the Companies Act, 2013, read with the Articles of Association of the Company.

The Nomination & Remuneration Committee and Board of Directors has reviewed and recommended the appointment of Mr. Parth Chhajer (DIN: 06646333) as a Whole-time Director of the Company, liable to retire by rotation, for the term of 5 (five) years on such terms and condition as the Board may determine from time to time.

The proposed appointment of Mr. Parth Chhajer is in line with the Nomination & Remuneration Policy of the company. The Company has received a Notice U/s 160 proposing the appointment of Mr. Parth Chhajer as a Whole-time Director of the Company.

The remuneration of Mr. Parth Chhajer is proposed at Rs. 35,00,000/- (Rupees Thirty Five Lakhs) per annum with effect from 23rd July 2022 which may be beyond the permissible limits as under the relevant provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereof and notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018. In the event of loss or inadequacy of profits, Mr. Parth Chhajer shall be paid Rs. 35,00,000/- as the minimum remuneration, in terms of the provisions of the Companies Act, 2013.

This information forms a part of the Notice and Explanatory Statement for the 39th Annual General Meeting: Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by ICSI:

Name	Mr. Virendra Kumar Mital (DIN: 00376830)	Mr. Nimish Shah (DIN: 03036904)
Age	74	45
Qualification	Mr. Virendra Kumar Mital holds a bachelor's degree in Civil Engineering from IIT Delhi. He is a Chartered Engihneer and a Fellow of the Institution of Engineers (India).	Mr. Nimish Shah is a B. E. (Civil) from University of Bombay.
Experience	He has rich experience in execution of Hotels, Residential, Commercial and Industrial Projects. He has executed prestigious projects all over India and abroad. He has worked in ITC Ltd, The Leela Ventures, Ansal Properties & Industries, Renusagar Power Company, Mukand Ltd and others. His rich experience shall be a great asset to the organisation	Having more than 19 years of experience in construction and related activities. He is actively involved in all the activities of engineering includes detailed Planning and Execution, Project Estimations, Infrastructure and Site organization of the projects. He was Involved in several turnkey projects of Water supply and Sewerage Scheme for Govt. of Maharashtra and successfully commissioned them.
No. of Shares held	410	0

Further, by virtue of being the Whole-time Director (Key Managerial Personnel), his appointment shall be subject to the provisions of Section 203 of the Companies Act, 2013.

Mr. Parth Chhajer (DIN: 06646333) is not disqualified from being appointed as a Whole Time Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director of the Company. Further, Mr. Parth Chhajer has confirmed his eligibility for being appointed as the Whole Time Director of the Company in terms of Schedule V to the Act.

The Board is of the view that the appointment of Mr. Parth Chhajer (DIN: 06646333) as a Whole Time Director is desirable and would be beneficial to the Company and hence it recommends the said agenda for approval by the Members of the Company as a Special Resolution.

Except Mr. Parth Chhajer, Mr. Ashokkumar Chhajer and their 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 a Special resolution.

Name	Mr. Virendra Kumar Mital (DIN: 00376830)	Mr. Nimish Shah (DIN: 03036904)
Terms & Conditions	Terms and conditions of his appointment shall remain the same as per his existing tenure.	The appointment of Mr. Nimish Shah was approved by the Shareholders in the AGM held on September 11, 2020 for a period of Five Years as Whole-Time Executive Director of the Company. He is liable to retire by rotation. His remuneration is subject to approval on an annual basis.
Remuneration Last Drawn	NA	₹54,22,000/-
Remuneration sought to be paid	NA	₹61,00,000/-
Number of Board Meetings attended during the Financial Year 2021-22	5	4
First Date of Appointment	12th August 2011	April 13, 2010
Date of Appointment in current terms	23rd May 2018	April 13, 2020
Relationship with other Directors/ Manager/ Key Managerial Personnel	NIL	NIL
Directorships held in other Companies in India	1. Arihant Aashiyana Private Limited. 2. Arihant Gruhnirman Private Limited. 3. Arihant Vatika Realty Private Limited	NIL
Membership on the Committee Board of other Companies	NIL	NIL

Name	Mr. Raj Narain Bhardwaj (DIN: 01571764)	Mr. Parth Chhajer (DIN: 06646333)
Age	78	27
Qualification	Mr. Bhardwaj did his Graduation in B.A. (Hons.), and Post-Graduation in M.A. (Economics) from Delhi School of Economics, affiliated to University of Delhi. He is a Post Graduate in Economics from Delhi School of Economics and holds Diploma in Personnel Management and Industrial Relations from Panjabi University Patiala.	Mr. Parth Chhajer is a Bachelor of Science (Economics) from Pennsylvania State University, USA. He began his career with the leading capital markets and investment group CLSA as trainee in its India Equity Research Team in 2017.
Experience	Mr. Bhardwaj is the Former Chairman & Managing Director of LIC of India. He is also former Member of Securities Appellate Tribunal, Government of India and Ministry of Finance. He has served as Executive Director (Investments) and Chief (Investments) in LIC of India between May 2000 to November 2002. Mr. Bhardwaj was nominated as Member of the Committee appointed by the Government of India in 2001 to study Investment Management and held discussions with Fund Managers in Europe and USA.	Mr. Parth Chhajer has knowledge across various business function operating within the organisation with a special interest in investors relations and product design. He is an astute marketing strategist and works closely with the sales and digital marketing team and has been instrumental in driving business growth for the company. With an in-depth understanding of the market dynamics and customer needs, he also works closely with the Architectural division to introduce new and innovative product lines.

Name	Mr. Raj Narain Bhardwaj (DIN: 01571764)	Mr. Parth Chhajer (DIN: 06646333)
No. of Shares held	NIL	60,85,341
Terms & Conditions	Continuation of appointment as per the terms & conditions decided in the Annual General Meeting held on 30th September, 2017.	Term of 5 years, subject to retire by rotation
Remuneration Last Drawn	NA	NA
Remuneration sought to be paid	NA	₹35,00,000
Number of Board Meetings attended during the Financial Year 2021-22	5	NA
First Date of Appointment	12th August 2017	23rd July 2022
Date of Appointment in current terms	13th August 2022	23rd July 2022
Relationship with other Directors/ Manager/ Key Managerial Personnel	NIL	Person of promoter group and Son of Mr. Ashok Chhajer, Chairman and Managing Director of Arihant Superstructures Limited
Directorships held in other Companies in India	1. Jaiprakash Associates Limited 2. Milestone Capital Advisors Private Limited 3. Aihant Abode Limited 4. Landmark Capital Advisors Private Limited 5. IL&FS Milestone Realty Advisors Private Limited 6. LM Capital Advisors Private Limited 7. Invent Assets Securitisation and Reconstruction Private Limited	1. Abhinandan Agrofarms Private limited 2. Anandi Realty Private Limited 3. Arihant Universal Realty Private Limited 4. Vishvekshvaraaya Houses Private Limited 5. Parashakti Houses Private Limited 6. Align Gateway Private Limited
Membership on the Committee Board of other Companies	1. Shri Raj Bhardwaj Narain is a member of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company. 2. He is also a member of Risk Management Committee of Jaiprakash Associates Limited.	NIL

Board's 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, 2022.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year ending on March 31, 2022 is summarised as below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Sales and Other Income	15,431.28	10,718.44	33,252.12	27,226.70
Profit before Interest, Depreciation & Tax	4411.11	(648.77)	2573.06	(290.64)
Interest	154.53	961.20	2103.09	2089.55
Depreciation	42.99	73.91	173.43	203.92
Profit/ (Loss) before Tax	4608.63	386.34	4849.58	2002.83
Provision for Tax	607.38	(3.77)	711.99	428.81
Profit/ (Loss) after Tax	4001.25	390.11	4137.59	1574.02
Profit/(Loss) for the Year	4001.25	390.11	4137.59	1574.02
Share of Minority	-	-	-	-
Profit carried to the Balance Sheet	3992.17	390.12	4122.40	1117.11

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. 27,012.66 Lakhs in FY 2020-21 to Rs. 33,093.75 Lakhs in FY 2021-22 on a consolidated basis. The revenue from operations on a stand-alone basis, increased from Rs. 10,539.61 Lakhs in FY 2020-21 to Rs. 15,116.77 Lakhs in FY 2021-22.

The profit after tax for the FY 2021-22 on a stand-alone basis was Rs. 4001.25 Lakhs as against the profit after tax of Rs. 390.11 Lakhs for FY 2020-21. The profit after tax on a consolidated basis was Rs. 4137.59 Lakhs in FY 2021-22 as against the profit after tax of Rs. 1574.02 Lakhs for FY 2020-21. The increase in the consolidated profit after tax for FY 2021-22 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 Aaroohi

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

Project: Arihant Adita

Residential project is situated at Pal Road, Gangana, Jodhpur (Rajasthan) and is just 1 km from the National Highway. This is first of its type high rise Residential project in Jodhpur. The project will provide the people of Jodhpur all state-of-the-art facilities and amenities, in line with projects in Mumbai and other Metro cities.

Project consists of five phases which have 14 buildings equivalent to saleable area of 1.3 Mn sq.ft. The project has amenities such as swimming pool, badminton court, basketball court, kids play room, amphitheater, garden lawn, steam room, gymnasium, etc.

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.

Project: Arihant Aakarshan

Residential project named as "Arihant Aakarshan" is situated at Ghot, Taluka- Panvel, District- Raigad This project is going to be developed in two Phases having 6 buildings in Phase I comprising of elegant IBHK and 2BHK residential homes across buildings having ground plus 13 upper floors whereas the Phase II of elegant IBHK residential homes across buildings having ground plus 13 upper floors The project is having internal & external amenities 2 Clubhouses, Swimming Pools, Banquet Hall, Theatre, Gymnasiums, Indoor Games Room, Lounges, Amphitheatre, Covered Badminton Court, 15000 Sq. Ft. Party Lawn, Tennis Court, Tuition Classroom, Kids Creche Pet Garden, etc.

Project: Arihant Aaradhya

Residential project named as "Arihant Aaradhya" is situated at Bapgaon Village, Taluka- Bhiwandi, District- Thane. This project is going to be developed and shall comprise of 11 buildings having ground plus 14 upper floors having elegant IBHK and 2BHK residential homes. The project has got its approvals from the concerned statutory authorities in the last quarter of the financial year. The project is having internal & external amenities Clubhouse, Swimming Pools, Tuition Classroom, Kids Creche, Gymnasiums, Badminton Court, etc.

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, landscapes garden, swimming pool with Kids pool, gymnasium with clubhouse, children's play area, amphi theatre 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 Alok

Residential project named as "Arihant Alok" situated at Bhisegaon, Karjat (E). This project having 6 acres land area. Arihant Alok 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 ink 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 poll, Beautiful landscaped garden, Health club, with gymnasium & steam room, Indoor games room, party hall, Reputed make elevator in each wing, pure acrylic external paint, External camera for security checks.

IMPACT OF COVID-19

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 profits to Reserve and Surplus.

DIVIDEND

The Board of Directors do not recommend any Final Dividend for the Financial Year 2021-22, with a view to conserve the financial resources of the company.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013, 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 2021-22, together with the Auditors' Report form part of this Annual Report.

ISSUE OF SHARES AND SECURITIES

- (i) The Company had in its Extra-Ordinary General Meeting held on 2nd November 2021, increased the Authorized Share Capital of the Company from INR 75,00,00,000 (Rupees Seventy-Five Crores) to INR 125,00,00,000 (Rupees One Hundred and Twenty-Five Crores).
- (ii) The Company has not allotted any shares during the Financial Year under review.
- (iii) The Company has allotted 45,00,000 (Forty-Five Lacs) Senior, Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures of face value Rs. 100/- each, amounting to INR 45,00,00,000 (Rupees Forty-Five Crores) to Indian Real Estate Investment Fund on a private placement basis after the completion of the Financial Year till the date of this 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 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 (DIN: 02821294)	Woman Independent Director
7	Mr. Parth Chhajer (DIN: 06646333)	Additional Whole Time Director

Changes in the composition of the Board of Directors

Mrs. Chandra Iyengar (DIN: 02821294) was appointed as the Independent Woman Director of the Company by the Shareholders at Annual General Meeting of the Company held on 28th August, 2021 with effect from 21st October 2020 for a period of 5 years by passing a Special Resolution.

The Board had approved the continuation of Mr. Virendra Kumar Mital (DIN: 00376830), as a Director beyond the age of 75 years, in its meeting held on 6th May, 2022. Mr. Virendra Kumar Mital (DIN: 00376830) will be completing 75 years of age on 29th April, 2023, his term shall end on 23rd May, 2023. The Board recommends his appointment as Special Resolution in the ensuing Annual General Meeting.

Pursuant to the completion of 1st term of Mr. Raj Narain Bhardwaj (DIN: 01571764) as an Independent Director on 12th August 2022, the Board had approved the appointment of Mr. Raj Narain Bhardwaj (DIN: 01571764) as an Additional Independent Director of the Company with effect from 13th August 2022 for a period of 5 years subject to the approval of the shareholders by means of Special Resolution. In the opinion of the Board, Mr. Raj Narain Bhardwaj fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management. Considering Mr. Raj Narain Bhardwaj's knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to re-appoint him as an Independent Director for a period of five years with effect from 13th August, 2022.

Mr. Parth Chhajer (DIN: 06646333) was appointed as an Additional Whole time Director by the Board in it's meeting dated 23rd July 2022 for a period of 5 years subject to the approval of the shareholders by means of Special Resolution. The Board recommends the said appointment.

Mr. Parth Chhajer (DIN: 06646333) holds office in terms of Section 161(1) 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 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 Mr. Parth Chhajer (DIN: 06646333) as the Whole Time Director of the Company.

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

There are no changes in the composition of Board of Directors except as mentioned above.

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 a Practicing Company Secretary 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	May 6, 2022

*Mr. Deepak Lohia had resigned from the position of the Chief Financial Officer of the Company w.e.f. 19th March, 2022 and on the recommendation of the Nomination and Remuneration Committee, he was appointed as the Chief Financial Officer w.e.f. 6th May, 2022.

Mr. Govind Rao has resigned from the post of the Company Secretary and Compliance Officer w.e.f. 5th July, 2022.

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors, during Financial Year 2021-22 met 5 (Five) 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

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 and Key Managerial Personnel 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 and within the Statutory limits under the Companies Act, 2013.

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:

- 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.
- 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, 2022 and of the profit of the Company for that period;
- 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
- The Annual Accounts of the Company have been prepared on a going concern basis.
- Internal Financial Controls have been laid down to be by the Company and that such internal Financial Controls are adequate and were operating effectively.
- 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 2022-23 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 – III** 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.

For FY 2021-22, the CSR liability of the Company was Rs. 3,16,728/- (Rupees Three Lakhs Sixteen Thousand Seven Hundred Twenty Eight Only). However, the Company has undertaken a CSR spend of Rs. 12,00,000/- (Rupees Twelve Lakhs only). The Board has approved carrying forward the excess CSR spend undertaken by the Company. The details of CSR spend is attached in the CSR report attached as **Annexure IV**.

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 to 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, 2022, 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 – IV** 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, 2022 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 2022-23. The Board of Directors have revised the remuneration of M/s Kailash Chand Jain & Co, during the Financial Year 2022-23. The details of the remuneration paid to the Statutory Auditors in Financial Year 2021-22 are provided in the Financial Statements.

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 2021-22 under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditors Report for Financial Year 2021-22 is attached as **Annexure – V** to this Report.

The Secretarial Compliance Report for the financial year ended March 31, 2022, 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 observations made by the Secretarial Auditors of the Company and management reply thereto is mentioned hereunder:

Sr. No.	Observations	Management Reply
1	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, 2012-13, 2013-14 onwards and remained outstanding for a period of over 7 years and were due for transfer in FY 2018-19 to FY 2020-21.	The compliance in respect for transfer of equity shares is pending owing to certain administrative challenges from the Bank. However, the company is presently undertaking steps to ensure due compliance at the earliest.
2	Certain e-Forms filed with the Registrar of Companies are filed after the due date, with additional fees.	The Company shall take necessary steps to avoid such lapses in future.

Cost Auditors

The Company is not required to appoint any Cost Auditors or maintain cost records 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 2022-23. 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-VI** 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 – VII**.

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 provide 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 2021-22 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 2021-22 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.

EMPLOYEES:

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure - I**.

The employees form an integral part of the success of any Company. The Company on a group level employed 265 employees during the year. During the year under review there were 48 male and 28 female employees in the company Arihant Superstructures Ltd whereas in subsidiaries such as Aashiyana, Abode and Vatika there were 49 male and 10 females, 31 male and 5 females and 66 male and 43 female employees respectively for the FY 2021-22.

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 2021-22 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 Investments made, Loans given, guarantees and securities on loans given during Financial Year 2021-22 are stated in Note 05 and 06 to the Standalone Financial Statements of the Company respectively.
- (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.
- (n) During the year under review, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. M/s Teenmurti Constructions Private Limited (Operational Creditor) had filed a case under IBC, 2016 against the company in 2018, however, the matter has been disposed-off.
- (o) There was no instance of any one time settlement from the banks or financial institutions.
- (p) There was no change in the business of the Company during the year under review.

- (q) The Company has not failed to implement any corporate actions during the year.
- (r) There was no revision in the Financial Statements of the Company.
- (s) The Company securities were not suspended during the financial year.

