KAILASH CHAND JAIN & CO. (Regd.)

CHARTERED ACCOUNTANTS

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To the Members of Arihant Aashiyana Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Arihant Aashiyana Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including Other Comprehensive Income), Changes In Equity and Cash Flows of the company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we

KAILASH CHAND JAIN & CO. * MUMBAI * Chartered Accountants are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the

KAILASH CHAND JAIN & CO. MUMBAI Chartered Accountants

standalone statement of cash flows dealt with by this report are in agreement with the books of account

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

(e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and

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

(g) with respect to the other matters to be included in the Auditor's Report in accordance with 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 does not have any pending litigations which would impact its financial position;

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

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

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

KAILASHCHAND JAIN & CO. MUMBAI Chartered Accountants

Saurabh Chouhan
Partner
Membership No.: 167453

Place : Munbai
Date : May 27, 2019

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2019 we report that:

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

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

(c) The Company does not own any immovable properties as disclosed in Note 3 on property, plant and equipment to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

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

(iii) The Company has not granted loans to any body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3 (iii) of the order is not applicable.

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

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

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the Product of the Company.

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

(b) According to the information and explanations given to us, and the records of the company examined by us, there are no dues of income tax, sales tax, service tax, duty of customs and duty of excise or value added tax which have not been deposited on account of any dispute.

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

KAILASHCHAND JAIN & CO. MUMBAI Chartered Accountants

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

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

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the period. Therefore paragraph 3(x) of the order is not applicable.

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

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

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

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

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

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

KAILASHCHAND JAIN & CO.

Saurabh Chouhan
Partner
Membership No. : 167453

Place: Mumbai
Date : May 27, 2019

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Arihant Aashiyana Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Saurabh Chouhan
Partner
Membership Number: 167453

Place : Mumbai
Date : May 27, 2019

ARIHANT AASHIYANA PRIVATE LIMITED
CIN No. U45400MH2010PTC210759
Balance Sheet
(All amounts in currency INR Lakhs except as stated otherwise)

	Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
A	**ASSETS**			
	Non Current Assets			
	Property, Plant & Equipment	3	148.98	139.80
	Intangible Assets	4	0.03	0.03
	CWIP		-	-
	Deferred Tax Asset (Net)	10	3.69	2.55
	Financial Assets			
	Loans	5	-	-
	Other Financial Assets	6	500.00	6.00
			652.70	**148.38**
	Current Assets			
	Inventories	7	8,492.18	8,608.89
	Financial Assets			
	Trade Receivable	8	483.19	423.84
	Cash & Cash Equivalents	9	411.36	152.29
	Loans	5	0.27	-
	Other Financial Assets	6	159.58	104.73
	Current Tax Assets	10	37.30	89.95
	Other Current Assets			
	Land	11	2,697.41	2,313.86
	Others	12	497.50	86.11
			12,778.79	**11,779.67**
	TOTAL		**13,431.49**	**11,928.05**
B	**EQUITY AND LIABILITIES**			
	EQUITY			
	Equity Share Capital	13a	1.00	1.00
	Other Equity	13b	1,320.54	959.25
			1,321.54	**960.25**
	LIABILITIES			
	Non Current Liabilities			
	Financial Liabilities			
	Borrowings	14	7,745.21	2,895.78
			7,745.21	**2,895.78**
	Current Liabilities			
	Financial Liabilities			
	Borrowings	14	1,818.27	3,974.60
	Trade Payables	15	747.18	636.77
	Other Financial Liabilities	16	342.19	359.86
	Other Current Liablities			
	Advance from Customers	17	1,234.10	3,000.41
	Others	18	78.31	26.30
	Provisions	19	7.73	7.42
	Current Tax Liabilities	20	136.96	66.66
			4,364.74	**8,072.02**
	TOTAL		**13,431.49**	**11,928.05**

The accompanying Notes 1 to 39 form an integral part of Financial Statement.
As per our report of even date

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

Saurabh Chouhan
Partner
M.No.: 167453
Place : Mumbai
Date : 27/05/2019

Arihant Aashiyana Pvt. Ltd. Turbhe Navi Mumbai

KAILASHCHAND JAIN & CO. MUMBAI

For and on behalf of the Board of Directors

Ashok B. Chhajer
Director
DIN-01965094

Akshay Agarwal
Director
DIN-00664101

ARIHANT AASHIYANA PRIVATE LIMITED
CIN No. U45400MH2010PTC210759
Statement of Profit and Loss
(All amounts in currency INR Lakhs except as stated otherwise)