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: 23rd July 2022

Ashok B Chhajjer
Chairman & Managing Director
DIN: 01965094

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. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2021-22:

Name	Designation	Ratio of remuneration to Median Remuneration	% increase in the remuneration
Mr. Ashok B Chhajer	CMD	575.22	145.45
Mr. Nimish Shah	WTD	479.82	129.65
Mr. Virendra Mital	Independent Director	69.03	80.00
Mr. R N Bhardwaj	Independent Director	65.49	84.57
Ms. Divya Momaya	Independent Director	46.02	72.73
Ms. Chandra Iyengar	Independent Director	65.49	137.04
*Mr. Deepak Lohia	Chief Financial Officer	233.10	148.14
**Mr. Govind Rao	Company Secretary	50.97	127.72

Notes:

- *Mr. Deepak Lohia resigned from the position of the Chief Financial Officer of the Company w.e.f. 19th March, 2022 and was again appointed as CFO w.e.f. 6th May, 2022 on the recommendation of the Nomination and Remuneration Committee
 - ** Mr. Govind Rao resigned from the position of the Company Secretary & Compliance Officer of the Company w.e.f. 5th July, 2022
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. A break-up of median remuneration for employees is given below:
The median remuneration of employees for FY 2021-22 is Rs. 11,30,000
- C. Number of permanent employees on rolls of the Company as on March 31, 2022: 76
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Employee Group	Average percentage increase/ (decrease) in salaries for Fiscal FY 2021-22
Executive Directors / Managerial Remuneration	Rs. 151.32 lakhs

- E. 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.
- F. 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

By Order of the Board Arihant Superstructures Ltd

Place: Navi Mumbai
Date: 23rd July 2022

Ashok B Chhajer
Chairman & Managing Director
DIN: 01965094

Annexure II

Form AOC-1

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

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

Part "A": Subsidiaries

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

Sr. No.	Particulars	Details	Details	Details	Details
1	Name of the subsidiary	Arihant Abode Limited	Arihant Ashiyana Private Limited	Arihant Vatika Realty Private Limited	Arihant Gruhnirman Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA
4	Share capital	Rs. 5,00,000	Rs. 1,00,000	Rs. 1,00,000	Rs. 1,00,000
5	Reserves & surplus	Rs. 73,71,000	Rs. 18,895,000	Rs.41,74,35,000	Rs. (17,16,000)
6	Total assets	Rs. 3,39,69,02,000	Rs. 1,03,09,17,000	Rs.1,84,62,90,000	Rs. 14,84,89,000
7	Total Liabilities	Rs. 3,39,69,02,000	Rs. 1,03,09,17,000	Rs.1,84,62,90,000	Rs. 14,84,89,000
8	Investments	NIL	Rs. 2,54,30,000	Rs. 6,33,05,000	NIL
9	Turnover	Rs. 60,99,07,000	Rs. 17,85,77,000	Rs. 1,00,88,63,000	Rs. 3,50,000
10	Profit before taxation	Rs. 88,06,000	Rs. (2,61,57,000)	Rs. 3,96,71,000	Rs. 1,75,000
11	Provision for taxation	NIL	NIL	NIL	NIL
12	Profit after taxation	Rs. 82,15,000	Rs. (2,60,24,000)	Rs.2,97,12,000	Rs. 1,30,000
13	Proposed Dividend	NIL	NIL-	NIL	NIL
14	% of shareholding of holding company	100%	60%	60%	60%

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year - NA

Part B Associates and Joint Ventures

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

Sr. No.	Particulars	Details
	Name of Associates or Joint Ventures	
1	Latest audited Balance Sheet Date	
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate or Joint Ventures held by the company on the year end No.	NA
	Amount of Investment in Associates or Joint Venture	
	Extent of Holding (in percentage)	

Sr. No.	Particulars	Details
4	Description of how there is significant influence	
5	Reason why the associate/Joint venture is not consolidated.	
6	Net worth attributable to shareholding as per latest audited Balance Sheet	NA
7	Profit or Loss for the year	
i)	Considered in Consolidation	
ii)	Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations. - NA

2. Names of associates or joint ventures which have been liquidated or sold during the year - NA

By Order of the Board Arihant Superstructures Ltd

Place: Navi Mumbai
Date: 23rd July 2022

Ashok B Chhajer
Chairman & Managing Director
DIN: 01965094

Annexure III

Form No. AOC - 2

As on the Financial Year ended 31st March, 2022

(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:

- Name(s) of the Related Party and nature of relationship: NIL
- Nature of Contracts/Arrangements/Transactions: NIL
- Duration of the Contracts / Arrangements/Transactions: NIL
- Salient terms of the Contracts or Arrangements or Transactions including the value, if any: NIL
- Justification for entering into such Contracts or Arrangements or Transactions: NIL
- Date(s) of approval by the Board: NIL
- Amount paid as advances, if any: NIL
- 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:

Name(s) of the Related Party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date of Special Resolution as required under first provision to Section 188 of the Companies Act, 2013
Amoghvarsh Houses Private Limited (Earlier known as Arihant Technoinfra Private Limited)	Availing of Services in nature of Construction Contracts	Current year	Rs. 1,760 Lakhs	Cost efficient in nature	19.06.2021	NA	28.08.2021

By Order of the Board Arihant Superstructures Ltd

Place: Navi Mumbai
Date: 23rd July 2022

Ashok B Chhajer
Chairman & Managing Director
DIN: 01965094

ANNEXURE –IV
ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

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:

- Shape sustainability for the organization by 'Engaging the Community';
- 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".
- 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.
- 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	2	2
2	Mr. Ashok Chhajer	Member, Managing Director	2	2
3	Mr. Nimish Shah	Member, Whole Time Director	2	2

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)
		NA	

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

(Amount in Rs)

Financial Year	Profit before Tax	Average of three years
2018-19	2,32,04,996	
2019-20	(1,43,29,827)	
2020-21	3,86,34,025	
TOTAL	4,75,09,194	Rs. 1,58,36,398/-

- Two percent of average net profit of the company as per section 135(5): Rs. 3,16,728/-
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 - Amount required to be set off for the financial year, if any: NIL
 - Total CSR obligation for the financial year (7a+7b- 7c): Rs. 3,16,728/-

8. (a) CSR amount spent or unspent for the financial year:

Total CSR amount spent for the financial year is as follows:

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.
12,00,000	NA	NA	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.)
31.03.2022	Jito Administrative Training Foundation (JATF)	Empowering of Education, facilitating and strengthening the process of preparing deserving youth for joining Civil and Banking services	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	12,00,000

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(7)	(8)	
				Location of the project.			Mode of implementation -Through implementing agency.	
				State.	District.		Name.	CSR registration number.
								NA

(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. 12,00,000/-

(g) Excess amount for set off, if any: Rs. 8,83,272/- (Rupees Eight Lakhs Eighty Three Thousand Two Hundred & Seventy Two Only)

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.	2020-21	10,84,201	-	-	-	-	10,84,201
2.	2019-20	-	-	-	-	-	-
3.	2018-19	-	-	-	-	-	-
	Total						

* As on 31st March 2022, only an unspent amount of Rs. 10,84,201/- relating to financial year 2020-21 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	-	-	-	-	-	-	-	-

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/-
Ashok Chhajjer
(Managing Director)

Sd/-
Virendra Mital
(Chairman CSR Committee)

Place: Navi Mumbai
Date: 23rd July 2022

ANNEXURE V
SECRETARIAL AUDIT REPORT

To,
The Members,
Arihant Superstructure Limited
"Arihant Aura" 25th Floor, B-Wing, Plot No.13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai, Thane – 400705

Subject: Secretarial Audit Report of the Company for the Financial Year 2021-22.

We present herewith the Secretarial Audit Report for **Arihant Superstructures Limited**, for the Financial Year 2021-22 in terms of Section 204 of the Companies Act, 2013. Our report of even date is to be read along with the following:

- 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.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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.
- 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.

Place: Mumbai
Date: 23rd July 2022

For, D A Kamat & Co
Company Secretaries
P. R. No: 1714/2022

D A Kamat
Partner
FCS 3843
CP 4965
UDIN: F003843D000672060

FORM NO MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR APRIL 1, 2021 to MARCH 31, 2022

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

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 secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2022, 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 us 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, 2021 to March 31, 2022 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, 2018
 - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (d) The Securities and Exchange Board (Listing and Disclosure Requirements) Regulations, 2015.
 - (e) The Securities Contracts (Regulation) Act, 1956 and the rules made there under
 - (f) SEBI (Prohibition of Insider Trading) Regulations, 2015
 - (g) 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
 - (h) 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**
 - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable to the company for the period of review**

- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **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) 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, 2012-13, 2013-14 onwards and remained outstanding for a period of over 7 years and were due for transfer in FY 2018-19 to FY 2020-21.
 - (b) Certain e-Forms filed with the Registrar of Companies are filed after the due date, with additional fees.
- 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 has in its Extra-Ordinary General Meeting held on 2nd November 2021, has passed the following resolutions:
 - (iv) Increase in the Authorized Share Capital of the Company from INR 75,00,00,000 (Rupees Seventy-Five Crores) to INR 125,00,00,000 (Rupees One Hundred and Twenty-Five Crores)
 - (v) Altered the provisions of the Memorandum of Association of the Company
 - (vi) Altered the provisions of the Articles of Association of the Company
 - (vii) Approved Fund raising of securities up to INR 500 Crores
 - (b) The Fund-raising committee has completed the allotment of 45,00,000 (Forty-Five Lacs) Senior, Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures of face value Rs. 100/- each, amounting to INR 45,00,00,000 (Rupees Forty-Five Crores) to Indian Real Estate Investment Fund on a private placement basis.

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.

Place: Mumbai
Date: 23rd July 2022

For, D A Kamat & Co
Company Secretaries
P. R. No: 1714/2022

D A Kamat
Partner
FCS 3843
CP 4965
UDIN: F003843D000672060

ANNEXURE VI

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE REPORT:

as on the Financial Year ended on 31st March, 2022

[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.

We have proposed electrical car charging point at our Arihant Aspire and Arihant Alishan project. This will save the non-renewable fuel energy.

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 950 KLD capacities based on Moving Bio bed Reactor technology has been successfully commissioned in 3 of our projects in FY 2021-2022 and are also committed to install another 2000 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 2021-22, 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. Fire Escape Chute: An escape chute is a special kind of emergency exit, used for safe and faster evacuation of residents where in lieu of conventional fire escape stairways.

IV. The benefits derived:

The chute is a fabric tube installed near a special exit on an upper floor or roof of a building, or a tall structure.

V. Electrical Bus Duct System: Busbars have lower resistance than cables. Hence the loss of energy due to transmission and distribution is lower in Busbars.

The benefits derived:

Busbars also have a limited growth of reactive power to operate compared to cable systems.

Busbars help in easy, efficient and safe distribution of line with the junction boxes in places where they are required.

VI. Single Stack Plumbing System : We have used single stack in drainage system it will save 2nos of pipe in every shaft one is waste line other one is air vent pipe, and there is not required of any extra velocity breaker in the line it has high strength and the pipe are unbreakable.

VII. 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 2021-22:

Foreign Exchange outgo during the Financial Year 2021-22: NIL
Foreign Exchange inflow during the Financial Year 2021-22: NIL

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

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

**Place: Navi Mumbai
Date: 23rd July 2022**

'Annexure A'

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, 2022, 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, 2022.
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
P.R. No: 1714/2022

D A Kamat
Partner
FCS No. 3843
CP No.4965
UDIN: F003843D000798736

Place: Mumbai
Date: 16th August 2022

'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, 2022 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: 23rd July 2022

Ashok Chhajer
Chairman & Managing Director
(DIN: 01965094)

Deepak Lohia
Chief Financial Officer
(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, 2022.

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

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

**Place: Navi Mumbai
Date: 23rd July, 2022**

'Annexure C'

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, 2022 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, 2022 is as follows:

No.	Name of Directors	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	Ms. Divya Momaya*	00365757	16/06/2020
5	Mrs. Chandra Iyengar**	02821294	21/10/2020
6	Mr. Raj Narain Bhardwaj	01571764	12/08/2017

*Ms. Divya Momaya (DIN: 00365757) has resigned as an Independent Director of the Company with effect from 10th August 2022.

**Mrs. Chandra Iyengar (DIN: 02821294) has been appointed as the Independent women director of the Company with effect from 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
P.R. No: 1714/2022

**Place: Mumbai
Date: 16th August 2022**

D A Kamat
Partner
FCS No. 3843
CP No.4965
UDIN: F003843D000798670

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 Limited.

2. Board of Directors: Composition:

The Board as on 31st March 2022 comprised of Six Directors out of which Four Directors are Non-Executive Independent Directors (including Two Woman Independent Director), one Chairman & Managing Director and one Whole-time Executive Director. The Managing Director and Whole-time Executive Director are responsible for the day-to-day Management of the Company subject to the supervision, direction and control of the Board of Directors. The Chairman of the Company is an Executive Director. The 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.

Directorship held by Directors of Arihant Superstructures Limited:

Name of the Director [Designation] [DIN]	Number of Board Meetings held during FY 2021-22			Number of Directorships in Public Companies*		Number of Committee positions held in other Public Companies*		Whether attended 38th AGM (28.08.2021)
	Held	Eligible to attend	Attended	Chairman	Member	Chairman	Member	
Non-Independent Executive Directors								
Mr. Ashok B Chhajjer [CMD] [DIN: 01965094]	5	5	5	0	0	0	0	Yes
Mr. Nimish Shah [WTD] [DIN: 03036904]	5	5	4	0	0	1	0	Yes
Independent Directors								
Mr. Virendra Mital DIN: 00376830	5	5	5	0	0	2	2	Yes
Mr. Raj Narain Bhardwaj DIN: 01571764	5	5	5	0	1	0	2	Yes
Ms. Divya Sameer Momaya DIN: 00365757	5	5	5	0	3	1	3	No
Mrs. Chandra Iyengar DIN: 02821294	5	5	5	0	3	0	3	Yes

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.

None of the Directors have received any loans and advances from the Company during the financial year.

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 2022 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)	1. Jaiprakash Associated Limited	1. Non-Executive, Independent Director
2	Ms. Divya Sameer Momaya (DIN: 00365757)	1. Motilal Oswal Financial Services Limited 2. GTPL Hathway Limited	1. Non-Executive, Independent Director
3	Mrs. Chandra Iyengar (DIN: 02821294)	1. Adani Total Gas Limited	1. 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 (CMD) 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.

5 (Five) Board Meetings were held during the Financial Year 2021-22. 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
19th June 2021	6
20th July 2021	6
5th October 2021	6
20th October 2021	5
24th January 2022	6

The necessary quorum was present for all the Meetings.

During the Financial Year 2021-22, 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 Personnel and Senior Management. 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, 2022 are given below:

Name	Category of Director	Number of Equity Shares
Mr. Ashok Chhajer	Non-Independent, Executive	1,23,49,147
Mr. Virendra Mital	Independent, Non- Executive	410

There are no other inter-se relationships between the Directors of the Company.

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 2021-22, 1 (One) Meeting of Independent Directors was held on 31st March, 2022 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.

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
Mr. Nimish Shah	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

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, 2022 are as follows:

Remuneration paid to Non-Independent, Executive Directors:

Name of Director	Salary and Allowance (*in Rupees)
Mr. Ashok Chhajer [Chairman & Managing Director]	65,00,000
Mr. Nimish Shah [Whole-time Executive Director]	54,22,000

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 Rupees)
Mr. Virendra Mital	7,80,000
Mr. Raj Narain Bhardwaj	7,40,000
Ms. Divya Sameer Momaya	5,20,000
Mrs. Chandra Iyengar	7,40,000

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:

- Over-seeing Financial Reporting process and disclosure of Financial information, to ensure that the Financial Statements are correct, sufficient and credible;
- Recommending appointment and removal of the Statutory Auditors, fixation of Audit fee and approval for payment of any other services;
- 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;
- Reviewing with the Management and the Statutory and Internal Auditors, the adequacy of Internal Control Systems and recommending improvements to the Management;
- 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;

- Discussion with Internal Auditor on any significant findings and follow-up thereon;
- 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;
- 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;
- 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 and approval for amendments in RPT Transactions;
- Reviewing the Company's Financial and Risk Management System;
- Scrutiny of Inter-corporate Loans and Investments;
- Reviewing any subsequent modification of transactions with the Related Parties;
- 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;
- 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;
- Establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed;
- The Chairman of Audit Committee was present at 38th Annual General Meeting of the Company held on 28th August, 2021;
- To perform such other function(s) as may be delegated by the Board from time to time;
- The Company Secretary acts as the Secretary of the Committee.
- Five Audit Committee Meetings were held during the Financial Year 2021-22. These were held on 19th June, 2021, 20th July, 2021, 5th October 2021, 20th October, 2021 and 24th January, 2022.

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 2021-22		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairperson)	Independent, Non-Executive	5	5	5
Mr. Raj Narain Bhardwaj	Independent, Non-Executive	5	5	5
Mrs. Chandra Iyengar	Independent, Non-Executive	5	5	5

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 Personnel 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 Personnel 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 2021-22. These were held on 19th June, 2021, 19th July, 2021 and 3rd August, 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 2021-22		
		Held	Eligible to Attend	Attended
Mr. Raj Narain Bhardwaj (Chairperson)	Independent, Non-Executive	3	3	3
Mr. Virendra Mital	Independent, Non-Executive	3	3	3
Mrs. Chandra Iyengar	Independent, Non-Executive	3	3	3

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 required 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 2021-22 are as follows:

Complaints at the beginning of the Year	Received during the Year	Disposed of during the Year	Unresolved as on 31st March, 2022
Nil	Nil	Nil	Nil

i. Name, designation and address of Compliance Officer:

*Govind Rao

Company Secretary & Compliance Officer

Arihant Superstructures Limited

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

*Mr. Govind Rao has resigned from the position of Company Secretary and Compliance Officer of the Company with effect from 05th July, 2022. The Company is in the process of finalizing a suitable candidate for the position of Company Secretary and Compliance Officer of the Company.

Four Stakeholder's and Relationship Committee Meetings were held during the Financial Year 2021-22. These were held on 19th June, 2021, 20th July, 2021, 20th October, 2021 and 24th January 2022.

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 2021-22		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairman)	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	4	4

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 2021-22 is attached to the Directors Report of this Annual Report.

Terms of reference:

- i. Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- ii. Recommend the amount of expenditure to be incurred on the activities referred to above;
- iii. Monitor the CSR Policy of the Company from time to time;
- iv. The Company Secretary acts as the Secretary of the Committee.

Two Meetings of Corporate Social Responsibility Committee were held during the Financial Year 2021-22. These were held on 19th June, 2021 and 24th January, 2022.

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 2021-22		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairman)	Independent, Non-Executive	2	2	2
Mr. Ashok Chhajer	Non-Independent, Executive	2	2	2
Mr. Nimish Shah	Non- Independent, Executive	2	2	2

E. Risk Management Committee:

The Board of Directors has constituted Risk Management Committee of Directors. The composition and terms of reference of Risk Management Committee are in compliance with the provisions of the Listing Regulations.

Terms of reference:

- The Committee ensures that the Company follows appropriate methodology, processes and systems to monitor and evaluate risks associated with the business of the Company;
- The Committee monitors and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- The Committee keeps the Board updated on the nature and content of its discussions, recommendations and actions as required to be taken.

Two Meetings of Risk Management Committee were held during the Financial Year 2021-22. These were held on 18th June, 2021 and 19th July, 2021.

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

Name	Category	Number of Meetings during the Financial Year 2021-22		
		Held	Eligible to Attend	Attended
Mrs. Divya Momaya (Chairperson)	Independent, Non-Executive	2	2	2
Mr. Nimish Shah	Non-Independent, Executive	2	2	2
Mr. Ravindra Parakh	Head of Accounts Department	2	2	2

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.

During the Financial Year 2021-22, no Meeting of Executive Committee was held.

The Composition of the Executive Committee as on 31st March 2022:

Name	Category
Mr. Ashok Chhajjer	Non-Independent, Executive
Mr. Nimish Shah	Non-Independent, Executive
Mr. Deepak Lohia	Chief Financial Officer

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 2021-22 no Meeting of the Disinvestment Committee was held.

The Composition of Disinvestment Committee of the Company as on 31st March, 2022:

Name	Category
Mr. Virendra Mital (Chairperson)	Independent Non-Executive
Mr. Nimish Shah	Non-Independent, Executive
Mr. Ashok Chhajjer	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 2021-22 no Meeting of the Insider Trading Compliance Committee was held.

The Composition of Insider Trading Compliance Committee of the Company as on 31st March, 2022:

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

d) Fund Raising Committee

The Fund Raising Committee was constituted for the purpose of recommending, taking actions and monitoring the matters of raising investments/funds for the company and matters related thereof.

During the Financial Year 2021-22, no Meeting of the Fund Raising Committee was held.

The Composition of Fund Raising Committee of the Company as on 31st March, 2022:

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

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

Year	AGM	Date	Time	Location
2019	36th AGM	26.09.2019	10:30 A.M.	Hotel, The Regenza by Tunga, Plot No 37, Sector 30A, Vashi, Navi Mumbai – 400703
2020	37th AGM	11.09.2020	11:00 A.M.	25th Floor, "Arihant Aura" B-Wing plot No. 13/1, TTC Industrial Area, Thane Belapur Road, turbhe, Navi Mumbai-400705 (Through VC/OVAM)
2021	38th AGM	28.08.2021	04.00 P.M.	25th 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
2019	36th	26.09.2019	Approve increase in remuneration of Mr. Nimish Shah (DIN: 03036904), Whole time Director of the Company.
2019	36th	26.09.2019	Raise Funds through issue of Securities upto an amount not exceeding Rs. 300 Crore including premium if any.
2019	36th	26.09.2019	Appointment/Continuation of Mr. Raj Narain Bhardwaj (DIN: 01571764) as an Independent Director of the Company
2019	36th	26.09.2019	Approve the proposed Material Related Party Transactions for the year 2019-20.
2020	37th	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.
2020	37th	11.09.2020	Appointment of Mrs. Sangeeta Chhajjer (DIN: 01965110), as an Executive Director, liable to retire by rotation and to fix her remuneration

Year	AGM	Date	Particulars of Resolution Passed
2020	37th	11.09.2020	Raise Funds through issue of Securities upto an amount not exceeding Rs. 300 Crore including premium if any.
2020	37th	11.09.2020	Approve the proposed Material Related Party Transactions for the year 2020-21.
2021	38th	28.08.2021	Appointment of Mrs. Chandra Iyengar (DIN: 02821294) as an Independent Woman Director of the Company
2021	38th	28.08.2021	To discuss and consider the matter of Raising Funds through issue of Securities
2021	38th	28.08.2021	To approve the proposed Material Related Party Transactions for the Year 2021-22

c) Extra Ordinary General Meeting:

During the Financial year 2021-22, 1 Extra-Ordinary General Meeting was held on 02nd November, 2021 for the following matters:

1. Increase in the Authorised Share Capital of the Company from Rs. 75,00,00,000 (Rupees Seventy Five Crore only) to Rs. 1,15,00,00,000 (Rupees One Hundred and Fifteen Crore only);
2. To Alter the provisions of the Memorandum of Association of the Company;
3. To Adopt new sets of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013;
4. To consider and approve Raising Funds through issuance of equity shares and/or equity linked Securities.

Postal Ballot:

No Resolutions passed through Postal Ballot during the Financial Year 2021-22.

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 entered individually or taken together with previous transactions during a financial year, exceeding Rupees 1000 Crore or 10% of the Consolidated Annual Turnover of the Company, whichever is lower, 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 2021-22. Further the Internal Auditor has access and report to Audit Committee.

c) Reconciliation of Share Capital Audit:

Practicing Company Secretaries carry 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 Personnel and Senior Management have affirmed the Compliance with Code applicable to them during the Financial Year 2021-22. 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 Personnel and Senior Management.

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

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 2021-22 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 23rd July 2022 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.

The Company does not have any Material Listed Subsidiary Companies. However, Arihant Aashiyana Private Limited and Arihant Vatika Realty Private Limited are Material unlisted subsidiaries in Financial Year 2021-22. Accordingly, pursuant to SEBI Circular dated 8th February 2019 read with Regulation 24A of SEBI (LODR) Regulations 2015, the Secretarial Audit of M/s Arihant Aashiyana Private Limited and M/s Arihant Vatika Realty Private Limited has been undertaken for FY 2021-22 and the same is disclosed on the website of the Company.

The Company has a policy for determining 'Material Subsidiaries' which is disclosed on its website 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 24(A) 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 Practicing Company Secretary 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 2021-22 is Rs.13.23 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 2021-22 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. Certificate on Corporate Governance

The Certificate from Company Secretary in Practice on compliance of Regulation 34(3) of the Listing Regulations relating to Corporate Governance is published in this Annual Report.

19. General Shareholder's Information:

a) Annual General Meeting:

Day: Tuesday

Date: 20th September, 2022

Time: 10.00 A.M.

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, 2022 to 31st March, 2023.

Board Meetings for Quarterly Results:

(Tentative and subject to change)

Quarter ended	Latest by
30th June, 2022	14th August, 2022
30th September, 2022	14th November, 2022
31st December, 2022	14th February, 2023
31st March, 2023	30th May, 2023

c) Book Closure Dates:

From 14th September 2022 to 20th September 2022 (both days inclusive).

d) Dividend Payment Date:

Since the Board of Directors have not proposed any Dividend for the Financial Year 2021-22 at the forthcoming AGM, there are no disclosures stated therein.

e) Liquidity of Shares:

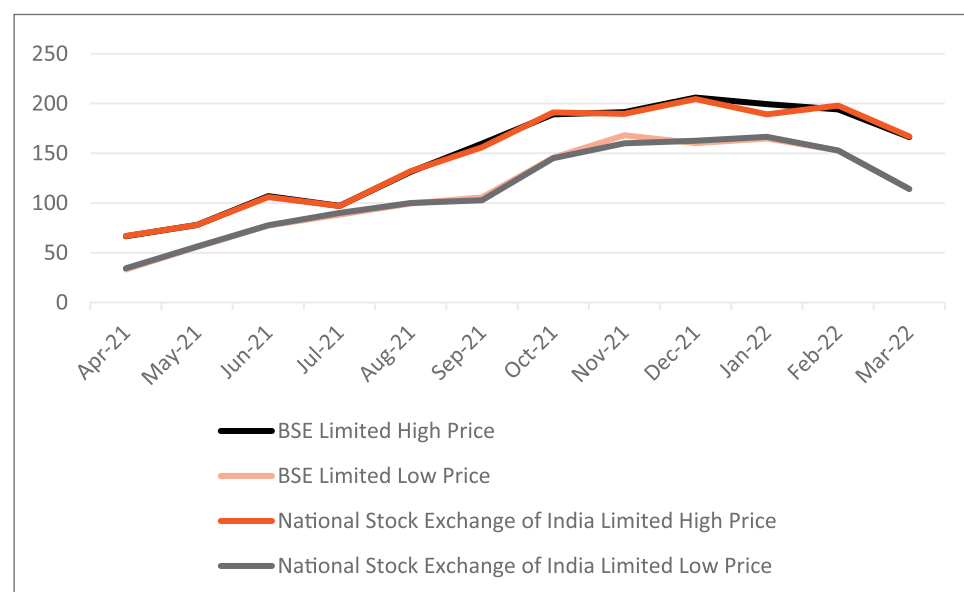
The Equity Shares of the Company are listed on the BSE Limited and on National Stock Exchange of India Limited. The Shares of the Company are currently traded under the B Group Category. The Company has paid the listing fees to both the Stock Exchanges for the Financial Year 2021-22 and 2022-23.

f) Listing of Equity Shares on Stock Exchanges:

Name and Address of Stock Exchanges	BSE Limited Phiroze Jeejee bhoj 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:

Month	Share Price (in Rs)			
	BSE Limited		National Stock Exchange of India Limited	
	High Price	Low Price	High Price	Low Price
April 2021	66.60	33.20	66.85	34.35
May 2021	77.90	55.85	78.00	56.20
June 2021	106.90	77.25	106.00	77.65
July 2021	97.15	88.20	96.90	90.00
August 2021	131.35	99.50	131.95	100.05
September 2021	159.75	105.65	156.00	102.80
October 2021	189.10	145.50	191.00	145.00
November 2021	191.35	168.10	189.55	160.00
December 2021	206.00	160.15	204.50	162.60
January 2022	199.40	164.85	189.15	166.55
February 2022	194.15	153.00	198	152.80
March 2022	166.30	114.25	166.85	113.95

Stock Performance:

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

Contact No. 91-22-4227 0400

Email ID: info@adroitcorporate.com

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, 2022:

No. of Equity Shares held	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Upto 100	5475	69.78	172054	0.42
101-500	1564	19.93	403074	0.98
501-1000	312	3.98	246711	0.60
1001-2000	165	2.10	253574	0.62
2001-3000	67	0.85	171573	0.42
3001-4000	30	0.38	108782	0.26
4001-5000	33	0.42	156353	0.38
5001-10000	66	0.84	472181	1.15
10001 -20000	42	0.54	597866	1.45
20001-50000	36	0.46	1269116	3.08
50001 & above	56	0.71	37308707	90.64
Total	7846	100	41159991	100.00

Category of Shareholders as on 31st March, 2022:

Category	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Residential Individuals	7382	95.76	5897569	14.33
Non Resident Indians (Individuals)	72	0.95	178423	0.43
Corporate Bodies	60	0.78	2513767	6.11
Mutual Funds	1	0.013	571000	1.39
Banks	0	0	0	0
Director (Promoter)	1	0.013	12349147	30.00
Director Relatives	5	0.065	111967	0.27
Promoters	5	0.065	18277550	44.11
Financial Institutions	0	0	0	0
Foreign Institutional Investors	0	0	0	0
Clearing Members	28	0.37	63604	0.15
Corporate Body- Brokers	0	0	0	0
Investor Education and Protection Fund	1	0.013	250	0
Foreign Portfolio Investors	6	0.078	477436	1.16
Alternate Investment Fund	1	0.013	133000	0.32
Hindu Undivided Family (HUF)	144	1.88	586278	1.42
Total	7706	100	4,11,59,991	100

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 2022, 41,113,281 Equity Shares (constituting 99.88%) were in Dematerialized form.

k) Outstanding Global Depository Receipts Or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

During the year under review, the Company had no outstanding Global Depository Receipts Or American Depository Receipts or Warrants or any Convertible Instruments.

l) Commodity price risk or foreign exchange risk and hedging activities:

During the year under review, the Company does not have any exposure to commodity price risks, foreign exchange risk and hedging activities.

m) Plant locations:

The Company does not have any manufacturing or processing plants. The Registered Office of the Company is situated at Arihant Aura, 25th Floor, B-Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai, Thane MH 400705.

n) 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 Limited, 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, 2022 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 2011-12 on wards are requested to make their claims without any delay to Company's Registrar 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 amount 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 Rs. 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
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, after dispatching notices and publishing Newspaper Advertisement in this regard, the Company has transferred 250 Equity Shares pertaining to Financial Year 2008-09 to the IEPF Authority. The Shareholders whose Dividend/Shares is/are will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of the IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.

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 Chhajjer, Managing Director as the Nodal Officer under the IEPF Rules for the company.

o) 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

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

No penalties have been imposed by Stock Exchanges or SEBI during the Financial Year 2021-22. However, Shri. Dinesh Babel, Independent Director had undertaken transactions in securities (including a contra-transaction) during a period of closure of trading window in the Financial year 2017-18. Hence, 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 during the Financial year 2020-21.

q) Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing

SR No	Particulars	Regulations	Compliance Status	Compliance observed
1	Board of Directors	17	Yes	<ul style="list-style-type: none"> • Composition and Appointment of Directors • Meetings and Quorum • Review of compliance reports and compliance certificate • Code of Conduct • Fees / compensation to Non-Executive Directors • Minimum information to be placed before the Board • Compliance Certificate • Risk assessment and management • Performance evaluation of Independent Directors • Recommendation of the Board for each item of Special Business
2	Maximum No. of Directorships	17A	Yes	<ul style="list-style-type: none"> • Directorships in listed entity
3	Audit Committee	18	Yes	<ul style="list-style-type: none"> • Composition • Meeting and Quorum of Committee • Chairperson present at the Annual General Meeting • Role of the Committee
4	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> • Composition • Meeting and Quorum of Committee • Chairperson present at the Annual General Meeting • Role of the Committee
5	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> • Composition • Meeting and Quorum of Committee • Chairperson present at the Annual General Meeting • Role of the Committee
6	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> • Composition • Meeting and Quorum of Committee • Role of the Committee
7	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> • Review of Vigil Mechanism for Directors and employees
8	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> • Policy of Materiality of Related Party Transactions and dealing with Related Party Transactions • Approval including omnibus approval of Audit Committee • Review of Related Party Transactions • No material Related Party Transactions • Disclosure of Related Party Transactions on consolidated basis

SR No	Particulars	Regulations	Compliance Status	Compliance observed
9	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> Appointment of Company's Independent Director on the Board of the unlisted material subsidiary Review of financial statements and investments of subsidiary by the Audit Committee Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors Significant transactions and arrangements of unlisted subsidiary
10	Secretarial Compliance Report	24A	Yes	<ul style="list-style-type: none"> Secretarial Audit of the Company Secretarial Audit of the Unlisted Material Subsidiaries Annual Secretarial Compliance Report
11	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> No alternate Directors for independent directors Maximum Directorship and tenure Shareholders approval for appointment, re-appointment or removal of independent director Meetings of Independent Directors Cessations and Appointment of Independent Directors Familiarisation of Independent Directors Declaration by Independent Directors No independent director who resigned to be appointed as executive / whole time director
12	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> Memberships / Chairmanships in Committees Affirmation on compliance of Code of Conduct by Directors and Senior Management Disclosures by Senior Management about potential conflicts of interest No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter
13	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> Compliance with discretionary requirements Filing of compliance report on Corporate Governance
14	Website	46(2) (b) to (i)	Yes	<ul style="list-style-type: none"> Terms and conditions for appointment of Independent Directors Composition of various Committees of the Board of Directors Code of Conduct of Board of Directors and Senior Management Personnel Details of establishment of Vigil Mechanism / Whistle-blower policy Criteria of making payments to non-executive directors, if the same has not been disclosed in annual report; Policy on dealing with Related Party Transactions Policy for determining material subsidiaries Details of familiarization programmes imparted to Independent Directors

- 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 2021-22 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: 23rd July 2022**

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

Independent Auditor's Report

To
The Members of
Arihant Superstructures Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Arihant Superstructures Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and other comprehensive loss, 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 (ICAI) 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for 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 matters.

The Key Audit Matter	How the matter was addressed in our audit
<p>Inventory Valuation</p> <p>The Company's inventory comprises of ongoing and completed real estate projects, unlaunched projects, and development rights. As of March 31, 2022, the carrying value of inventories amounts to Rs. 11,518.78 Lakh.</p> <p>The inventories are carried at a lower of cost and net realizable value ("NRV"). The determination of the NRV involves estimates based on prevailing market conditions, current price and expected date of commencement and completion of the project, the estimated future selling price, the cost to complete projects and selling costs.</p> <p>Considering the significance of the amount of carrying value of inventories in the financial statements and the involvement of significant estimation and judgment in such assessment of NRV, the same has been considered a key audit matter.</p>	<p>Our audit procedure/testing includes among others</p> <ul style="list-style-type: none"> - We read and evaluate the accounting policies and disclosures made in the financial statements with respect to inventories. - Evaluating the management's valuation methodology and assessing the key estimates, data input and assumption adopted in the valuation which includes comparing expected future average selling price with available market data such as the recently transacted price for similar properties located in the nearby vicinity of each property development projects and sales budget plan maintained by the company. - Verifying the NRV assessment and comparing the estimated construction costs to complete each development with the company's updated budgets. - We have tested the NRV of the inventories to carry value in the books on a sample basis.

Assessing the recoverability of carrying value of Investments and loans and advances made by the Company in subsidiaries and associate entities

As at March 31, 2022, the carrying values of the Company's investment in subsidiaries and other entities amounted to Rs. 8.02 Lakhs. Further, the Company has granted loans and advances to its subsidiaries and others amounting to Rs. 3,138.58 Lakhs. Management reviews on a periodical basis whether there are any indicators of impairment of such investments and loans and advances.

For cases where impairment indicators exist, management estimates the recoverable amounts of the investments, as being higher than fair value fewer costs of disposal, and value in use. Significant judgments are required to determine the key assumptions used in the determination of fair value in use.

As the impairment assessment involves significant assumptions and judgment, we regard this as a key audit matter.

Our procedures in assessing the impairment of the investment included, among others, the following:

- We read and evaluate the accounting policies with respect to investments.
- We examined the management assessment in determining whether any impairment indicators exist.
- We examined the management assessment in determining whether any impairment indicators exist.
- We compared the recoverable amount of the investment to the carrying value in books.
- We assessed the financial condition of entities to whom loans and advances were granted by obtaining the most recent audited financial statements of such entities.
- We performed inquiries with management on the project status and future business plan of entities to whom loans and advances were granted to evaluate their recoverability.
- We assessed the disclosures made in the standalone financial statements regarding such investments and loans and advances

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 standalone 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 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 standalone 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 standalone 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.

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

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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, 2020 ('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 Flow 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 of March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as of March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to 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 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 standalone 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 can be any material foreseeable losses.
 - iii. The company is required to transfer Rs. 0.01 Lakhs to the Investor Education and Protection Fund.
 - iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person / entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary has, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide

any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person/entity, including foreign entities, with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the company has directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to the notice that has caused us to believe that the representations made by the Management under sub-clause (1) and (2) contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, and explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

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

Saurabh Chouhan
Partner
Membership No.: 167453
UDIN: 22167453AINARM3899
Place: Navi Mumbai
Date: May 6, 2022

Annexure - A to the Independent Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2022, we report that:

- (i) (a) 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 Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment of the company have been physically verified by the management during the year and no material discrepancies have been identified on such verification. In our opinion the frequency of verification is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in Note No. 4 in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Properties, Plant, and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in clause 3(i) (e) of the Order are not applicable to the Company.
- (ii) (a) The company inventory includes construction work in progress accordingly the requirement under paragraph 3(ii)(a) 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 book records.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/ financial institutions on the basis of security of current assets. Accordingly, the requirement under paragraph 3(ii)(b) of the Order is not applicable to the company.
- (iii) (a) According to the information explanation provided to us, the Company has provided loans or provided advances in the nature of loans, given guarantees, or provided security to any other entity.

(A) The details of such loans or advances and guarantees or security to subsidiaries, Joint Ventures, and Associates in accordance with provisions of the Companies Act, 2013 are as follows:

Particulars	Guarantees: (Rs. In Lakhs)	Security (Rs. In Lakhs)	Loans (Rs. In Lakhs)	Advances (Rs. In Lakhs)
Aggregate amount granted/provided during the year				
Subsidiaries	-	-	4695.28	-
Balance Outstanding as at balance sheet date in respect of above cases				
Subsidiaries	-	-	3,038.27	-

(B) The Company has provided loans or advances in the nature of loans amounting to Rs. 100.31/- Lakhs to any entity other than subsidiaries, joint ventures, and associates during the year are as follows, and hence reporting under clause 3(iii)(a)(B) of the Order is not applicable.