	Particulars	Note No.	For the Year ended 31 March 2019	For the Year ended 31 March 2018
1	**INCOME**			
	(a) Revenue from Opertions	21	5,772.13	4,157.86
	(b) Other Income	22	16.70	17.28
	Total revenue		**5,788.83**	**4,175.14**
2	**EXPENSES**			
	(a) Cost of construction, land and development expenses	23.a	3,202.40	2,657.72
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.b	234.06	174.08
	(c) Employee benefits expense	24	324.00	260.59
	(d) Finance costs	25	943.75	529.22
	(e) Depreciation expense	3 & 4	29.07	25.99
	(f) Other expenses	26	501.90	285.58
	Total expenses		**5,235.18**	**3,933.19**
3	**Profit before exceptional items and tax (1 - 2)**		553.65	241.95
4	Exceptional Items (net)			-
5	**Profit before tax (3 + 4)**		553.65	241.95
6	**Tax expense:**			
	(a) Current tax expense		136.96	66.66
	(b) Deferred tax	30	(1.14)	(2.67)
	Total Tax expenses		**135.82**	**63.99**
7	**Profit after tax (5 - 6)**		**417.83**	**177.96**
8	**Total Other Comprehensive Income**			
	(a) Items that will not be classified to profit & loss		-	-
	(b) Items that will be reclassified to profit & loss		-	-
	Other comprehensive income		-	-
9	**Total Comprehensive income for the period (7 + 8)**		**417.83**	**177.96**
10	**Earnings per share (of Rs. 10/- each):**	29		
	(a) Basic		4,178.29	1,779.58
	(b) Diluted		4,178.29	1,779.58

The accompanying Notes 1 to 39 form an integral part of Financial Statement.

As per our report of even date
For Kailash Chand Jain & Co.
Chartered Accountants
Firm Reg. No.: 112318W

Saurabh Chouhan
Partner
M.No.: 167453
Place : Mumbai
Date : 27/05/2019

Arihant Aashiyana Pvt. Ltd. Turbhe Navi Mumbai

Kailashchand Jain & Co. Mumbai Chartered Accountants

For and on behalf of the Board of Directors

Ashok B. Chhajer
Director
DIN-01965094

Akshay Agarwal
Director
DIN-00664101

ARIHANT AASHIYANA PRIVATE LIMITED

Audited Cash Flow Statement for the year ended

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

	Particulars	31st March 2019	31st March 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax and before Extra ordinary Items	553.65	241.93
	Adjustment for Non Cash Items		
	Depreciation & Amortisation	29.07	25.99
	Interest paid	943.75	529.22
	Profit on sale of Investment	-	-
	Interest Received	(15.29)	(15.15)
		1,511.18	**781.99**
	Changes in Working Capital:-		
	(Increase)/ Decrease in Inventories	116.71	174.11
	(Increase)/ Decrease in Term Loans & Advances	(0.27)	0.93
	(Increase)/ Decrease in Trade & Other Receivable	(853.13)	(485.02)
	Increase/ (Decrease) in Current Liabilities & Provision	(1,677.79)	(298.89)
	Cash flow from operating activities before tax and extraordinary items	(903.30)	173.12
	Income tax paid	(70.04)	(264.20)
	Cash flow from operating activities before extraodinary items	(973.34)	(91.08)
	Adjustment for Extraordinary Items	-	-
	Cash Generated from Operating Activities	**(973.34)**	**(91.08)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets (Net)	(38.24)	(49.28)
	Sale of Fixed Assets	-	-
	(Purchase)/Sale of Investments	(494.00)	-
	Interest Received	15.29	15.15
	Profit on sale of Investment	-	-
	Cash Generated from Investment Activities	**(516.95)**	**(34.13)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Increase/(Decrease) in Secured Loans	5,034.00	(1,084.30)
	Increase/(Decrease) in Unsecured Loans	(2,340.90)	1,645.27
	Interest paid	(943.75)	(529.22)
	Cash Generated from Financing Activities	**1,749.35**	**31.75**
	Net Increase in Cash & Cash Equivalents	259.07	(93.47)
	Opening Balance of Cash & Cash Equivalents	**152.29**	**245.76**
	Closing Balance of Cash & Cash Equivalents	**411.36**	**152.29**

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

The accompanying Notes 1 to 39 form an integral part of Financial Statement.