Particulars	Guarantees: (Rs. In Lakhs)	Security (Rs. In Lakhs)	Loans (Rs. In Lakhs)	Advances (Rs. In Lakhs)
Aggregate amount granted/provided during the year				
Others	-	-	100.31	-
Balance Outstanding as at balance sheet date in respect of above cases				
Others	-	-	100.31	-

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantee provided, and security given are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loans given, in our opinion the repayment of principal and payment of interest has not been stipulated which is repayable on demand. As informed to us, the Company has received the demand amount as and when demanded along with interest during the year. Thus, there has been no default on the part of the party to whom the money has been lent.
- (d) There are no amounts overdue for more than ninety days as of the balance sheet date other than those already provided for in respect of the loan granted to Company/Firm/ LLP/ Other Parties.
- (e) According to the information and explanation provided to us, the loan or advance in the nature of the loan granted has not fallen due during the year. Hence, the requirements under clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ("the Act"):

Particulars	Related Parties (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Aggregate of loans / advances of loan	100.31	100.31
Total	100.31	100.31
Percentage of loans / advances in nature of loan to the total loans	3.20%	3.20%

- (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, in respect of loans, investments, guarantees and security made. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of section 186 [except for sub-section (1)] are not applicable to it.
- (v) In our opinion and according to the information and explanations given to us, 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 thereunder.
- (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 are given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, the duty of customs, service tax, goods and service tax, cess, and other material statutory dues were in arrears as at March 31, 2022, 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, the duty of customs and duty of excise duty, value added tax as at March 31, 2022, 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 explanations given to us, there are no transactions which are not accounted for in the books of account which have been surrendered or disclosed as income during the year in the Tax Assessment of the Company. Also, there is no previously unrecorded income that has been now recorded in the books of account. Hence, the provision stated in clause 3(viii) of the Order is not applicable to the Company.			(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.	
			(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any fund through Qualified Institutional Placements (QIP) during the year. Further, during the year, the Company did not make preferential allotment/ private placement of fully/ partly convertible debentures.	
(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.			(xi) (a) During the course of our audit, 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.	
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.			(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statements for the year ended March 31, 2022, accordingly the provisions stated in clause 3(xi)(b) of the Order is not applicable to the Company.	
(c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.			(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.	
(d) According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.			(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provision stated in clause 3(xii) of the order are not applicable.	
(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.			(xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards	
(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.				

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of the audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to information and explanation given to us and on the basis of the financial ratios, aging and expected dates of realization of financial assets and

payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Kailash Chand Jain & Co.
Chartered Accountants
Firm registration no.: 112318W

Saurabh Chouhan
Partner
Membership No.: 167453
UDIN: 22167453AINARM3899
Place: Navi Mumbai
Date : May 6, 2022

Annexure - B

B to the Independent Auditors' Report of even date on the standalone Financial statement of Arihant Superstructures Limited for the year ended March 31, 2022.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) on "Report on Other Legal Regulatory requirement section.

We have audited the internal financial controls over financial reporting of Arihant Superstructures Limited ("the Company") as of March 31, 2022, 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 the 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

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit the 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
- (c) Provide reasonable assurance regarding the prevention or timely detection of unauthorized 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, 2022 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 Reg. No: 112318W

Saurabh Chouhan
Partner
Membership Number: 167453
UDIN: 22167453AINARM3899
Place: Navi Mumbai
Date: May 6, 2022

Standalone Balance Sheet as at 31st March, 2022 (All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Note No.	As at 31 st March 2022	As at 31 st March 2021
A ASSETS			
Non Current Assets			
Property, Plant & Equipment	3	220.27	222.00
Intangible Assets	3a	2.92	3.93
Investment in Property	4	254.30	254.30
Financial Assets			
Investments	5	5.41	5.41
Other Financial Assets	7	86.80	85.02
Deferred Tax Assets (Net)	33	-	8.11
Total Non Current Assets		569.70	578.77
Current Assets			
Inventories	8	11,518.78	14,336.29
Financial Assets			
Investments	5	2.61	2.55
Trade Receivable	9	2,271.83	1,374.90
Cash & Cash Equivalents	10	159.07	500.98
Loans	6	3,138.91	6.99
Other Financial Assets	7	49.11	32.39
Current Tax Assets	11	186.57	549.14
Other Current Assets			
Land	12	7,431.77	4,531.86
Other	13	533.56	682.22
Total Current Assets		25,292.21	22,017.32
Total Assets		25,861.91	22,596.09
B EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	14	4,116.00	4,116.00
Other Equity	15	11,664.60	7,720.60
Equity attributable to owners of the Company		15,780.60	11,836.60
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	16	63.11	1,711.32
Provisions	21	25.53	9.45
Deferred Tax Liabilities (Net)	33	3.03	-
Total Non Current Liabilities		91.67	1,720.77
Current Liabilities			
Financial Liabilities			
Borrowings	16	607.94	156.24
Trade Payables	17	3,468.91	2,637.59
Other Current Financial Liabilities	18	138.21	178.19
Other Current Liabilities			
Advance from Customers	19	5,738.80	6,028.10
Other Current Liabilities	20	31.59	35.84
Provisions	21	4.19	2.76
Total Current Liabilities		9,989.64	9,038.72
Total Equity and Liabilities		25,861.91	22,596.09

See accompanying notes to the Standalone Financial Statements

1-47

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: May 06, 2022

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 Profit & Loss for the year ended on 31st March, 2022 (All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Note No.	For the year ended on 31st March 2022	For the year ended on 31st March 2021
1 Income from Operations			
Revenue from Operations	22	15,116.77	10,539.61
Other Income	23	314.51	178.83
Total Income from Operations		15,431.28	10,718.44
2 Expenses			
Cost of Construction, Land and Development Expenses	24	6,057.29	6,025.86
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	2,817.50	2,333.70
Employee Benefits Expense	26	458.08	298.28
Finance costs	27	154.53	961.20
Depreciation, Impairment and Amortisation Expense		42.99	73.91
Other Expenses	28	1,292.26	639.15
Total Expenses		10,822.65	10,332.10
3 Profit / (Loss) Before Exceptional Items and Tax (1 - 2)		4,608.63	386.34
4 Exceptional Items (net)		-	-
5 Profit / (Loss) Before Tax (3 + 4)		4,608.63	386.34
6 Tax Credit / (Expense)			
Current Tax Expense		(803.63)	(113.04)
Mat Credit Entitlement		207.39	113.04
Deferred tax		(11.14)	3.77
Total Tax Credit / (Expense)		(607.38)	3.77
7 Profit / (Loss) after tax (5 + 6)		4,001.25	390.11
8 Other Comprehensive Income			
A. Items that will not be classified to profit & loss			
Remeasurement gain / (loss) on Defined Benefit Plans		(12.81)	-
Income Tax on Items that will not be reclassified to Profit or Loss		3.73	-
		(9.08)	-
B. Items that will be reclassified to Statement of Profit and Loss		-	-
Total Other Comprehensive Income		(9.08)	-
9 Total Comprehensive Income for the period (7 + 8)		3,992.17	390.11
10 Earnings per share (of Rs.10/- each):			
(a) Basic		9.70	0.95
(b) Diluted		9.70	0.95

See accompanying notes to the Standalone Financial Statements

1-47

As per our report of even date.

For Kailash Chand Jain & Co.

Chartered Accountants

Firm Reg. No.: 112318W

Saurabh Chouhan

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Place: Navi Mumbai

Date: May 06, 2022

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Govind Rao

Company Secretary
ICSI Mem No. A47094

Standalone Cash Flow Statement

for the year ended on 31st March, 2022
 (All amounts in currency INR Lakhs except as stated otherwise)

Particulars	For Period year ended 31 March, 2022	For Period year ended 31 March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Before Extra Ordinary Items :	4,608.63	386.34
Adjustment for Non Cash Items		
Depreciation, Impairment and Amortisation Expenses	42.99	73.91
Loss / (Profit) on Sale of Fixed Assets	(1.55)	-
Loss / (Profit) from Partnership firm	(0.06)	(0.128)
Interest Paid	154.53	961.20
Interest Received	(281.84)	(168.14)
Remeasurement gain (loss) on defined benefit plans	(9.08)	-
Sundry balances written off	(3.62)	-
Operating Profit Before Working Capital Changes	4,509.99	1,253.18
Changes in Working Capital		
(Increase) / Decrease in Inventories	2,817.50	2,333.70
(Increase) / Decrease in Financial Assets	(4,047.35)	2,837.38
(Increase) / Decrease in Non- Financial Assets	(2,714.33)	1,053.45
Increase / (Decrease) in Financial Liability	791.35	61.29
Increase / (Decrease) in Non-Financial Liability	(287.09)	1,197.59
Cash flow from Operating Activities before Tax and Extraordinary Items	1,070.06	8,736.61
Income Tax paid	(303.79)	(155.29)
Cash flow from Operating Activities before Extraordinary Items	766.27	8,581.32
Adjustment for Extraordinary Items	-	-
Net Cash Flow from Operating Activities	766.27	8,581.32
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(38.94)	(24.08)
(Purchase)/Sale of Investments In property	-	(8.28)
(Purchase)/Sale of Investments In Equity	(0.06)	14.55
Interest Received	281.84	168.14
Net Cash flow from Investment Activities	242.85	150.32
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Borrowing	(1,196.50)	(7,702.32)
Interest paid	(154.53)	(961.20)
Net Cash Flow from Financing Activities	(1,351.03)	(8,663.52)

Standalone Cash Flow Statement

for the year ended on 31st March, 2022
 (All amounts in currency INR Lakhs except as stated otherwise)

Particulars	For Period year ended 31 March, 2022	For Period year ended 31 March, 2022
D. Net Increase / (Decrease) in Cash & Cash Equivalents	(341.91)	68.12
Opening Balance of Cash & Cash Equivalents (Net of Book o/d)	500.98	432.86
Closing Balance of Cash & Cash Equivalents	159.07	500.98
Cash & Cash Equivalent Compose of		
(i) Cash in Hand	9.95	12.72
(ii) Balance with Bank	126.77	402.25
(ii) Balance with Fixed Deposit	22.35	86.01
Closing Balance of Cash & Cash Equivalents	159.07	500.98

Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under section 133 of the Companies Act 2013.
- Reconciliation of liabilities arising from financing activities under Ind AS 7

Particulars	As at 31 March, 2022	As at 31 March, 2021
Borrowings		
Balance at the beginning of the year	1,867.56	9,569.88
Cash Flow	(1,196.50)	(7,702.32)
Non cash changes	-	-
Balance at the end of the year	671.06	1,867.56

As per our attached 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: May 06, 2022

**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

Statement of Changes in Equity as at 31st March, 2022

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

Particulars	Equity Share Capital	Other Equity		Other Comprehensive Income	Total Equity Attributable to Equity Holders of the Company
		Reserves & Surplus			
		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)
Excess Provision of Earlier year Income tax			194.43		194.43
Profit for the Period the Period	-	-	390.11	-	390.11
Balance as of March 31 2021	4,116.00	524.40	7,196.20	-	11,836.60

Particulars	Equity Share Capital	Other Equity		Other Comprehensive Income	Total Equity Attributable to Equity Holders of the Company
		Reserves & Surplus			
		Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2021	4,116.00	524.40	7,196.20	-	11,836.60
Dividends and DDT	-	-	3,992.16	-	3,992.16
Excess Provision of Income tax			(48.16)		(48.16)
Balance as of March 31, 2022	4,116.00	524.40	11,140.20	-	15,780.60

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: May 06, 2022

**For and on behalf of the Board of Directors of
 Arihant Superstructures Limited**
Ashok Chhajer
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 DIN- 03036904

Govind Rao
 Company Secretary
 ICSI Mem No. A47094

Notes forming part of the Standalone Financial Statements

1 General 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.

2 Summary of Significant Accounting Policies

2.1 Basis of preparation of Financial Statements

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

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.

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

The standalone Financial Statements of the Company for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 06, 2022.

2.2 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

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 recognized 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. 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.

4) 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.

Notes forming part of the Standalone Financial Statements

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.

2.3 Current versus Non-Current classification

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 realization in Cash and Cash Equivalents by way of sale of developed units.

An Asset is treated as Current when it is:

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

All other Assets are classified as Non- Current. A Liability is Current when:

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

All other liabilities are classified as Non-Current.

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

2.4 Property, Plant and Equipment

i. Recognition and measurement

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Building was recorded at fair value as deemed cost as at the date of transition to Ind AS. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes

freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value. Revaluation surplus is recorded in Other Comprehensive Income and credited to the Revaluation reserve in Other Equity.

ii. Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Company. All other repairs and maintenance are charged to the Standalone Ind AS Statement of Profit and Loss during the reporting period in which they are incurred.

iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Standalone Statement of Profit and Loss when the item is derecognized.

iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for site/ sales offices, sample flats and aluminium formwork wherein the estimated useful lives is determined by the management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Class of Property, Plant and Equipment	Useful life (in years)
Buildings	30
Rented Premises	Lease Period
Plant & Machinery	5-15

Notes forming part of the Standalone Financial Statements

Class of Property, Plant and Equipment	Useful life (in years)
Furnitures & fixtures	8-10
Vehicles	5-10
Electrical Installations	10
Equipments and facilities	5-8
Computer Hardware	3

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on assets sold during the year is charged to the Standalone Statement of Profit and Loss up to the month preceding the month of sale.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.5 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 amortization and impairment loss. Subsequent expenditure is capitalized 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 recognized 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 amortization 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 amortized, but are tested for impairment annually.

2.6 Investment Properties

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

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

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

2.7 Finance Costs

Borrowing costs that are directly attributable to real estate project development activities are inventoried / capitalized as part of project cost.

Borrowing costs are inventoried / capitalized as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorization / capitalization when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

2.8 Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

Company as a Lessee

The Company assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and

Notes forming part of the Standalone Financial Statements

corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Company, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Company measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Company measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease.

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

Company as a Lessor

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

2.9 Non-Current Assets held for Sale

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

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

2.10 Dividends Declared

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

2.11 Inventories

Construction Materials and Consumables

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

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 direct materials, labour, project specific direct indirect expenses.

Finished Goods

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

Notes forming part of the Standalone Financial Statements

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.

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.

2.12 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 recognized 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 recognized 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 recognized 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.

2.13 Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognized 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 recognized 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 recognized as a finance cost.

A Contingent Liability is not recognized 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.

2.14 Financial Instruments

A. Financial Instruments - Initial recognition and measurement

Financial Assets and Financial Liabilities are recognized 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 recognized 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 amortized 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

Notes forming part of the Standalone Financial Statements

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 derecognizes 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 amortized cost

Interest bearing loans and borrowings including debentures issued by the Company are subsequently measured at amortized cost using the Effective Interest Rate method (EIR). Amortized 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 amortized is included in finance costs in the Statement of Profit and Loss

D.2. Financial Liabilities –Derecognition

A Financial Liability is derecognized 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 recognized 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 recognized amounts and there is an intention to settle on a net basis, or to realize the Assets and settle the Liabilities simultaneously.

F. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an Asset or paid to transfer a Liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the Assets or Liability or
- In the absence of a principal market, in the most advantageous market for the Asset or Liability. The principal or the most advantageous market must be accessible to the Company.

The Company uses valuation technique that are appropriate in the circumstances and for which sufficient

Notes forming part of the Standalone Financial Statements

data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active market for identical Assets or Liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

2.15 Selling Costs

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

2.16 Revenue Recognition

Revenue from contracts with customer is recognized, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

The specific recognition criteria for the various types of the Company's activities are described below:

i. Revenue from Real Estate Projects

The Group recognizes revenue, on execution of agreement or letter of allotment and when control of the goods or services are transferred to the customer, at an amount that reflects the consideration (i.e. the transaction price) to which the Group is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). An asset created by the Group's performance does not have an alternate use and as per the terms of the contract, the Group has an enforceable right to payment for performance completed till date. Hence the Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time. The Group

recognizes revenue at the transaction price which is determined on the basis of agreement or letter of allotment entered into with the customer. The Group recognizes revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Group would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Group recognizes revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

The Group uses cost based input method for measuring progress for performance obligation satisfied over time. Under this method, the Group recognizes revenue in proportion to the actual project cost incurred (excluding land and finance cost) as against the total estimated project cost (excluding land and finance cost).

The management reviews and revises its measure of progress periodically and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognized prospectively in the period in which such changes are determined.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract

ii. Interest income

Interest income from Debt Instruments (including Fixed Deposits) is recognized using the Effective Interest Rate method. The Effective Interest Rate is that rate that exactly discounts estimated future cash receipts through

Notes forming part of the Standalone Financial Statements

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.

iii. Dividends

Revenue is recognized when the Company's right to receive the payment is established.

iv. Delayed Payment Charges

Delayed Payment Charges claimed to expedite recoveries are accounted for on realization.

v. Other Income

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

vi. Rental Income

Rental income arising from operating leases is accounted over the lease terms.

2.17 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 recognized in the Statement of Profit or Loss.

2.18 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 recognized in Other Comprehensive Income or Equity is recognized 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 recognized for all taxable temporary differences. Deferred tax Assets are recognized for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred Tax Assets are recognized 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 utilized.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the Asset is realized 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 recognized 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.

2.19 Earnings Per Share

The basic Earnings Per Share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the year attributable to the Equity Shareholders and the weighted average number of Equity Shares outstanding during the year is adjusted for the effects of all dilutive potential Equity Shares.

2.20 Exceptional Items

Exceptional items refer to items of income or expense within Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

2.21 Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

Defined Contribution Plan

The Company contributes to a recognized provident fund for all its employees. Contributions are recognized as an expense when employees have rendered services entitling them to such benefits.

Gratuity (Defined Benefit Scheme)

The Company provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized in full in the Other Comprehensive Income for the period in which they occur.

Notes forming part of the Standalone Financial Statements

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

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	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

The changes in carrying value of Property, Plant & Equipment for the Year Ended March, 31 2022

Particulars	Building	P&M and Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2021	14.42	107.87	80.71	39.95	296.47	539.42
Additions	-	0.09	2.98	-	37.41	40.48
Deletions	-	-	-	-	4.77	-
Gross carrying value as of March 31, 2022	14.42	107.97	83.69	39.96	329.11	575.14
Accumulated Depreciation as of April 1, 2021	2.83	75.78	73.44	28.43	136.94	317.42
Depreciation	0.56	9.03	3.63	2.15	27.33	42.70
Accumulated depreciation on deletion	-	-	-	-	(4.53)	(4.53)
Accumulated Depreciation as of March 31, 2022	3.39	84.81	77.07	30.58	159.74	355.60
Carrying Value as of March 31, 2022	11.03	23.15	6.62	9.38	169.37	220.27

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	18.52	2.25	20.77
Additions	2.70	-	2.70
Disposal / Adjustments	-	-	-
Gross carrying value as of March 31, 2021	21.22	2.25	23.47
Accumulated Depreciation as of April 1, 2020	15.50	1.59	17.09
Depreciation	2.04	0.41	2.45
Accumulated depreciation on disposal / adjustments	-	-	-
Accumulated Depreciation as of March 31, 2021	17.54	2.00	19.54
Carrying Value as of March 31, 2021	3.68	0.25	3.93

Notes forming part of the Standalone Financial Statements

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

The changes in carrying value of Intangible Assets for the year ended March, 31 2022

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2021	21.22	2.25	23.47
Additions	-	-	-
Disposal / Adjustments	-	-	-
Gross carrying value as of March 31, 2022	21.22	2.25	23.47
Accumulated Depreciation as of April 1, 2021	17.54	2.00	19.54
Depreciation	0.73	0.29	1.01
Accumulated depreciation on disposal / adjustments	-	-	-
Accumulated Depreciation as of March 31, 2022	18.27	2.29	20.55
Carrying Value as of March 31, 2022	2.94	-0.04	2.92

Note 4 Investments in Properties

Particulars	Office at Aura	Total
Non-current Investments		
Gross Carrying Amount	254.30	254.30
As at 01-April-2020		
Additions / Disposals	-	-
As at 31-March-2021	254.30	254.30
Additions / Disposals	-	-
As at 31-March-2022	254.30	254.30
Accumulated Depreciation	-	-
As at 01-April-2020		
Additions / Disposals	-	-
As at 31-March-2021	-	-
Additions / Disposals	-	-
As at 31-March-2022	-	-
Net Carrying Amount		
As at 31-March-2022	254.30	254.30
As at 31-March-2021	254.30	254.30

(i) Income and expenditure of Investment Properties

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Rental and facilities Income	-	-
Less : Maintenance Expenses	2.81	2.81
Profit from Investment properties before Depreciation and Impairment	(2.81)	(2.81)
Depreciation and Impairment	-	-
Profit from Investment Properties	(2.81)	(2.81)

(ii) Fair Value Measurement

Since the company has acquired the property in March 2020, the company is of the view that there is no major change in the fair value of the property, hence the company has considered the acquisition value as fair value for the year under consideration.

Notes forming part of the Standalone Financial Statements

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

Note 5 Investment

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - Current Investment in Unquoted Equity Instrument		
Subsidiary		
Arihant Abode Limited (30000 Share @ Rs.10 per Share)	3.00	3.00
Arihant Aashiyana Private Limited (6000 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
Others		
Amoghvarsh Houses Private Limited (500 Share @ Rs.10 per Share)	0.06	0.06
Partnership Firm		
Arihant Aksh Realty LLP	0.10	0.10
Total	5.41	5.41
Current Investments		
Partnership Firm		
Arihant Aksh Realty LLP	2.61	2.55
Total	2.61	2.55
Total	8.02	7.96

Note 6 Loans

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current loans		
(Unsecured Considered Good)		
Related Party	3,138.58	-
Employee	0.33	6.99
Total	3,138.91	6.99

Note 7 Other Financial Assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - current :		
(Unsecured Considered Good)		
Security Deposits	86.80	85.02
Total	86.80	85.02
Current		
(Unsecured Considered Good)		
Deposit with Government	20.91	32.39
Society Maintenance Receivables	28.20	-
Total	49.11	32.39
Total	135.91	117.41

Notes forming part of the Standalone Financial Statements

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

Note 8 Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
Finished Goods	1,880.18	3,824.40
Work in Progress	9,477.14	10,336.98
Building Materials	161.46	174.91
Total	11,518.78	14,336.29

Note 9 Trade Receivables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Receivables (Unsecured, considered good)	2,271.83	1,374.90
Total	2,271.83	1,374.90

The real estate sales are made on the basis of cash down payment or construction linked payment plan, invoice is raised on the customer in accordance with milestone achieved as per flat buyer agreement. The Final possession of the property is offered to the customer subject to the payment of full value of consideration. Accordingly, the company does not expect any credit loss.

Trade Receivables Ageing Schedule

Particulars	Undisputed Trade receivables - considered good	Undisputed Trade receivables - which have significant increase in credit risk	Disputed Trade receivables - considered good	Disputed Trade receivables - which have significant increase in credit risk
As at 31 March, 2021				
Less than 6 months	852.44	-	-	-
6 months - 1 year	302.48	-	-	-
1 - 2 years	137.49	-	-	-
2 - 3 years	55.00	-	-	-
More than 3 years	27.50	-	-	-
Total	1374.9	-	-	-
As at 31 March, 2022				
Less than 6 months	1,363.10	-	-	-
6 months - 1 year	454.37	-	-	-
1 - 2 years	340.77	-	-	-
2 - 3 years	68.15	-	-	-
More than 3 years	45.44	-	-	-
Total	2271.83	-	-	-

Note 10 Cash and Cash Equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash in hand	9.95	12.72
Balances with banks		
(i) In current accounts	126.77	402.25
(ii) In deposit accounts with original maturity less than 3 months	22.35	86.01
Total	159.07	500.98

Notes forming part of the Standalone Financial Statements

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

Note 11 Current Tax Assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Income Tax	186.57	549.14
Total	186.57	549.14

Note 12 Land

Particulars	As at 31 March, 2022	As at 31 March, 2021
Land	7,431.77	4,531.86
Total	7,431.77	4,531.86

Note 13 Other

Particulars	As at 31 March, 2022	As at 31 March, 2021
Prepaid expenses - Unsecured, considered good	1.06	3.01
Indirect Tax Receivable	347.89	509.47
Advance for Land	57.00	57.00
Advance to Suppliers	127.10	112.24
Others	0.50	0.50
Total	533.55	682.22

Note 14 Equity Share Capital

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(A) Authorised Share Capital				
(i) Equity Shares of Rs. 10/- each				
Balance at the beginning of the year	60,000,000	6,000.00	60,000,000	6,000.00
Increase during the year	40,000,000	4,000.00	-	-
Balance at the end of the year	100,000,000	10,000.00	60,000,000	6,000.00
(ii) Preference Shares of Rs. 10/- each				
Balance at the beginning of the year	15,000,000	1,500.00	15,000,000	1,500.00
Increase during the year	-	-	-	-
Balance at the end of the year	15,000,000	1,500.00	15,000,000	1,500.00
(B) Issued Equity Capital				
Equity Shares of Rs. 10/- each	41,159,991	4,116.00	41,159,991	4,116.00
(C) Subscribed and fully paid up				
Equity Shares of Rs. 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

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

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, 2022			
- Number of shares	41,159,991	-	41,159,991
- Amount (₹ in Lakhs)	4,116.00	-	4,116.00
Year Ended 31 March, 2021			
- 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	As at 31 March, 2022		As at 31 March, 2021	
	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%

Shareholders held by Promoters as at 31 March, 2022

Particulars	Number of shares	% Holding	% change during the year
Equity shares with voting rights			
Ashok B. Chhajer	12,349,147	30.00%	0.32%
Sangeeta A. Chhajer	6,000,000	14.58%	0.00%
Parth A. Chhajer	6,000,000	14.58%	0.00%
Bhavik A. Chhajer	6,070,000	14.75%	0.00%
Lalitkumar Parasmal Bothra	207,404	0.50%	0.00%
Meena Vijay Ranka	146	0.00%	0.00%

Shareholders held by Promoters as at 31 March, 2021

Particulars	Number of shares	% Holding	% change during the year
Equity shares with voting rights			
Ashok B. Chhajer	12,309,147	29.91%	0.00%
Sangeeta A. Chhajer	6,000,000	14.58%	0.00%
Parth A. Chhajer	6,000,000	14.58%	0.00%
Bhavik A. Chhajer	6,070,000	14.75%	0.00%
Lalitkumar Parasmal Bothra	207,404	0.50%	0.00%
Meena Vijay Ranka	146	0.00%	0.00%

Notes forming part of the Standalone Financial Statements

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

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, 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 Year		390.12	-	390.12
Excess Provision of Earlier year Income tax		194.43		194.43
Balance as of March 31, 2021	524.40	7,196.20	-	7,720.60
Balance as of April 1, 2021	524.40	7,196.20	-	7,720.60
Changes in Equity for the Year Ended March 31, 2022				
Firm Tax	-	-	-	-
Profit/(Loss) for the period	-	3,992.16	-	3,992.16
Excess Provision of Earlier year Income tax		(48.16)		(48.16)
Balance as of March 31, 2022	524.40	11,140.20	-	11,664.60

Note 16 Borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current Borrowings		
Secured Loans		
Vehicles loan	63.11	71.04
	63.11	71.04
Current Borrowings		
Secured Loans		
Term Loan	460.05	1,640.28
Vehicles loan	31.73	27.85
Unsecured Loans		
Related Parties	116.16	128.39
	607.94	1,796.52
Total	671.05	1,867.56

Notes on Borrowings :

Secured by :-

1. Term loan from DCB Bank Limited and STCI Finance Limited is secured by Arshiya Project and Adita Project respectively.
2. Vehicle loans are secured against the vehicle itself.

Effective Rate of Interest:-

1. Term loans range from 12% to 13% per annum
2. Vehicles loans range from 8% to 10% per annum

Repayment ending on :-

1. Term Loan will be repaid by March 2023.

Notes forming part of the Standalone Financial Statements

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

Note 17 Trade Payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Payables:		
From MSME		
Sundry Creditors	5.01	14.44
From Others		
Sundry Creditors	2,776.71	2,181.47
Retention	687.20	441.68
Total	3,468.92	2,637.59

Note 18 Other Financial Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Other Financial Liabilities		
Customer security deposit	48.21	54.95
Other payables		
Book O/D	-	23.16
Society Maintenance Payable		49.28
Other Payables	90.00	50.80
Total	138.21	178.19

Note 19 Advances from Customers

Particulars	As at 31 March, 2022	As at 31 March, 2021
Bookings Received	5,738.80	6,028.10
Total	5,738.80	6,028.10

Note 20 Other Current Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Statutory remittances	19.19	32.82
Others Payable	12.40	3.02
Total	31.59	35.84

Note 21 Provisions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - Current		
Provision for Gratuity	25.53	9.45
Current		
Provision for Expenses	4.19	2.76
Total	29.72	12.21

Notes forming part of the Standalone Financial Statements

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

Note 22 Revenue From Operations

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Sale of products (refer note "a" below)	15,022.50	10,490.37
Sale of services	75.00	-
Other Opeative Income	19.27	49.24
Total	15,116.77	10,539.61

Note (a) :

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Sale of Product		
Arihant Aarohi	1,121.40	351.47
Arihant Arshiya	1,467.62	1,803.45
Arihant Arham	-	(0.80)
Arihant Anaika	5,815.35	1,552.80
Arihant Aangan	85.52	189.83
Arihant Adita	2,652.54	1,000.53
Arihant Anchal	2,687.32	1,308.32
Ariahant Ayati	1,192.73	2,084.77
Sales Land	-	2,200.00
Total - Sale of products	15,022.50	10,490.37

Note 23 Other Income

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Interest income		
Fixed Deposit	6.10	7.26
Other	275.74	160.88
Rent	8.06	2.58
Profit / (Loss) from Partnership firm	0.06	(0.13)
Profit / (Loss) on Sale of Fixed Assets	1.55	-
Other Income	23.00	8.24
Total	314.51	178.83

Note 24 Cost of Construction, Land and Development Expenses

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Purchases	1,103.14	1,209.40
Direct Expenses	4,954.15	3,063.49
Land	-	1,752.97
Total	6,057.29	6,025.86

Notes forming part of the Standalone Financial Statements

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

Note 25 Changes in Inventories of Finished Goods

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Inventories at the end of the period:		
Finished Goods	1,880.18	3,824.40
Work in Progress	9,477.14	10,336.97
Building Materials	161.46	174.91
	11,518.78	14,336.28
Inventories at the beginning of the period:		
Finished Goods	3,824.40	5,583.48
Work in Progress	10,336.97	10,664.90
Building Materials	174.91	421.61
	14,336.28	16,669.99
Net (Increase) / Decrease	2,817.50	2,333.71

Note 26 Employee benefits expense

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Salaries, wages and bonus	435.92	286.43
Staff welfare expenses	9.70	5.97
Contribution to provident fund	5.46	5.88
Gratuity Expenses	7.00	-
Total	458.08	298.28

Note 27 Finance costs

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Interest expense on:		
Interest on secured loans	134.40	311.14
Interest on unsecured loans	19.76	634.64
Others Borrowing Cost	0.37	15.41
Total	154.53	961.20

Note 28 Other expenses

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Administrative Expenses	129.22	55.08
Audit fees	7.50	5.50
Advertisement & Selling Exp		
Advertisement	133.97	79.83
Brokerage	261.77	127.58

Notes forming part of the Standalone Financial Statements

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

Note 28 Other expenses (contd)

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Customer Benefits Exp	137.43	142.17
Exhibition & Other Exp	18.69	11.28
Legal and Professional Expenses	129.52	91.35
Rent, Rates & Taxes	373.61	49.25
CSR expenses	48.01	38.60
Donation	0.50	-
Vehicle Expenses	42.52	27.16
Others	9.52	11.35
Total	1,292.26	639.15

Note (i):

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Payment to Auditor		
Audit fees	7.50	5.50
Taxation Matters	0.25	-
Other Services	4.50	4.50
Total	12.25	10.00

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.

(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 :

Notes forming part of the Standalone Financial Statements

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

As at March 31, 2022

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	2.61	2.71	2.71	-	-	-	-	2.71
Loans	6	-	3,138.91	3,138.91	-	-	3,138.91	-	-	3,138.91
Other Financial Assets	7	86.80	49.11	135.91	-	-	135.91	-	-	135.91
Trade Receivable	9	-	2,271.83	2,271.83	-	-	2,271.83	-	-	2,271.83
Cash & Cash Equivalents	10	-	159.07	159.07	-	-	159.07	-	-	159.07
Total		92.21	5,621.53	5,713.75	2.72	5.31	5,705.72	-	-	5,713.75
Financial Liabilities										
Long term Borrowings	16	63.11	-	63.11	-	-	63.11	-	-	63.11
Short term Borrowings	16	-	607.94	607.94	-	-	607.94	-	-	607.94
Trade payables	17	-	3,468.92	3,468.92	-	-	3,468.92	-	-	3,468.92
Other Financial Liabilities	18	-	138.21	138.21	-	-	138.21	-	-	138.21
Total		63.11	4,215.07	4,278.19	-	-	4,278.19	-	-	4,278.19

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	7	85.02	32	117.41	-	-	117.41	-	-	117.41
Trade Receivable	9	-	1,374.90	1,374.90	-	-	1,374.90	-	-	1,374.90
Cash & Cash Equivalents	10	-	500.98	500.98	-	-	500.98	-	-	500.98
Total		90.43	1,917.81	2,008.24	2.65	5.31	2,000.28	-	-	2,008.25
Financial Liabilities										
Long term 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	-	2,637.59	2,637.59	-	-	2,637.59	-	-	2,637.59
Other Financial Liabilities	18	-	178.19	178.19	-	-	178.19	-	-	178.19
Total		1,711.32	2,946.37	4,657.69	-	-	4,657.68	-	-	4,657.68

Notes forming part of the Standalone Financial Statements

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

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.

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

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Opening provision	-	-
Add: Provision made during the year	-	-
Less: Provision written back	-	-
Less: Provision reversed	-	-
Closing provision	-	-

Notes forming part of the Standalone Financial Statements

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

ii) Bad debts:

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
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, 2022

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	63.11	-	63.11
Short term borrowings	607.94	-	-	607.94
Trade and other payables	3,468.91	-	-	3,468.91
Other financial liabilities	138.21	-	-	138.21
Total	4,215.06	63.11	-	4,278.18

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	2,637.59	-	-	2,637.59
Other financial liabilities	178.19	-	-	178.19
Total	2,972.03	1,711.32	-	4,683.34

(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"

Notes forming part of the Standalone Financial Statements

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

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	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Fixed rate borrowings	211.05	227.28
Variable rate borrowing	460.00	1,640.28
Total	671.05	1,867.56

- 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	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Interest sensitivity		
Interest rate increase by 50 basis points	462.00	1,648.48
Interest rate decrease by 50 basis points	456.00	1,632.08

- Capital Management

The Company's capital management objectives are:

- a) to ensure the Company's ability to continue as a going concern
- b) 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.

Notes forming part of the Standalone Financial Statements

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

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 31 March, 2022	As at 31 March, 2021
Long term borrowings	63.11	1,711.32
Short term borrowings	607.94	156.24
Total Borrowing	671.05	1,867.56
Less: Cash and cash equivalents	159.07	500.98
Net Debt	511.98	1,366.58
Total Equity	15,780.60	11,836.60
Debt to Equity Ratio	0.03	0.12

b) Dividends

Dividends paid during the year

Particulars	As at 31 March, 2022	As at 31 March, 2021
- Interim Dividend	NIL	NIL
Rate per Share		
Amount in INR	NIL	NIL
- Final Dividend	NIL	NIL
Rate per Share		
Amount in INR	NIL	NIL

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. Chhajjer
	Nimesh Shah
	Deepak Lohia
	Govind Rao
Relatives of KMP	Parth A Chhajjer
	Bhavik A Chhajjer
	Sangeeta A. Chhajjer
Company in which KMP / Relatives of KMP can exercise significant influence	Adinath Realty Private Limited
	Amoghvarsh Houses Pvt. Ltd. (earlier known as Arihant Technoinfra Pvt Ltd)
	Arihant Paradise Realty Pvt. Ltd
	Arihant Enterprises

Note: Related parties have been identified by the Management.

Notes forming part of the Standalone Financial Statements

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

Details of related party transactions for the year ended 31 March, 2022

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans & Advances Given					
Current Year	4,340.50	-	-	-	4,340.50
Previous Year	1,843.96	-	-	379.15	2,223.11
Loan & Advances Given Received					
Current Year	1,657.01	-	-	-	1,657.01
Previous Year	5,614.61	-	-	831.52	6,446.14
Interest Received (Gross)					
Current Year	394.20	-	-	-	394.20
Previous Year	118.34	-	-	24.95	143.30
Loan Taken (Borrowings)					
Current Year	-	1,393.00	-	-	1,393.00
Previous Year	-	652.75	-	-	652.75
Loan Repaid					
Current Year	-	1,423.00	-	-	1,423.00
Previous Year	-	6,141.25	-	-	6,141.25
Interest Paid (Gross)					
Current Year	-	19.75	-	-	19.75
Previous Year	-	486.17	-	-	486.17
Rent Paid (Gross)					
Current Year	-	4.80	-	-	4.80
Previous Year	-	4.80	-	-	4.80

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Construction Contract					
Current Year	-	-	-	1,760.00	1,760.00
Previous Year	-	-	-	615.00	615.00
Purchase of materials					
Current Year	-	-	-	-	-
Previous Year	-	-	-	59.22	59.22
Remuneration					
Current Year	-	135.73	-	-	135.73
Previous Year	-	108.81	-	-	108.81
Purchase of Office/Land					
Current Year	-	-	-	240.00	240.00
Previous Year	-	-	-	-	-
Loans and Advances Outstanding(Asset)					
Current Year	3,038.27	-	-	-	3,038.27

Notes forming part of the Standalone Financial Statements

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

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Previous Year	-	-	-	-	-
Loans and Payables Outstanding (Liability)					
Current Year	-	116.16	-	-	116.16
Previous Year	-	128.39	-	-	128.39
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 31 March, 2022	As at 31 March, 2021
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders (₹ in Lakhs)	3,992.17	390.11
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 (₹)	9.70	0.95
Diluted (₹)	9.70	0.95

Note 33 Disclosures under Ind-AS 12 on "Income Taxes"

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred tax (liability) / asset		
Opening deferred tax (liability) / asset	8.11	4.34
Add/(less): Recognised/ reversed during the year	(11.14)	3.77
Closing deferred tax (liability) / asset	(3.03)	8.11

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:

CRM Software Expenses - ₹ 13.85 Lakhs. (Previous Year Zero)

Notes forming part of the Standalone Financial Statements

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

Unhedged Foreign currency

Liabilities	As at 31 March, 2022		As at 31 March, 2021	
	Foreign Currency	Rupees	Foreign Currency	Rupees
Trade payable in USD	0.22	16.39	-	-

Note 35 : Contingent Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Claim against the company not acknowledged as debts		
Corporate Guarantees Given	460.00	1,726.00
Disputed Taxation Matters	-	-
Disputed Land related Legal Cases	-	-
Total	460.00	1,726.00

Note 36 : Details of dues to Micro, Small and Medium Enterprises

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	5.01	14.44
(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, 2022 and March 31, 2021 to Micro, Small and Medium Enterprises on account of principal or interest.