As per our report of even date
For Kailash Chand Jain & Co.
Chartered Accountants
Firm Reg. No.: 112318W

Saurabh Chouhan
Partner
M.No.: 167453
Place : Mumbai
Date : 27/05/2019

Arihant Aashiyana Pvt. Ltd. Turbhe Navi Mumbai

KAILASHCHAND JAIN & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Ashok B. Chhajer
Director
DIN-01965094

Akshay Agarwal
Director
DIN-00664101

ARIHANT AASHIYANA PRIVATE LIMITED
CIN No. U45400MH2010PTC210759
Statement of Changes in Equity
(All amounts in currency INR Lakhs except as stated otherwise)

a) Equity Share Capital

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Balance at the beginning of the year	1.00	1.00
Change in equity share capital during the yea	-	-
Balance at the end of the year	1.00	1.00

b) Other Equity

Particulars	Other Equity			Toal Equity Attributable to Equity Holders of the Company
	Reserves & Surplus		Other Comprehensive Income	
	Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2017	-	781.29	-	781.29
Changes in equity for the period ended March, 31 2018	-	-	-	-
Dividends	-	-	-	-
Profit for the year	-	177.96	-	177.96
Balance as of March, 31 2018		959.25	-	959.25
Balance as of April, 01 2018	-	959.25	-	959.25
Changes in equity for the period ended March 31, 2019	-	-	-	-
Loss on first time Adoption of IND AS 115 on 01.04.2018	-	(56.54)	-	(56.54)
Profit for the year	-	417.83	-	417.83
Balance as of March, 31 2019	-	1,320.54	-	1,320.54

Retained Earnings

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

As per our report of even date
For Kailash Chand Jain & Co.
Chartered Accountants
Firm Reg. No.: 112318W

Saurabh Chouhan
Partner
M.No.: 167453
Place : Mumbai
Date : 27/05/2019

For and on behalf of the Board of Directors

Ashok B. Chhajer
Director
DIN-01965094

Akshay Agarwal
Director
DIN-00664101

Arihant Aashiyana Pvt. Ltd. Turbhe Navi Mumbai

Kailashchand Jain & Co. Mumbai Chartered Accountants

ARIHANT AASHIYANA PRIVATE LIMITED

CIN No. U45400MH2010PTC210759

Notes forming part of the Financial Statements

1 Corporate information

Arihant Aashiyana Private Limited (the company) having CIN U45400MH2010PTC210759 is a private limited company domiciled and incorporated in 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 span in all aspect of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.

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 recognised.

This is the first set of the Company's standalone financial statements in which Ind AS 115, Revenue from contracts with customers, has been applied. Changes to significant accounting policies are described in note 28.

The financial statements are presented in Indian Rupees (INR or ₹) and all amounts are rounded to the nearest lacs, except as stated otherwise.

The standalone financial statements of the Company for the year ended March 31, 2019 were approved by the Board of Directors and authorised for issue on May 27, 2019.

2.2 Use of estimates and Judgements

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

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

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

- Evolution 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.

- Useful life and residual value of property, plant and equipment and intangible assets:

  Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013 or based on internal technical evaluation. Assumptions 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.

- 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.

- 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 as required by Ind AS 1

The company presents assets and liabilities in the balance sheet based on current/non-current classification. The normal operating cycle, in the context of the company, is the time between the acquisition of land for a real estate project and its realisation in cash and cash equivalents by way of sale of developed units.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 Property, Plant and Equipment

Freehold/Leasehold land and capital work-in- progress is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

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

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

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of property, plant and equipment are as follows:

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

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

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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.

2.5 Dividends

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

2.6 Investment Properties

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

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

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

2.7 Intangible Assets

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

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

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

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asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of intangible assets are as follows:

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

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

2.8 Finance Costs

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

Other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.9 Non-current Assets held for Sale

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

Non-current assets classified as held for sale and their related liabilities are presented separately in the balance sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

2.10 Inventories

Construction Materials and Consumables

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

Land/Development Rights

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

Construction Work in Progress

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

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.