Note 37 : Trade Payable Ageing Schedule

Particulars	MSME	Others	Disputed dues - MSME	Disputed dues - Others
As at 31 March, 2021				
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 1 year	14.44	988.25	-	-
1 - 2 years	-	1,339.29	-	-
2 - 3 years	-	52.18	-	-
More than 3 years	-	243.43	-	-
Total	14.44	2,623.15		

Notes forming part of the Standalone Financial Statements

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

Particulars	MSME	Others	Disputed dues - MSME	Disputed dues - Others
As at 31 March, 2022				
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 1 year	5.01	1,842.89	-	-
1 - 2 years	-	246.67	-	-
2 - 3 years	-	1,074.14	-	-
More than 3 years	-	300.21	-	-
Total	5.01	3,463.91		

Note 38 : Details of Corporate Social Responsibility Expenditure (CSR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Gross Amount required to be spent for CSR Activity	14.01	49.44
Amount Spent during the year	48.01	38.6
Unspent amount outstanding	-	10.84

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 31.03.2022."

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%
Arihant Gruhnirman Private Limited	6,000	60%	60%

Note 42 : Disclosure required by Clause 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Subsidiary	As at 31 March, 2022	As at 31 March, 2021	Maximum balance during March 31, 2022	Maximum balance during March 31, 2021
Subsidiaries				
Arihant Aashiyana Private Limited	688.66	-	708.79	211.72
Arihant Abode Limited	2,349.61	-	2,349.61	237.93
Arihant Gruhnirman Private Limited	-	-	-	1,190.21
Arihant Vatika Private Limited	-	-	359.91	735.62

Notes forming part of the Standalone Financial Statements

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

Note 43 : 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.

1 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.

2 Gratuity and leave Obligation

The Company has a funded defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit or Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

2.1 Assets and Liability (Balance Sheet Position)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Present Value of Obligation	9.45	25.53
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	(9.45)	(25.53)
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	(9.45)	(25.53)

* The liability as at 31-03-2021 is the provisional amount, which has been provided by the Company.

2.2 Changes in the Present Value of Obligation

refer para 140(a)(ii) and 141 of Ind AS19

Particulars	As at 31 March, 2022	As at 31 March, 2021
Present Value of Obligation as at the beginning	-	9.45
Current Service Cost	-	2.72
Interest Expense or Cost	-	0.55
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	-	12.81
others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	-	-
Transfer In / (Out)	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	-	25.53

Notes forming part of the Standalone Financial Statements

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

2.3 Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Liability (Short term)	-	6.03
Non-Current Liability (Long term)	-	19.50
Present Value of Obligation	-	25.53

2.4 Changes in the Fair Value of Plan Assets

refer para 140(a)(i) and 141 of Ind AS19

Particulars	As at 31 March, 2022	As at 31 March, 2021
Fair Value of Plan Assets as at the beginning	-	-
Investment Income	-	-
Employer's Contribution	-	-
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	-	-

2.5 Change in the Effect of Asset Ceiling

refer para 140(a)(iii) and 141 of Ind AS19

Particulars	As at 31 March, 2022	As at 31 March, 2021
Effect of Asset Ceiling at the beginning	-	-
Interest Expense or Cost (to the extent not recognised in net interest expense)	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Effect of Asset Ceiling at the end	-	-

2.6 Expenses Recognised in the Income Statement

refer para 57(c) of Ind AS19

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Service Cost	-	2.72
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	-	0.55
Expenses Recognised in the Income Statement	-	3.27

Notes forming part of the Standalone Financial Statements

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

2.7 Other Comprehensive Income

refer para 57(d) of Ind AS19

Particulars	As at 31 March, 2022	As at 31 March, 2021
Actuarial (gains) / losses	-	-
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	-	12.81
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	-	12.81

2.8 Major categories of Plan Assets (as percentage of Total Plan Assets)

refer para 142 of Ind AS 19

Particulars	As at 31 March, 2022	As at 31 March, 2021
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	-	-
Bank balance	-	-
Other Investments	-	-
Total	-	-

Note 44 : Ratio Analysis and its element

Sr. No.	Particulars	As at 31 March, 2022			As at 31 March, 2021			% Change	Reasons
		Numerator	Denominator	Ratio	Numerator	enominator	Ratio		
1	Current Ratio - (Current Assets / Current Liabilities)	25,292.21	9,989.64	2.53	22,017.32	9,038.72	2.44	3.94%	Improvement in current ratio is due to appreciation in current asset.
2	Debt-Equity Ratio - (Paid-up Debt / Total Equity [Share Capital + Applicable Reserves])	671.05	15,780.60	0.04	1,867.56	11,836.60	0.16	-73.05%	Improvement in debt ratio is due to reduction in total debt and increase in equity.
3	Debt Service Coverage Ratio - [Earnings before Interest Expenses, Depreciation and Tax (excludes Exceptional Item) / (Interest Expenses + Principal Repayment (excluding refinancing, prepayment and group debt)]	4,806.15	671.05	7.16	1,421.45	1,867.56	0.76	840.99%	Improvement in DSCR is due to increase in profit before tax and reduction in debt as compared to last year
4	Return on Equity Ratio - (Profit after tax / Average of total Equity)	4,001.25	13,808.60	0.29	390.11	11,544.33	0.03	757.49%	Improvement in Return on equity is due to increase in profit after tax as compared to last year

Notes forming part of the Standalone Financial Statements

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

Sr. No.	Particulars	As at 31 March, 2022			As at 31 March, 2021			% Change	Reasons
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
5	Inventory Turnover Ratio - (Cost of Sales / Average Finished Inventory)	8,874.79	3,020.48	2.94	8,359.56	5,002.20	1.67	75.82%	Improvement in Inventory Turnover ratio is due to increase in revenue compared to previous year
6	Trade Receivables Turnover Ratio - (Revenue from operations) / Average Trade receivables)	15,116.77	1,823.37	8.29	10,539.61	1,530.07	6.89	20.36%	Improvement in Trade Receivable Turnover ratio is due to increase in revenue compared to previous year
7	Trade Payables Turnover Ratio - (Cost of project / Average Trade payables)	8,874.79	3,053.25	2.91	8,359.56	2,630.05	3.18	-8.55%	Improvement in Trade Payable Turnover ratio is due to increase in average trade payable as compared to last year
8	Net Capital Turnover Ratio - (Revenue from operations / Working Capital)	15,116.77	15,302.57	0.99	10,539.61	12,978.60	0.81	21.65%	Improvement in Net Capital Turnover ratio is due to increase in revenue and reduction in working capital as compared to previous year
9	Net Profit Ratio - (Profit after tax / Total Income)	4,001.25	15,431.28	0.26	390.11	10,718.44	0.04	612.42%	Improvement in Net Profit ratio is due to drastic increase in profit after tax as compared to previous year
10	Return on Capital Employed - ((Profit before tax (+) finance costs) / (Total Equity (+) Borrowings (-/+)) Deferred Tax Asset/Liability))	4,763.16	16,454.68	0.29	1,347.54	13,696.05	0.10	194.21%	Improvement in Return on Capital Employed ratio is due to drastic increase in profit after tax as compared to previous year
11	Return on Investment - (Income from investments / Average Investments)	0.06	2.68	0.02	-0.13	9.87	-0.01	269.98%	Improvement in Return on Investment ratio is due to increase in profit from investment and reduction in investment amount during the year as compared to previous year

Note 45 : Other Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

Notes forming part of the Standalone Financial Statements

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note 46 : Recent Development

- On March 23, 2022, Ministry of Corporate Affairs amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below which are effective for the annual periods beginning on or after April 1, 2022.
- Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
- Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and the impact is not expected to be material.
- Ind AS 109 – Financial Instruments – The amendment requires derecognition of a financial liability and recognition of a new financial liability when there is an exchange between an existing borrower and the lender of debt instruments with substantially different terms (including a substantial modification of the terms of an existing financial liability or part of it). The terms are substantially different if the discounted present value of the remaining cash flows under the new terms are at least 10% different from the discounted present value of the remaining cash flows of the original financial liability (‘10%’ test).
- The amendment in the Rules clarifies the nature of fees that an entity could include when it applies the ‘10%’ test in assessing whether to derecognise a financial liability. It states that an entity shall include only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The Company has evaluated the amendment and the impact is not expected to be material.

Note 47 : Previous Year Figure’s regrouping:

The previous year’s figures have been regrouped, rearranged and reclassified wherever necessary.

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: May 06, 2022

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

Independent Auditor's Report

To
The Members of
Arihant Superstructures Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arihant Superstructures 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, 2022, 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 their consolidated state of affairs of the Group as at March 31, 2022, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Revenue recognition

The Group's most significant revenue streams involve sale of residential and commercial units representing 99.52% of the total revenue from operations of the Group.

Revenue is recognised post transfer of control of residential and commercial units to customers for the amount / consideration which the Group expects to receive in exchange for those units.

The trigger for revenue recognition is normally percentage of completion of the project. The Group records revenue, over time till the actual possession to the customers, or on actual possession to the customers, as determined by the terms of contract with customers.

The risk for revenue being recognized in an incorrect period presents a key audit matter due to the financial significance and geographical spread of the Group's projects across different regions in India.

Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete

Basis for Opinion

We conducted our audit of the consolidated financial statement 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our 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 for 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.

Our audit procedures on Revenue recognition included the following:

- 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;

Revenue recognition prior to receipt of Occupancy Certificate/ similar approval and intimation to the customer Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the Group's assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.

Considering the significant estimate involved in measurement of revenue, we have considered measurement of revenue as a key audit matter.

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. 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

Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete

- 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.

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, 2022 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, 2022 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, 2022 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.
- iv. 1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person / entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary has, whether directly or indirectly lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- 2) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person / entity, including foreign entities, with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the company has directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- 3) Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (1) and (2) contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
- 2) As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under section 197 of the Act and the rules thereunder.
- 3) With respect to matters specified in paragraph 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us, for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Kailash Chand Jain & Co.

Chartered Accountants
Firm Reg No. 112318W

Saurabh Chouhan

Partner
Membership No.: 167453
UDIN: 22167453AINAWX2711

Place: Navi Mumbai
Date: May 6, 2022

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, 2022, we have audited the internal financial controls over financial reporting of Arihant Superstructures 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 consolidated 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 consolidated 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 consolidated financial reporting and their operating effectiveness. Our audit of internal financial controls over consolidated financial reporting included obtaining an understanding of internal financial controls over consolidated 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 consolidated 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 consolidated financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Consolidated Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Consolidated Financial Reporting

Because of the inherent limitations of internal financial controls over consolidated 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 consolidated financial reporting to future periods are subject to the risk that the internal financial control over consolidated 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 consolidated financial reporting and such internal financial controls over consolidated financial reporting were operating effectively as at March 31, 2022, based on the internal control

over consolidated 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 Consolidated Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Saurabh Chouhan
Partner
Membership No.: 167453
UDIN: 22167453AINAWX2711

Place: Navi Mumbai
Date: May 6, 2022

Consolidated Balance Sheet

as at 31st March, 2022
(All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Note No.	As at 31 st March 2022	As at 31 st March 2021
A ASSETS			
Non Current Assets			
(a) Property, Plant & Equipment	3	913.20	890.09
(b) Intangible Assets	3a	8.83	8.02
(c) Investment in Property	4	1,141.65	1,141.65
(d) Financial Assets		-	-
(i) Investments in Equity	5	0.16	0.16
(ii) Other Financial Assets	7	3,400.40	3,142.62
Deferred Tax Assets (Net)	31	21.06	15.69
Total Non Current Assets		5,485.29	5,198.23
Current Assets			
(a) Inventories	8	44,698.07	35,471.33
(b) Financial Assets		-	-
(i) Investment	5	2.61	2.55
(ii) Trade Receivable	9	5,985.74	2,598.77
(iii) Cash & Cash Equivalents	10	1,472.30	1,200.54
(iv) Loans	6	1,239.07	487.94
(v) Other Financial Assets	7	586.82	279.49
(c) Land	12	21,947.23	19,891.59
(d) Current Tax Assets (Net)	11	320.99	597.29
(e) Other Current Assets	13	3,699.66	3,158.56
Total Current Assets		79,952.49	63,688.06
TOTAL ASSETS		85,437.78	68,886.29
B EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14a	4,116.00	4,116.00
(b) Other Equity	14b	13,726.29	9,754.20
(c) Non- Controlling Interest		2,457.85	2,459.98
Equity attributable to owners of the Company		20,300.14	16,330.18
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	15	17,520.37	25,002.53
(b) Provisions	20	40.11	11.33
Total Non Current Liabilities		17,560.48	25,013.86
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	12,407.48	4,549.38
(ii) Trade Payables	16	6,179.93	5,280.07
(iii) Other Financial Liabilities	17	929.53	360.36
(b) Other Current Liabilities			
(i) Advance from Customers	18	27,703.55	17,012.69
(ii) Other Current Liabilities	19	332.99	281.49
(c) Provisions	20	23.68	58.26
Total Current Liabilities		47,577.16	27,542.25
Total Equity and Liabilities		85,437.78	68,886.29

See accompanying notes to the Consolidated Financial Statements
As per our attached report of even date

1-43

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

Saurabh Chouhan
Partner
Membership No.-167453

Place: Navi Mumbai
Date: May 06, 2022

**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

Consolidated Statement of Profit & Loss

for the year ended on 31st March, 2022
(All amounts in currency INR Lakhs except as stated otherwise)

Particulars	Note No.	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
1 Income from Operations			
(a) Revenue from Operations	21	33,093.75	27,012.66
(b) Other Income	22	158.37	214.04
Total Income from Operations		33,252.12	27,226.70
2 Expenses			
(a) Cost of Construction, Land and Development Expenses	23.a	28,909.64	14,923.81
(b) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23.b	(9,226.74)	3,339.19
(c) Employee Benefits Expense	24	1,641.00	1,180.54
(d) Finance costs	25	2,103.09	2,809.55
(e) Depreciation, Impairment and Amortisation Expense		173.43	203.92
(f) Other expenses	26	4,802.12	2,766.86
Total expenses		28,402.54	25,223.87
3 Profit / (Loss) before exceptional items and tax (1 - 2)		4,849.58	2,002.83
4 Exceptional Items (net)		-	-
5 Profit / (Loss) before tax (3 + 4)		4,849.58	2,002.83
6 Tax Credit / (Expense)			
(a) Current tax expense		(924.75)	(550.72)
(b) Mat Credit Entitlement		207.39	113.04
(c) Deferred tax		5.37	8.87
Total Tax Credit / (Expense)		(711.99)	(428.81)
7 Profit / (Loss) after tax (5 + 6)		4,137.59	1,574.02
8 Other Comprehensive Income			
A. Items that will not be classified to profit & loss			
Remeasurement gain / (loss) on Defined Benefit Plans		(16.37)	-
Income Tax on Items that will not be reclassified to Profit or Loss		4.63	-
		(11.74)	-
B. Items that will be reclassified to Statement of Profit and Loss		-	-
Total Other Comprehensive Income / (loss) (net of tax)		(11.74)	-
9 Total Comprehensive Income for the year (7+8)		4,125.85	1,574.02
Profit for the year attributable to:		4,137.59	1,574.02
(i) Owners of the Company		4,134.14	1,117.11
(ii) Non Controlling Interest		3.45	456.91
		4,137.59	1,574.02
Other Comprehensive Income / (loss) attributable to:		(11.74)	-
(i) Owners of the Company		(11.74)	-
(ii) Non Controlling Interest		-	-
		(11.74)	-
Total Comprehensive Income for the year attributable to:		4,125.85	1,574.02
(i) Owners of the Company		4,122.40	1,117.11
(ii) Non Controlling Interest		3.45	456.91
		4,125.85	1,574.02
Earnings per share (of Rs.10/- each):			
(i) Basic		10.04	2.71
(ii) Diluted		10.04	2.71

See accompanying notes to the Consolidated Financial Statements

1-43

As per our attached 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: May 06, 2022

**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

Consolidated Cash Flow Statement

for the year ended on 31st March, 2022
 (All amounts in currency INR Lakhs except as stated otherwise)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items :	4,849.58	2,002.85
Adjustment for Non Cash Items		
Depreciation & Amortisation	173.43	203.92
Interest paid	2,103.08	2,809.55
Loss on Sale of Fixed Assets	(1.55)	1.55
Sundry Balances written off	(5.97)	-
Profit from partnership Firm	(0.06)	-
Remeasurement gain (loss) on defined benefit plans	11.75	-
Less :- Non Operating Income		
Interest Received	(118.43)	(187.17)
Operating Profit Before Working Capital Changes	7,011.82	4,830.70
Changes in Working Capital		
(Increase)/ Decrease in Inventories	(9,226.74)	3,339.19
(Increase)/ Decrease in Financial Assets	(4,707.57)	3,771.69
(Increase)/ Decrease in Non- Financial Assets	(2,596.73)	(665.35)
Increase/ (Decrease) in Financial Liability	1,469.03	(968.95)
Increase/ (Decrease) in Non- Financial Liability	10,736.56	2,558.54
Cash flow from Operating Activities before Tax and Extraordinary Items	2,686.38	12,865.82
Income Tax paid	(608.55)	(813.61)
Cash flow from Operating Activities before Extraordinary Items	2,077.83	12,052.22
Adjustment for Extraordinary Items	-	-
Cash Generated from Operating Activities	2,077.83	12,052.22
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale /(Purchase of Fixed Assets (Net)	(197.36)	(148.83)
(Purchase)/Sale of Investments	-	(112.59)
Interest Received	118.43	187.17
Net Cash flow from Investment Activities	(78.93)	(74.25)

Consolidated Cash Flow Statement

for the year ended on 31st March, 2022
 (All amounts in currency INR Lakhs except as stated otherwise)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) Borrowings	375.94	(9,116.96)
Interest paid	(2,103.08)	(2,809.55)
Net Cash Flow from Financing Activities	(1,727.14)	(11,926.52)
Net Increase in Cash & Cash Equivalents	271.76	51.45
Opening Balance of Cash & Cash Equivalents	1,200.54	1,149.08
Closing Balance of Cash & Cash Equivalents	1,472.30	1,200.54
Cash & Cash Equivalent Comprise of		
(i) Cash in Hand	38.48	50.63
(ii) Balance with Bank	742.63	807.86
(iii) Fixed Deposit	691.19	342.05
Closing Balance of Cash & Cash Equivalents	1,472.30	1,200.54

Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under section 133 of the Companies Act 2013.
- Reconciliation of liabilities arising from financing activities under Ind AS 7

Particulars	31 March, 2022	31 March, 2021
Borrowings		
Balance at the beginning of the year	29,551.91	38,668.87
Cash Flow	375.94	(9,116.96)
Non cash changes	-	-
Balance at the end of the year	29,927.85	29,551.91

As per our attached 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: May 06, 2022

**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

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2022

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

Particulars	Equity Share Capital	Other Equity			Other Comprehensive Income	Toal Equity Attributable to Equity Holders of the Company
		Reserves & Surplus				
		Security Premium Reserve	Capital Reserve	Retained Earnings		
As at of April, 01, 2020	4,116.00	524.40	0.78	8,034.08	-	12,675.26
Profit / Loss of Firm	-	-	-	(0.01)	-	(0.01)
Firm Tax	-	-	-	-	-	-
Short Provision of Income Tax	-	-	-	77.84	-	77.84
Profit /(Loss) for the period	-	-	-	1,117.11	-	226.52
As at March, 31 2021	4,116.00	524.40	0.78	9,229.02	-	12,979.61

Particulars	Equity Share Capital	Other Equity			Other Comprehensive Income	Toal Equity Attributable to Equity Holders of the Company
		Reserves & Surplus				
		Security Premium Reserve	Capital Reserve	Retained Earnings		
As at April 01, 2021	4,116.00	524.40	0.78	9,229.02	-	13,870.20
Firm Tax	-	-	-	-	-	-
Earlier year tax expenses	-	-	-	(145.88)	-	(145.88)
Profit /(Loss) for the period	-	-	-	4,122.40	-	4,122.40
As at March, 31 2022	4,116.00	524.40	0.78	13,205.54	-	17,846.72

As per our attached 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: May 06, 2022

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

Notes forming part of the Consolidated Financial Statements

1 Corporate information

Arihant Superstructures Limited ("the Company") having CIN L51900MH1983PLC029643 is a Public Limited Company domiciled and incorporated in India and its shares are publically traded on National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India. The Company's Registered Office is located at Arihant Aura, B-Wing, 25th Floor, 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.