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2.11 Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short- term deposits maturing within twelve months from the date of Balance Sheet, which are subject to an insignificant risk of changes in value.

2.12 Financial Instruments

- **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.

- **Financial assets–Subsequent measurement**

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

  a. Financial assets at fair value through profit or loss

  Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

  b. Financial assets measured at amortised cost

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

  c. Financial assets at fair value through OCI

  All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

  If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

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- **Financial assets–DE recognition**

  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 DE recognition 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.

- **Investment in subsidiaries, joint ventures and associates**

  Investments made by the company in subsidiaries, joint ventures and associates are measured at cost in the separate financial statements of the company.

- **Financial liabilities–Subsequent measurement**

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

  - **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.

  - **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

- **Financial liabilities –DE recognition**

  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 DE recognition 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.

- **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.

- **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

Arihant Rashiyana PVT. LTD. Turbhe Navi Mumbai date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company.

The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active market for identical assets or liabilities.

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

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

2.13 Selling Costs

Selling expenses related to specific projects/units are being charged to statement of profit and loss in the year in which the revenue thereof is accounted. Such costs are carried forward till such charge off as un accrued selling expenses under the head Other Current Assets.

2.14 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, duties or other charges collected on behalf of the government/authorities.

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

Revenue from Real Estate Projects

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

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

As these are the first set of the Company's standalone financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position of the Company is provided in Note 28 to the standalone financial statement.

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

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

a. the company has a present right to payment for the asset;
b. the company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
c. the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;
d. the amount of revenue can be measured reliably;
e. the costs incurred or to be incurred in respect of the transaction can be measured reliably;
f. The customer has accepted the asset.
g. When the stage of completion of the Project reaches a reasonable level of development. A reasonable level of development is not achieved if the expenditure incurred on construction and development costs is less than 10 % of the construction and development costs.
h. At least 10% of the Saleable Project Area is secured by Contracts or Agreements with buyers.
i. At least 10 % of the Total Revenue as per the Agreements of Sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the Parties to such Contracts will comply with the payment terms as defined in the contracts.

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

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

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

Interest income

Interest income from debt instruments (including Fixed Deposits) is recognised using the effective interest rate method. The effective interest rate is that rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual

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KAILASHCHAND JAIN * Chartered Accountants terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the company's right to receive the payment is established.

Delayed payment charges

Delayed payment charges claimed to expedite recoveries are accounted for on realisation.

Other Income

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

2.15 Foreign currency transactions

Foreign currency transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

2.16 Income Taxes

Current Tax

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

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2.17 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the company has present determined obligations as a result of past events an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.

2.18 Earnings Per Share

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

For the purpose of calculating Diluted earnings per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.19 Exceptional Items

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

2.20 Impairment of non-financial Assets

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company Cash Generating Unit's (CGU) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

2.21 Critical Accounting Estimates

Property, Plant and Equipment

Property, plant and equipment represent a proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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.

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ARIHANT AASHIYANA PRIVATE LIMITED
CIN No. U45400MH2010PTC210759
Notes forming part of the Financial Statements
(All amounts in currency INR Lakhs except as stated otherwise)

Note 3 Poperty, Plant & Equipment

The changes in carrying value of property, plant & equipment for the year ended March, 31 2019

Particulars	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2018	8.88	12.53	3.09	86.05	80.11	190.65
Additions	-	8.05	3.21	-	26.98	38.24
Deletions	-	-	-	-	-	-
Gross carrying value as of March 31, 2019	8.88	20.58	6.30	86.05	107.09	228.90
Accumulated Depreciation as of April 1, 2018	6.18	8.32	1.72	12.96	21.68	50.85
Depreciation	1.37	2.65	0.58	10.04	14.43	29.06
Accumulated depreciation on deletion						-
Accumulated Depreciation as of March 31, 2019	7.55	10.97	2.30	22.99	36.11	79.92
Carrying Value as of March 31, 2019	1.33	9.61	4.00	63.06	70.98	148.98
Carrying Value as of April 1, 2018	2.70	4.21	1.37	73.09	58.43	139.80

The changes in carrying value of property, plant & equipment for the year ended March, 31 2018

Particulars	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2017	8.88	11.81	2.95	47.01	70.73	141.37
Additions	-	0.72	0.14	39.04	9.38	49.28
Deletions	-	-	-	-	-	-
Gross carrying value as of March 31, 2018	8.88	12.53	3.09	86.05	80.11	190.65
Accumulated Depreciation as of April 1, 2017	2.89	4.32	1.43	6.01	10.29	24.94
Depreciation	3.29	4.00	0.29	6.95	11.39	25.91
Accumulated depreciation on deletion	-		-	-	-	-
Accumulated Depreciation as of March 31, 2018	6.18	8.32	1.72	12.96	21.68	50.85
Carrying Value as of March 31, 2018	2.70	4.21	1.37	73.09	58.43	139.80
Carrying Value as of April 1, 2017	5.98	7.49	1.52	41.01	60.43	116.43

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Notes forming part of the Financial Statements
(All amounts in currency INR Lakhs except as stated otherwise)

Note 4 Intangible Assets

The changes in carrying value of intangible assets for the year ended March, 31 2019

Particulars	**Software**	**Total**
Gross carrying value as of April 1, 2018	0.21	0.21
Additions	-	-
Deletions	-	-
Gross carrying value as of March 31, 2019	0.21	0.21
Accumulated Depreciation as of April 1, 2018	0.18	0.18
Depreciation	0.01	0.01
Accumulated depreciation on deletion		
Accumulated Depreciation as of March 31, 2019	0.19	0.19
Carrying Value as of March 31, 2019	0.03	0.03
Carrying Value as of April 1, 2018	0.03	0.03

The changes in carrying value of intangible assets for the year ended March, 31 2018

Particulars	**Software**	**Total**
Gross carrying value as of April 1, 2017	0.21	0.21
Additions	-	-
Deletions	-	-
Gross carrying value as of March 31, 2018	0.21	0.21
Accumulated Depreciation as of April 1, 2017	0.10	0.10
Depreciation	0.08	0.08
Accumulated depreciation on deletion	-	-
Accumulated Depreciation as of March 31, 2018	0.18	0.18
Carrying Value as of March 31, 2018	0.03	0.03
Carrying Value as of April 1, 2017	0.11	0.11

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Notes forming part of the Financial Statements
(All amounts in currency INR Lakhs except as stated otherwise)

Note 5 Loans

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non-Current loans		
(a) Loans and advances to employees	-	-
	-	-
Current loans		
(a) Loans and advances to employees	0.27	-
	0.27	-
Total	**0.27**	**-**

Note 6 Other Financial Assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non - currrent other financial assets		
(a) Security Deposits		
Deposit - Sangeeta Chhajer	-	6.00
Deposit - Supreme Construction and Develpoers	500.00	-
	500.00	6.00
Currrent other financial assets		
(a) Security deposits		
Unsecured, considered good	3.61	3.56
Advance to Suppliers	155.97	101.17
	159.58	104.73
Total	**659.58**	**110.73**

Note 7 Inventories

Particulars	As at 31 March, 2019	As at 31 March, 2018
Finished Goods	411.19	1,044.30
Work in Progress	8,007.55	7,477.90
Raw Material	73.43	86.69
Total	**8,492.18**	**8,608.89**

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Note 8 Trade receivables

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trade receivables		
Unsecured, considered good	483.19	423.84
Total	**483.19**	**423.84**

Note 9 Cash and cash equivalents

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Cash in hand	10.20	6.26
(b) Balance with Bank	96.28	49.63
(c) Other Bank Balances		
(Deposits with original maturity for more than 3 months but less than 12 months)	304.88	96.40
Total	**411.36**	**152.29**

Note 10 Current tax assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
Income Tax	37.30	89.95
Deferrd tax assets	3.69	2.55
Total	**40.99**	**92.50**

Note 11 Land

Particulars	As at 31 March, 2019	As at 31 March, 2018
Land - Arihant Aloki	1,010.36	852.43
Land - Arihant Amisha	1,383.42	1,183.37
Land - Anshula	133.17	133.17
Land - Vaghivali	170.45	144.89
Total	**2,697.41**	**2,313.86**

Note 12 Other current assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
Prepaid expenses - Unsecured, considered good	5.50	0.45
Input Credit Receivbles	436.00	85.66
Income Tax	56.00	-
Total	**497.50**	**86.11**