2 Summary of Significant Accounting Policies

2.1 Basis of preparation of Financial Statements

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, 2022.

The consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) 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, 2022 were approved by the Board of Directors and authorised for issue on May 06, 2022.

2.2 Basis of Consolidation

- Arihant Superstructures Limited Consolidates entities which it owns or controls. The Consolidated Financial Statements comprises the Financial Statements of the Company, its Subsidiaries as disclosed in Note 28. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.
- The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for Standalone Financial Statements.

- 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.
- 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.
- The amount shown in respect of Reserve comprises the amount of the relevant Reserves as per the Balance Sheet of the Parent Company and its share in the post-acquisition increase in the relevant Reserve of the entity to be consolidated.
- Notes to the Consolidated Financial Statements represents notes involving items which are considered material & are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the Consolidated Financial Statements. Further, additional statutory information disclosed in separate Financial Statements of the subsidiary and / or Parent having no bearing on the true & fair view of the Consolidated Financial Statements have not been disclosed in the Consolidated Financial Statements.

2.3 Use of Estimates and Judgements

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

- 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

Notes forming part of the Consolidated Financial Statements

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.

2.4 Current versus Non-Current classification

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

An Asset is treated as Current when it is:

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

All other Assets are classified as Non-Current.

A Liability is Current when:

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

All other liabilities are classified as Non-Current.

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

2.5 Property, Plant and Equipment

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

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

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

Notes forming part of the Consolidated Financial Statements

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 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.

2.6 Dividends Declared

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

2.7 Investment Properties

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

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

2.8 Intangible Assets

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

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.

Notes forming part of the Consolidated Financial Statements

2.9 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.

2.10 Non-Current Assets held for Sale

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

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

2.11 Inventories

Construction Materials and Consumables

Construction material 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.

Finished Goods

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

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

2.12 Cash and Cash Equivalent

Cash and Cash Equivalent in the Balance Sheet comprise Cash at Banks and on Hand and Short- Term Deposits maturing within twelve months from the date of Balance

Sheet, which are subject to an insignificant risk of changes in value.

2.13 Financial Instruments

A. Financial Instruments - Initial recognition and measurement

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

B.1. Financial Assets-Subsequent measurement

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

a. Financial Assets at fair value through Profit or Loss

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

b. Financial Assets measured at amortised cost

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

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

Notes forming part of the Consolidated Financial Statements

on an instrument by instrument basis to present in Other Comprehensive Income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

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

B.2. Financial Assets-Derecognition

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

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

C. Investment in Subsidiaries, Joint Ventures and Associates

Investments made by the Company in Subsidiaries, Joint Ventures and Associates are measured at cost in the Standalone Financial Statements of the Company.

D.1. Financial liabilities-Subsequent measurement

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

a. Financial Liabilities at fair value through Profit or Loss

Financial Liabilities at fair value through Profit or Loss include Financial Liabilities Held for Trading, if any.

b. Financial Liabilities measured at amortised cost

Interest bearing loans and borrowings including debentures issued by the Company are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the Statement of Profit and Loss

D.2. Financial Liabilities -Derecognition

A Financial Liability is derecognised when the obligation under the liability is discharged or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are 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.

F. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an Asset or paid to transfer a Liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the Assets or Liability or
- In the absence of a principal market, in the most advantageous market for the Asset or Liability.

The principal or the most advantageous market must be accessible to the Company.

The Company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active market for identical Assets or Liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Notes forming part of the Consolidated Financial Statements

Level 3 - Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

2.14 Selling Costs

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

2.15 Revenue Recognition

Revenue from contracts with customer is recognized, when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

The specific recognition criteria for the various types of the Company's activities are described below:

i. Revenue from Real Estate Projects

The Group recognizes revenue, on execution of agreement or letter of allotment and when control of the goods or services are transferred to the customer, at an amount that reflects the consideration (i.e. the transaction price) to which the Group is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). An asset created by the Group's performance does not have an alternate use and as per the terms of the contract, the Group has an enforceable right to payment for performance completed till date. Hence the Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time. The Group recognizes revenue at the transaction price which is determined on the basis of agreement or letter of allotment entered into with the customer. The Group recognizes revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Group would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Group recognizes revenue only to the extent of cost incurred

until it can reasonably measure outcome of the performance obligation.

The Group uses cost based input method for measuring progress for performance obligation satisfied over time. Under this method, the Group recognizes revenue in proportion to the actual project cost incurred (excluding land and finance cost) as against the total estimated project cost (excluding land and finance cost).

The management reviews and revises its measure of progress periodically and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognized prospectively in the period in which such changes are determined.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract

ii. Interest income

Interest income from Debt Instruments (including Fixed Deposits) is recognized 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.

iii. Dividends

Revenue is recognized when the Company's right to receive the payment is established.

Notes forming part of the Consolidated Financial Statements

iv. Delayed Payment Charges

Delayed Payment Charges claimed to expedite recoveries are accounted for on realization.

v. Other Income

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

vi. Rental Income

Rental income arising from operating leases is accounted over the lease terms.

2.16 Foreign Currency Transactions

Foreign Currency Transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit or Loss.

2.17 Income Taxes

Current Tax

The Current Tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current Tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax

Deferred Tax is provided using the liability method on temporary differences between the tax bases of Assets and Liabilities and their carrying amounts for Financial reporting purposes at the reporting date.

Deferred Tax liabilities are recognised for all taxable temporary differences. Deferred tax Assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred Tax Assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the Asset is realised or the Liability is settled, based on tax rates (and tax laws) that have been enacted at the Reporting date.

Deferred tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax Assets and Deferred Tax Liabilities are offset if a legally enforceable right exists to set off current tax Assets against Current Tax Liabilities.

2.18 Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognised when the Company has present determined obligations as a result of past events an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is not recognised but disclosed in the Notes to the accounts, unless the probability of an outflow of resources is remote.

A Contingent Asset is generally neither recognised nor disclosed.

2.19 Earnings Per Share

The basic Earnings Per Share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the year attributable to the Equity Shareholders and the weighted average number of Equity Shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

2.20 Exceptional Items

Exceptional items refer to items of income or expense within Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

Notes forming part of the Consolidated Financial Statements

2.21 Impairment of Non-Financial Assets

The carrying amounts of Assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an Asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an Asset or paid to transfer a Liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the Asset over its remaining useful life.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company Cash Generating Unit's (CGU) to which the individual Assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The

reversal is limited so that the carrying amount of the Asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the Asset in prior years.

2.22 Significant Accounting Judgments and Assumption Property, Plant and Equipment

Property, Plant and Equipment represent a proportion of the Asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an Asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's Assets are determined by management at the time the Asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar Assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Intangible Assets

The Company tests whether Intangible Assets have suffered any impairment on an annual basis. The recoverable amount of a Cash Generating Unit is determined based on value in use calculations which require the use of assumptions.

Investment Property

The charge in respect of periodic depreciation on Investment Properties is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's Investment Properties are determined by management at the time the asset is acquired and reviewed periodically, including at each Financial Year end. The lives are based on historical experience with similar Assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Notes forming part of the Consolidated Financial Statements

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

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 March 31, 2020	2.24	227.26	63.46	97.23	209.41	599.60
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	794.74
Carrying Value as of March 31, 2021	11.59	400.91	23.79	209.74	244.06	890.09

The changes in carrying value of Property, Plant & Equipment for the Year Ended March, 31 2022

Particulars	Building	P&M and Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2021	14.42	715.10	112.82	341.41	501.08	1,684.83
Additions	-	153.17	4.67	-	37.41	195.24
Deletions	-	(0.36)	-	-	(0.24)	(0.59)
Gross carrying value as of March 31, 2022	14.42	867.91	117.49	341.41	538.25	1,879.48
Accumulated Depreciation as of March 31, 2021	2.83	314.19	89.04	131.67	257.02	794.75
Depreciation	0.56	81.14	10.01	31.71	48.12	171.53
Accumulated depreciation on deletion						-
Accumulated Depreciation as of March 31, 2022	3.39	395.33	99.04	163.38	305.14	966.28
Carrying Value as of March 31, 2022	11.03	472.58	18.45	178.03	233.11	913.20

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	0.51	8.02

Notes forming part of the Consolidated Financial Statements

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

The changes in carrying value of Intangible Assets for the year ended March, 31 2022

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2021	25.95	3.15	29.10
Additions	2.70	-	2.70
Deletions	-	-	-
Gross carrying value as of March 31, 2022	28.65	3.15	31.80
Accumulated Depreciation as of April 1, 2021	18.44	2.64	21.08
Depreciation	1.83	0.07	1.90
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2022	20.27	2.72	22.97
Carrying Value as of March 31, 2022	8.38	0.43	8.83

Note 4 Investments in Properties

Particulars	Building	Total
Non-current Investments		
Gross Carrying Amount	1,141.65	1,141.65
As at 01-April-2020		
Additions / Disposals	-	-
As at 31-March-2021	1,141.65	1,141.65
Additions / Disposals	-	-
As at 31-March-2022	1,141.65	1,141.65
Accumulated Depreciation	-	-
As at 01-April-2020		
Additions / Disposals	-	-
As at 31-March-2021	-	-
Additions / Disposals	-	-
As at 31-March-2022	-	-
Net Carrying Amount		
As at 31-March-2022	1,141.65	1,141.65
As at 31-March-2021	1,141.65	1,141.65

(i) Income and expenditure of Investment Properties

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Rental and facilities Income	-	-
Less : Maintenance Expenses	11.25	11.25
Profit from Investment properties before Depreciation and Impairment	(11.25)	(11.25)
Depreciation and Impairment	-	-
Profit from Investment Properties	(11.25)	(11.25)

(ii) Fair Value Measurement

Since the company has acquired the property in March 2020, the company is of the view that there is no major change in the fair value of the property, hence the company has considered the acquisition value as fair value for the year under consideration.

Notes forming part of the Consolidated Financial Statements

Note 5 Investment

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - Current Investment in Unquoted Equity Instrument		
Others		
Amoghvarsh Houses Private Limited (earlier known as Arihant Technoinfra Pvt. Ltd.) (500 Share @ Rs.10 per Share)	0.06	0.06
Partnership Firm		
Arihant Aksh Realty LLP with 5% Holding	0.10	0.10
	0.16	0.16
Current Investment		
Partnership Firm		
Arihant Aksh Realty LLP	2.61	2.55
	2.61	2.55
Total	2.77	2.71

Note 6 Loans

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current loans		
(Unsecured Considered Good)		
Related Party	100.32	11.01
Others	1,130.55	463.85
Employee	8.20	13.08
Total	1,239.07	487.94

Note 7 Other Financial Assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - current :		
(Unsecured Considered Good)		
Security Deposits	3,400.40	3,142.62
	3,400.40	3,142.62
Current		
(Unsecured Considered Good)		
Security Deposits	372.71	82.10
Deposit with Government	185.91	197.39
Society Maintenance Receivables	28.20	-
Sub- Total	586.82	279.49
Total	3,987.22	3,422.11

Notes forming part of the Consolidated Financial Statements

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

Note 8 Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
Finished Goods	2,067.81	4,623.64
Work in Progress	42,193.18	30,422.17
Building Materials	437.08	425.52
Total	44,698.07	35,471.33

Note 9 Trade Receivables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Receivables	5,985.74	2,598.77
Unsecured, considered good		
Total	5,985.74	2,598.77

The real estate sales are made on the basis of cash down payment or construction linked payment plan, invoice is raised on the customer in accordance with milestone achieved as per flat buyer agreement. The Final possession of the property is offered to the customer subject to the payment of full value of consideration. Accordingly, the company does not expect any credit loss.

Trade Receivables Ageing Schedule

Particulars	Undisputed Trade receivables - considered good	Undisputed Trade receivables - which have significant increase in credit risk	Disputed Trade receivables - considered good	Disputed Trade receivables - which have significant increase in credit risk
As at 31 March, 2021				
Less than 6 months	1,611.24	-	-	-
6 months - 1 year	571.73	-	-	-
1 - 2 years	311.85	-	-	-
2 - 3 years	77.96	-	-	-
More than 3 years	25.99	-	-	-
Total	2,598.77			
As at 31 March, 2022				
Less than 6 months	3,591.44	-	-	-
6 months - 1 year	1,197.15	-	-	-
1 - 2 years	897.86	-	-	-
2 - 3 years	179.57	-	-	-
More than 3 years	119.71	-	-	-
Total	5,985.74			

Note 10 Cash and Cash Equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash in hand	38.48	50.63
Balances with banks		
(i) In current accounts	742.63	807.86
(ii) In deposit accounts with original maturity less than 3 months	691.19	342.05
Total	1,472.30	1,200.54

Notes forming part of the Consolidated Financial Statements

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

Note 11 Current Tax Assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Income Tax	320.99	597.29
Total	320.99	597.29

Note 12 Land

Particulars	As at 31 March, 2022	As at 31 March, 2021
Land	21,947.23	19,891.59
Total	21,947.23	19,891.59

Note 13 Other current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured, considered good		
Prepaid expenses	2.85	7.76
Advance to Supplier	1,158.92	552.15
Input Credit Receivable	1,267.48	1,281.21
Advance for Land	1,266.39	1,314.76
Other Assets	4.02	2.69
Total	3,699.66	3,158.56

Note 14 (a) Equity

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(A) Authorised Share Capital				
(i) Equity Shares of Rs. 10/- each				
Balance at the beginning of the year	60,000,000	6,000.00	60,000,000	6,000.00
Increase during the year	40,000,000	4,000.00	-	-
Balance at the end of the year	100,000,000	10,000.00	60,000,000	6,000.00
(ii) Preference Shares of Rs. 10/- each				
Balance at the beginning of the year	15,000,000	1,500.00	15,000,000	1,500.00
Increase during the year	-	-	-	-
Balance at the end of the year	15,000,000	1,500.00	15,000,000	1,500.00
(B) Issued Equity Capital				
Equity Shares of Rs. 10/- each	41,159,991	4,116.00	41,159,991	4,116.00
(C) Subscribed and fully paid up				
Equity Shares of Rs. 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 Consolidated 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, 2022			
- Number of shares	41,159,991	-	41,159,991
- Amount (₹ in Lakhs)	4,116.00	-	4,116.00
Year Ended 31 March, 2021			
- 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	As at 31 March, 2022		As at 31 March, 2021	
	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%

Shareholders held by Promoters as at 31 March, 2022

Particulars	Number of shares	% Holding	% change during the year
Equity shares with voting rights			
Ashok B. Chhajer	12,349,147	30.00%	0.32%
Sangeeta A. Chhajer	6,000,000	14.58%	0.00%
Parth A. Chhajer	6,000,000	14.58%	0.00%
Bhavik A. Chhajer	6,070,000	14.75%	0.00%
Lalitkumar Parasmal Bothra	207,404	0.50%	0.00%
Meena Vijay Ranka	146	0.00%	0.00%

Shareholders held by Promoters as at 31 March, 2021

Particulars	Number of shares	% Holding	% change during the year
Equity shares with voting rights			
Ashok B. Chhajer	12,309,147	29.91%	0.00%
Sangeeta A. Chhajer	6,000,000	14.58%	0.00%
Parth A. Chhajer	6,000,000	14.58%	0.00%
Bhavik A. Chhajer	6,070,000	14.75%	0.00%
Lalitkumar Parasmal Bothra	207,404	0.50%	0.00%
Meena Vijay Ranka	146	0.00%	0.00%

Notes forming part of the Consolidated Financial Statements

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

b) Other Equity

Particulars	Other Equity			Other Comprehensive Income	Total Equity Attributable to Equity Holders of the Company
	Security Premium Reserve	Capital Reserve	Retained Earnings		
Balance as of April, 01 2020	524.40	0.78	8,034.08	-	8,559.26
Changes in Equity for the year ended March, 31 2021:					
Short Provision of Income tax	-	-	77.84	-	77.84
Share of Partnership firm	-	-	(0.01)	-	(0.01)
Profit/(Loss) for the year	-	-	1,117.11	-	1,117.11
Balance as of March, 31 2021	524.40	0.78	9,229.02	-	9,754.20
Balance as of April, 01 2021	524.40	0.78	9,229.02	-	9,754.20
Changes in Equity for the year ended March, 31 2022:					
Short Provision of Income tax	-	-	(150.31)	-	(150.31)
Share of Partnership firm	-	-	-	-	-
Profit/(Loss) for the year	-	-	4,122.40	-	4,122.40
Balance as of March, 31 2022	524.40	0.78	13,201.11	-	13,726.29

Note 15 Borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-current borrowings		
Secured Loans		
Vehicle loan	68.33	88.21
Term loan	13,575.36	12,330.39
Unsecured Loans		
Related Parties	3,812.28	12,583.93
Others	64.40	-
	17,520.37	25,002.53
Current borrowings		
Secured Loans		
Vehicle loan	40.03	37.29
Unsecured Loans		
Related Parties	11,073.38	4,473.32
Others	413.32	38.77
	12,407.48	4,549.38
Total	29,927.85	29,551.91

Notes on Borrowings :

Secured by :-

- The term loan from DCB Bank Limited, STCI Finance Limited and HDFC Limited is secured by Arshiya Project, Adita Project and Aspire Project respectively.
- Vehicles loans are secured against the vehicle itself.

Effective Rate of Interest:-

- Term loans range from 12% to 14% per annum
- Vehicles loans range from 8% to 10% per annum

Repayment ending on :-

- Term Loan from DCB Bank Limited has been already paid, STCI Finance Limited and HDFC Limited will repaid by March 2023 and Oct 2023 respectively.