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Note 13
a) Equity

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(a) Authorised				
10000 Equity shares of ₹ 10 each.	10,000	1.00	10,000	1.00
(b) Issued				
Equity shares of ₹ 10 each with voting rights	10,000	1.00	10,000	1.00
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	10,000	1.00	10,000	1.00
Total	**10,000**	**1.00**	**10,000**	**1.00**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Changes	Closing Balance
Equity shares with voting rights			
Period ended 31st March, 2019			
- Number of shares	10,000	-	10,000
- Amount (₹ in lakhs)	1.00	-	1.00
Period ended 31st March, 2018			
- Number of shares	10,000	-	10,000
- Amount (₹ in lakhs)	1.00	-	1.00

Shareholders holding more than 5% shares in the Company

Class of shares / Name of shareholder (holding more than 5%)	As at 31, March, 2019		As at 31, March, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Ashok B. Chhajer	1,300	13.00%	1,300	13.00%
Arihant Superstructures Ltd	6,000	60.00%	6,000	60.00%
Akshay Agarwal	750	7.50%	750	7.50%
Sujata Agarwal	1,175	11.75%	1,175	11.75%

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b) Other Equity

Particulars	Other Equity			Toal Equity Attributable to Equity Holders of the Company
	Reserves & Surplus		Other Comprehensive Income	
	Security Premium Reserve	Retained Earnings		
Balance as of April 1, 2017	-	**781.29**	-	**781.29**
Changes in equity for the period ended March, 31 2018	-	-	-	-
Dividends	-	-	-	-
Profit for the year	-	177.96	-	177.96
Balance as of March, 31 2018		**959.25**	-	**959.25**
Balance as of April, 01 2018	-	**959.25**	-	**959.25**
Changes in equity for the period ended March 31, 2019	-	-	-	-
Loss on first time Adoption of IND AS 115 on 01.04.2018	-	(56.54)	-	(56.54)
Profit for the year	-	417.83	-	417.83
Balance as of March, 31 2019	-	**1,320.54**	-	**1,320.54**

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Note 14 Borrowings

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non-current borrowings		
(a) Other loans and advances		
Secured Loans		
Term Loans from Bank	394.09	1,987.84
Term Loans from Financial Institutions	5,728.98	-
Unsecured Loans		
Loans From Relatives & Others	1,622.14	907.94
	7,745.21	2,895.78
Current borrowings		
(a) Loans repayable on demand		
Secured Loans		
Term Loans from Bank	898.77	-
Unsecured Loans		
Loans From Relatives & Others	919.50	3,974.60
	1,818.27	3,974.60
Total	**9,563.48**	**6,870.38**

Note :

1. Construction Finance from ICICI Bank is secured against land (with all the buildings and structures thereon) at Village Ghot, Taluka Panvel, Dsitrict Raigad. Rate of Interest is 12.45% and repayment till April 20.

2. 55,00,000 secured redeimable non convertible debentures of Rs. 100 each aggregation to Rs. 55.00 Crore alloted to India Real Estate Investment Fund. Coupon for these bonds is 16.50%

3. Vehicles loans are secured against the vehicle itself.

Note 15 Trade Payables

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a)Trade payables:		
Sundry creditors	493.59	433.26
Retention	253.59	203.51
Total	**747.18**	**636.77**

Note 16 Other Financial Liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
Current other Financial Liabilities		
(a) Other payables		
Book O/D	288.95	333.62
Salary Payable	53.24	26.24
Total	**342.19**	**359.86**

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Note 17 Advances from Customers

Particulars	As at 31 March, 2019	As at 31 March, 2018
Bookings Received	1,234.10	3,000.41
Total	**1,234.10**	**3,000.41**

Note 18 Other Current Liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Other payables		
(i) Statutory remittances	15.20	25.63
(ii) Others	63.10	0.67
Total	**78.31**	**26.30**

Note 19 Provisions

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Gratuity Payable	0.60	0.60
Provision for Expenses	7.13	6.83
Total	**7.73**	**7.42**

Note 20 Current Tax Liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
Income Tax	136.96	66.66
Deferred Tax Liability	-	-
Total	**136.96**	**66.66**

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Note 21 Revenue from Operations

	Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
(a)	Sale of products (Refer note (i) below)	5,772.13	4,157.86
	Total	**5,772.13**	**4,157.86**