Notes forming part of the Consolidated Financial Statements

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

Note 16 Trade Payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Payables:		
From MSME		
Sundry creditors	231.94	57.91
From Others		
Sundry Creditors	3,964.00	4,037.52
Retention	1,983.99	1,184.64
Total	6,179.93	5,280.07

(b) Trade Payable Ageing Schedule

Particulars	MSME	Others	Disputed dues - MSME	Disputed dues - Others
As at 31 March, 2021				
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 1 year	57.91	3,051.00	-	-
1 - 2 years	-	1,705.78	-	-
2 - 3 years	-	93.81	-	-
More than 3 years	-	371.57	-	-
Total	57.91	5,222.16	-	-
As at 31 March, 2022				
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 1 year	231.94	3,353.28	-	-
1 - 2 years	-	478.63	-	-
2 - 3 years	-	1,392.98	-	-
More than 3 years	-	723.10	-	-
Total	231.94	5,947.99	-	-

Note 17 Other Financial Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Other Financial Liabilities		
Customer security deposit	48.21	54.95
Other payables		
Book O/D	633.54	52.13
Other Payables	247.78	204.00
Society Maintenance Payable	-	49.28
Total	929.53	360.36

Note 18 Advances from Customers

Particulars	As at 31 March, 2022	As at 31 March, 2021
Bookings Received	27,703.55	17,012.69
Total	27,703.55	17,012.69

Notes forming part of the Consolidated Financial Statements

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

Note 19 Other Current Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Statutory remittances	200.67	143.93
Others Payable	132.33	137.56
Total	333.00	281.49

Note 20 Provisions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - Current		
Provision for Gratuity	40.11	11.33
Current		
Provision for Expenses	23.68	58.26
Total	63.79	69.59

Note 21 Revenue From Operations

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Sale of products	32,966.52	26,847.94
Sale of services	75.00	-
Other Opeative Income	52.23	164.72
Total	33,093.75	27,012.66

Note 22 Other Income

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Interest income		
Fixed Deposit	15.74	20.79
Other	102.68	166.38
Rent	8.06	2.58
Profit / (Loss) from Partnership firm	0.06	(0.13)
Other Income	31.83	24.42
Total	158.37	214.04

Note 23.(a) Cost of Construction, Land and Development Expenses

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Purchases	5,348.49	2,896.51
Land Cost	2,886.29	1,752.97
Direct Expenses	20,674.86	10,274.33
Total	28,909.64	14,923.81

Notes forming part of the Consolidated Financial Statements

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

Note 23.(b) Changes in inventories

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Inventories at the end of the period:		
Finished Goods	2,067.81	4,623.64
Work in Progress	42,193.18	30,422.17
Building Materials	437.08	425.52
	44,698.07	35,471.33
Inventories at the beginning of the period:		
Finished Goods	4,623.64	10,182.14
Work in Progress	30,422.17	27,992.21
Building Materials	425.52	636.18
	35,471.33	38,810.53
Total	(9,226.74)	3,339.19

Note 24 Employee benefit expenses

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Salaries, wages and bonus	1,535.23	1,127.29
Staff welfare expenses	72.14	34.74
Contribution to provident fund	16.60	18.51
Gratuity Expenses	17.03	-
Total	1,641.00	1,180.54

Note 25 Finance costs

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Interest expense on:		
Interest on secured loans	1,476.37	2,029.09
Interest on unsecured loans	114.91	765.05
Other Finance Cost	511.81	15.41
Total	2,103.09	2,809.55

Note 26 Other expenses

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Administrative Expenses	340.31	173.75
Audit fees	13.25	9.10
Advertisement & Selling Exp		
Advertisement Exp	1,292.36	605.07
Brokerage Exp	1,013.33	643.73
Customer Benefits Exp	1,023.09	741.81
Exhibition Exp	58.42	28.72

Notes forming part of the Consolidated Financial Statements

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

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Legal and Professional Fees	318.34	240.67
Rent, Rates & Taxes	452.03	158.02
Corporate social responsibility	159.31	68.60
Vehicle Running Exp	112.11	76.27
Loss on sale of Car	(1.55)	1.55
Donation	1.00	-
Others	20.12	19.56
Total	4,802.12	2,766.86

Note (i):

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Payment to Auditors		
Audit fees	13.25	9.10
Taxation Matters	0.25	-
Other Services	6.90	6.90
Total	20.40	16.00

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 :

Notes forming part of the Consolidated Financial Statements

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

As at March 31, 2022

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	2.61	2.71	2.71					2.71
Loans	6	-	1,239.07	1,239.07	-	-	1,239.07	-	-	1,239.07
Other Financial Assets	7	3,400.40	586.82	3,987.22	-	-	3,987.22	-	-	3,987
Trade Receivable	9	-	5,985.74	5,985.74	-	-	5,985.74	-	-	5,985.74
Cash & Cash Equivalents	10	-	1,472.30	1,472.30	-	-	1,472.30	-	-	1,472.30
Total		3,400.57	9,286.54	12,687.10	2.72	0.06	12,684.33	-	-	12,687.10
Financial Liabilities										
Long term Borrowings	15	17,520.37	-	17,520.37	-	-	17,520.37	-	-	17,520.37
Short term Borrowings	15	-	12,407.48	12,407.48	-	-	12,407.48	-	-	12,407.48
Trade payables	16	-	6,179.93	6,179.93	-	-	6,179.93	-	-	6,179.93
Other Financial Liabilities	17	-	929.53	929.53	-	-	929.53	-	-	929.53
Total		17,520.37	19,516.94	37,037.31	-	-	37,037.31	-	-	37,037.31

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	-	487.94	487.94	-	-	487.94	-	-	487.94
Other Financial Assets	7	3,142.62	279.49	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		3,142.78	4,569.29	7,712.07	2.65	0.06	7,709.36	-	-	7,712.07
Financial Liabilities										
Long term Borrowings	15	25,002.53	-	25,002.53	-	-	25,002.53	-	-	25,002.53
Short term Borrowings	15	-	4,549.38	4,562.21	-	-	4,562.21	-	-	4,562.21
Trade payables	16	-	5,280.07	5,279.73	-	-	5,279.73	-	-	5,279.73
Other Financial Liabilities	17	-	360.36	310.35	-	-	310.35	-	-	310.35
Total		25,002.53	10,189.81	35,141.99	-	-	35,141.99	-	-	35,142.00

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.

- Credit Risk,
- Liquidity Risk and
- 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

Notes forming part of the Consolidated Financial Statements

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

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:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- 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	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
Opening provision	-	-
Add: Provision made during the year	-	-
Less: Provision written back	-	-
Less: Provision reversed	-	-
Closing provision	-	-

ii) Bad debts:

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
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

Notes forming part of the Consolidated Financial Statements

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

(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, 2022

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	17,520.37	-	17,520.37
Short term borrowings	12,407.48	-	-	12,407.48
Trade and other payables	6,179.93	-	-	6,179.93
Other financial liabilities	929.53	-	-	929.53
Total	19,516.94	17,520.37	-	37,037.32

As at March 31, 2021

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	25,002.53	-	25,002.53
Short term borrowings	4,549.38	-	-	4,549.38
Trade and other payables	5,280.07	-	-	5,280.07
Other financial liabilities	360.36	-	-	360.36
Total	10,189.82	25,002.53	-	35,192.34

(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

- Currency risk;
- 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.

Notes forming part of the Consolidated Financial Statements

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

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 31 March, 2022	As at 31 March, 2021
Fixed rate borrowings	16,352.49	17,221.52
Variable rate borrowing	13,575.36	12,330.39
Total	29,927.85	29,551.91

- 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 31 March, 2022	As at 31 March, 2021
Interest sensitivity		
Interest rate increase by 50 basis points	13,643.24	12,392.04
Interest rate decrease by 50 basis points	13,507.48	12,268.74

- 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 31 March, 2022	As at 31 March, 2021
Long term borrowings	17,520.37	25,002.53
Short term borrowings	12,407.48	4,549.38
Total Borrowing	29,927.85	29,551.91
Less: Cash and cash equivalents	(1,472.30)	(1,200.54)
Net Debt	28,455.55	28,351.37
Total Equity	17,842.29	13,870.20
Debt to Equity Ratio	1.59	2.04

Notes forming part of the Consolidated Financial Statements

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

b) Dividends

Dividends paid during the year

Particulars		As at 31 March, 2022	As at 31 March, 2021
- Interim Dividend	Rate per Share	NIL	NIL
	Amount in INR	NIL	NIL
- Final Dividend	Rate per Share	NIL	NIL
	Amount in INR	NIL	NIL

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 Chhajir
	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 Dreams Houses Pvt Ltd)
	Parashakti Houses Private Limited(earlier known as Adinath Realty Pvt Ltd)
	Anandi Realty Private Limited
	Amoghvarsh Houses Private Limited (earlier known as Arihant Technoinfra Pvt Ltd)
	Dwellcons Private Limited (earlier known as Arihant Dwellcons Pvt Ltd)
	Arihant Paradise Realty Pvt. Ltd
	Arihant Enterprises

Note: Related parties have been identified by the Management.

Notes forming part of the Consolidated Financial Statements

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

Details of related party transactions for the year ended 31 March, 2022

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans Taken				
Current Year	2,483.00	2,206.05	89.00	4,778.05
Previous Year	3,687.25	2,784.73	-	6,471.98
Loan Repaid				
Current Year	5,254.00	2,999.50	89.00	8,342.50
Previous Year	9,072.73	1,621.17	-	10,693.90
Interest Paid (Gross)				
Current Year	439.05	1,028.01	79.65	1,546.71
Previous Year	810.42	160.39	-	970.81
Loans Given				
Current Year	-	-	-	-
Previous Year	-	-	380.04	380.04
Loans Given Repaid				
Current Year	-	-	-	-
Previous Year	-	-	2,156.58	2,156.58
Interest Received				
Current Year	-	-	-	-
Previous Year	-	-	57.39	57.39
Remuneration				
Current Year	165.73	24.00	-	189.73
Previous Year	108.36	24.00	-	132.36
Rent Paid				
Current Year	4.80	-	-	4.80
Previous Year	4.80	-	136.50	141.30
Construction Contract				
Current Year	-	-	10,463.25	10,463.25
Previous Year	-	-	2,790.00	2,790.00
Outstanding Loans and Payables				
Current Year	3,771.88	10,238.10	875.67	14,885.65
Previous Year	12,732.08	2,595.53	1,081.36	16,408.97
Outstanding Loans and Receivables				
Current Year	-	-	-	-
Previous Year	-	-	1,011.26	1,011.26
Deposits				
Current Year	20.00	-	-	20.00
Previous Year	20.00	-	-	20.00

Notes forming part of the Consolidated Financial Statements

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

Note 30 Disclosures under Ind-AS 33 on "Earnings Per Share"

Particulars	As at 31 March, 2022	As at 31 March, 2021
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders (₹ in Lakhs)	4,134.14	1,117.11
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 (₹)	10.04	2.71
Diluted (₹)	10.04	2.71

Note 31 Disclosures under Ind-AS 12 on "Income Taxes"

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred tax (liability) / asset		
Opening deferred tax (liability) / asset	15.69	6.82
Add/(less): Recognised/ reversed during the year	5.37	8.87
Closing deferred tax (liability) / asset	21.06	15.69

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:

CRM Software Expenses - ₹ 13.85 Lakhs. (Previous Year Zero)

Unhedged Foreign currency

Liabilities	As at 31 March, 2022		As at 31 March, 2021	
	Foreign Currency	Rupees	Foreign Currency	Rupees
Trade payable in USD	0.22	16.39	-	-

Note 33 : Contingent Liabilities :

Particulars	As at 31 March, 2022	As at 31 March, 2021
Claim against the company not acknowledged as debts		
Corporate Guarantees Given	-	1,726.00
Disputed Taxation Matters	1,385.67	1,383.18
Disputed Land related Legal Cases	-	-
Total	1,385.67	3,109.18

Notes forming part of the Consolidated Financial Statements

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

Note 34 : Details of dues to Micro, Small and Medium Enterprises :

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	231.94	57.91
(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 MSME 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, 2022 and March 31, 2021 to Micro, Small and Medium Enterprises on account of principal or interest.

Note 35 : Segment Information :

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segment as a single segment of Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the Segment Revenue, Segment Results, Segment Assets, Segment Liabilities, total cost incurred to acquire Segment Assets, depreciation charge are all as reflected in the financial statements.

Note 36 : 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, 2022."

Note 37 : Details of Corporate Social Responsibility Expenditure (CSR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Gross Amount required to be spent for CSR Activity	48.47	74.1
Amount Spent during the year	159.31	53.6
Unspent amount outstanding	-	20.5

Note 38 : Company Information

The Subsidiaries considered in the Consolidated Financial Statement are :

Name of the Company	Principal Activities	Country of Incorporation	% of Holding	
			As at 31 March, 2022	As at 31 March, 2021
Arihant Abode Limited	Real Estate	India	60.00%	60.00%
Arihant Aashiyana Private Limited	Real Estate	India	60.00%	60.00%
Arihant Gruhnirman Private Limited	Real Estate	India	60.00%	60.00%
Arihant Vatika Realty Private Limited	Real Estate	India	60.00%	60.00%

Notes forming part of the Consolidated Financial Statements

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

Note 39 : 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.

Gratuity and leave Obligation

The Company has a funded defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The company has accounted the gratuity expenses on the basis of the actuarial report

Note 40 : Ratio Analysis and its element

Sr. No.	Particulars	March 31, 2022			March 31, 2021			% Change	Reasons
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
1	Current Ratio - (Current Assets / Current Liabilities)	79,952.49	47,577.16	1.68	63,688.06	27,542.25	2.31	-27.33%	Reduction in Current Ratio is due to increase in current liabilities.
2	Debt-Equity Ratio - (Paid-up Debt / Total Equity [Share Capital + Applicable Reserves])	29,927.85	17,842.29	1.68	29,551.91	17,840.16	1.66	1.26%	Increase in debt ratio is due to increase in debt as compared to previous year
3	Debt Service Coverage Ratio - [Earnings before Interest Expenses, Depreciation and Tax (excludes Exceptional Item) / (Interest Expenses + Principal Repayment (excluding refinancing, prepayment and group debt)]	7,126.10	29,927.85	0.24	5,016.30	29,551.91	0.17	40.27%	Improvement in DSCR is due to increase in profit before tax as compared to last year
4	Return on Equity Ratio - (Profit after tax / Average of total Equity)	4,137.59	18,315.16	0.23	1,574.02	15,504.26	0.10	139.56%	Improvement in Return on equity is due to increase in profit after tax as compared to last year
5	Inventory Turnover Ratio - (Cost of Sales / Average Finished Inventory)	19,682.90	3,777.02	5.21	18,263.00	7,933.72	2.30	126.38%	Improvement in Inventory Turnover ratio is due to reduction in average finished inventory as compared to previous year
6	Trade Receivables Turnover Ratio - (Revenue from operations) / Average Trade receivables)	33,093.75	4,292.26	7.71	27,012.66	3,056.48	8.84	-12.76%	Reduction in Trade Receivable Turnover ratio is due to increase in average trade receivable as compared to last year
7	Trade Payables Turnover Ratio - (Cost of Sales / Average Trade payables)	19,682.90	5,730.00	3.44	18,263.00	5,793.59	3.15	8.97%	Increase in Trade Payable Turnover ratio is due to increase in average trade payable as compared to last year
8	Net Capital Turnover Ratio - (Revenue from operations / Working Capital)	33,093.75	32,375.33	1.02	27,012.66	36,145.81	0.75	36.78%	Improvement in Net Capital Turnover ratio is due to increase in revenue and reduction in working capital as compared to previous year

Notes forming part of the Consolidated Financial Statements

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

Sr. No.	Particulars	March 31, 2022			March 31, 2021			% Change	Reasons
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
9	Net Profit Ratio - (Profit after tax / Total Income)	4,137.59	33,252.12	0.12	1,574.02	27,226.70	0.06	115.23%	Improvement in Net Profit ratio is due to drastic increase in profit after tax as compared to previous year
10	Return on Capital Employed - ((Profit before tax (+) finance costs) / average of (Total Equity (+) Borrowings (-/+)) Deferred Tax Asset/Liability))	6,952.67	45,577.75	0.15	4,812.38	48,375.29	0.10	31.34%	Improvement in Return on Capital Employed ratio is due to increase in profit before finance cost & tax as compared to previous year
11	Return on Investment - (Income from investments / Average Investments)	0.06	2.68	0.02	-0.13	9.87	-0.01	269.98%	Improvement in Return on Investment ratio is due to increase in profit from investment and reduction in investment amount during the year as compared to previous year

Note 41 : Other Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes forming part of the Consolidated Financial Statements

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

Note 42 : Recent Development

- 1 On March 23, 2022, Ministry of Corporate Affairs amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below which are effective for the annual periods beginning on or after April 1, 2022.
- 2 Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
- 3 Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and the impact is not expected to be material.
- 4 Ind AS 109 – Financial Instruments – The amendment requires derecognition of a financial liability and recognition of a new financial liability when there is an exchange between an existing borrower and the lender of debt instruments with substantially different terms (including a substantial modification of the terms of an existing financial liability or part of it). The terms are substantially different if the discounted present value of the remaining cash flows under the new terms are at least 10% different from the discounted present value of the remaining cash flows of the original financial liability (‘10%’ test).
- 5 The amendment in the Rules clarifies the nature of fees that an entity could include when it applies the ‘10%’ test in assessing whether to derecognise a financial liability. It states that an entity shall include only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The Company has evaluated the amendment and the impact is not expected to be material.

Note 43 : Previous Year Figure’s regrouping:

The previous year’s figures have been regrouped, rearranged and reclassified wherever necessary.

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: May 06, 2022

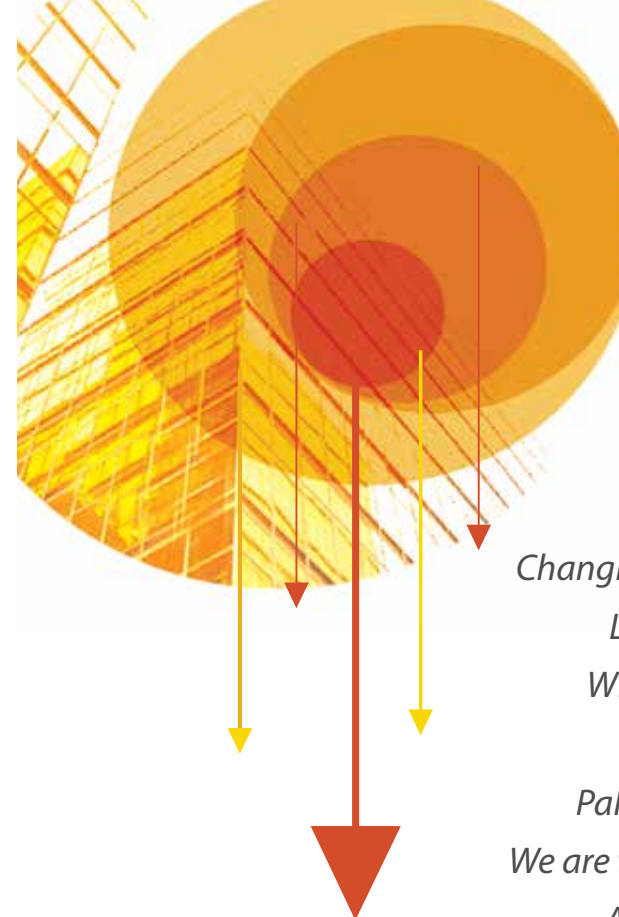
**For and on behalf of the Board of Directors of
Arihant Superstructures Limited**

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



*Changing lifestyle is celebrating moments of
Love, happiness & togetherness.
Where there is a change there is us.
We make dreams come true.
Pal Pal Har Pal, We engage with you;
We are taking families to a new world at each
Age, each era of world of homes.
Where there is change there is us.
Where today is a reflection of tomorrow;
Lifestyle changes at every transition
Where there is a change there is us.
Meet us once, to meet your dreams.
Sach mein kuch badal raha hai.
Arihant Homes - Possibility of living.*

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

सच में कुछ बदल रहा है
Changing Lifestyle™
BY ARIHANT HOMES



REGISTERED OFFICE

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Conceptualized and Developed By