Note	Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
(i)	Manufactured finished/unfinished products		
	Arihant Amisha	1,113.20	290.96
	Arihant Anshula	4,109.48	2,563.60
	Arihant Aloki	549.45	1,303.30
	Total - Sale of products	**5,772.13**	**4,157.86**

Note 22 Other Income

	Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
(a)	Interest income		
	Others (Refer note (i) below)	15.29	15.15
(b)	Other non-operating income (Refer note (ii) below)	1.42	2.13
	Total	**16.70**	**17.28**

Note	Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
(i)	Interest income comprises:		
	Fixed Deposits	14.80	11.14
	Other Balances	0.49	4.01
	Total - Interest income	15.29	15.15
(ii)	Other non-operating income comprises:		
	Income on Booking Cancellation	1.42	(0.51)
	Discount Received	-	2.64
	Total - Other non-operating income	1.42	2.13

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Note 23.a Cost of construction, land and development expenses

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Purchases	1,607.37	1,032.72
Land Cost	-	227.34
Direct Expenses	1,595.03	1,397.66
Total	3,202.40	2,657.72

Note 23.b Changes in inventories

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Inventories at the end of the year:		
Complete projects (FG)	411.19	1,044.30
Incomplete projects (WIP)	8,007.55	7,477.90
Raw Material at site	73.43	86.69
	8,492.18	8,608.89
Inventories at the beginning of the year:		
Complete projects (FG)	1,044.30	-
Incomplete projects (WIP)	7,595.26	8,648.57
Raw Material at site	86.69	134.40
	8,726.25	8,782.97
Net (increase) / decrease	**234.06**	**174.08**

Notes :

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Inventories at the end of the year :		
i)Complete projects (FG)		
Arihant Amisha - PH- I	411.19	1,044.30
	411.19	1,044.30
ii)Incomplete projects (WIP)		
Arihant Aloki	2,074.35	1,812.75
Arihant Amisha	628.29	628.29
Arihant Anamika	8.80	-
Arihant Anshula	5,296.11	5,036.86
	8,007.55	7,477.90
iii) Raw Material at site		
Arihant Aloki	37.70	31.37
Arihant Amisha	3.71	11.34
Arihant Anshula	32.03	43.98
	73.43	86.69
Inventories at the beginning of the year :		
i)Complete projects (F.G)		
Arihant Amisha - PH- I	1,044.30	-
	1,044.30	-
ii)Incomplete projects (WIP)		
Arihant Aloki	1,893.20	2,127.84
Arihant Amisha	628.29	1,687.58
Arihant Anshula	5,073.77	4,833.15
	7,595.26	**8,648.57**
iii) Raw Material at Site		
Arihant Aloki	31.37	39.61
Arihant Amisha	11.34	18.85
Arihant Anshula	43.98	75.94
	86.69	**134.40**

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Note 24 Employee benefits expense

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Salaries, wages and bonus (Refer note (i) below)	312.87	231.26
Staff welfare expenses	7.07	25.45
Contribution to provident fund	4.05	3.88
Total	**324.00**	**260.59**

Notes : (i)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Salary	312.87	231.26
Total	**312.87**	**231.26**

Note 25 Finance costs

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Interest expense on:		
Secured loans	658.42	306.51
unsecured loans	285.33	222.71
Total	**943.75**	**529.22**

Note 26 Other expenses

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Administrative Expenses	24.03	36.14
Selling & Distribution	299.30	198.73
Legal and Professional Fees	77.18	16.67
Rent, Rates & Taxes	70.45	27.30
Compensation	23.57	-
Directors Sitting Fees	0.50	0.30
Audit fees	1.02	0.15
ROC Fees	0.29	0.08
Vehicle Expenes	18.14	-
Others	(12.58)	6.21
Total	**501.90**	**285.58**

Notes:

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As Statutory Auditors	1.00	0.15
Other	0.02	-
Total	**1.02**	**0.15**

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Note 27 Related Party Transactions

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" presribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Details of Related Parties:

Description of relationship	Names of related parties
Holding Company	Arihant Superstructures Ltd.
Key Management Personnel (KMP)	Ashok B. Chhajer Jagdish chandra Chhajer Akshay Agarwal
Relatives of KMP	Kritika A. Agarwal Sujata Agarwal Sangeeta A. Chhajer Parth A Chhajer Bhavik A Chhajer Shankarlal Virdhichand Chhajer
Company in which KMP / Relatives of KMP can exercise significant influence	Arihant Universal Realty Pvt. Ltd. Sarvodaya Vanaspati Pvt. Ltd. Arihant Technoinfra Pvt. Ltd Marnite Steel Pvt. Ltd Marnite Shoppe Pvt. Ltd Arihant Paradise Realty Private Ltd

Note: Related parties have been identified by the Management.

Details of related party transactions for the year ended 31 March, 2019

	Holding Company	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loan Taken :	412.00	1,931.00	180.35	-	2,523.35
Loan Repayment :	447.00	3,531.00	1,487.56	-	5,465.56
Interest Paid (GROSS) :	15.00	376.21	260.38	-	651.60
Rent Paid	-	3.63	6.00	65.00	74.63
Purchases made	-	-	-	45.18	45.18
Salary	-	-	23.67	-	23.67
Outstanding Loans and Receivables	36.29	1,198.34	1,183.09	-	2,417.72

Note 28 First time Adoption of Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115):

a. Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018. The Company has applied full retrospective approach in adopting the new standard and accordingly has given an cumulative effect of applying this standard on the opening balance of retained earning as at April 01, 2018.

b. Explanation of transition to Ind AS 115

Particulars	As at date of transition April 01,2018		
	As reported	Adjustments on account of adoption of IND AS 115	Post Adoption of IND AS 115
Assets			
Current Assets			
- Inventory	8,608.89	117.36	8,726.25
Equity & Liabilities			
Other Equity			
- Retained Earnings	959.25	(56.54)	902.71

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Note 29 Disclosures under Ind-AS 33 on "Earnings Per Share"

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the equity shareholders (₹ In lakhs)	417.83	177.96
Weighted average number of equity shares	10,000	10,000
Par value per share (₹)	10	10
Earnings per share from continuing operations		
Basic (₹)	4,178.29	1,779.58
Diluted (₹)	4,178.29	1,779.58

Note 30 Disclosures under Ind-AS 12 on "Income Taxes"

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	2.55	0.12
Tax effect of items constituting deferred tax (liability) / asset	2.55	0.12
Tax effect of items constituting deferred tax assets		
Others	1.14	2.67
Tax effect of items constituting deferred tax assets	1.14	2.67
Net deferred tax (liability) / asset	3.69	2.55

Note 31 : Foreign currency transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate. Following expenses incurred by the company in foreogn currency during the year:

Business Promotion Expenses - ₹ 4.73 lakhs.

Note 32 : Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015.

i) Provident fund

The Company makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms with Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015, the provident fund trust set-up by the Company is treated as a defined benefit plan since the Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognised as an expense in the period in which services are rendered by the employee.

Note 33 : Dues to Micro Enterprises and Small Enterprises

There are no parties/companies which have been identified as Micro and Small Enterprises. The auditor have accepted the representation of the management in this matter in the absence of data base identifying the creditors which are Micro and Small Enterprises. As at March 31,2019, there are no interest and outstanding dues to Micro and small enterprises.

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Notes forming part of the Financial Statements
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Note 34 : Contingent Liablities

There were no contingent liability and commitments in the hands of Company at the end of the year.

Note 35 : Segment Information :

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segment as a single segment of Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

Note 36 : 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 31.03.2019.

Note 37 : CSR Expenditure

The company has framed CSR policy pursuant to the companies Act, 2013. the company is required to spend ₹ 10.29 lakhs during the year, but company has not spent any amount during the yer, as per provision of companies Act 2013. Remaining amount of ₹ 19.45 lakhs (including previous year ₹ 9.16 lakhs) to be spent in the subsequent year.

Note 38 : The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2019.

Note 39 : Previous Year Figure's regrouping:

The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

In terms of our report attached.
For Kailash Chand Jain & Co.
Chartered Accountants
Firm Reg. No.: 112318W

Saurabh Chouhan
Partner
M.No.: 167453

Place : Mumbai
Date : 27/05/2019

For and on behalf of the Board of Directors

Ashok B. Chhajer
Director
DIN-01965094

Akshay Agarwal
Director
DIN-00664101

Arihant Aashiyana Pvt. Ltd. Turbhe Navi Mumbai

Kailash Chand Jain & Co. Mumbai Chartered Accountants