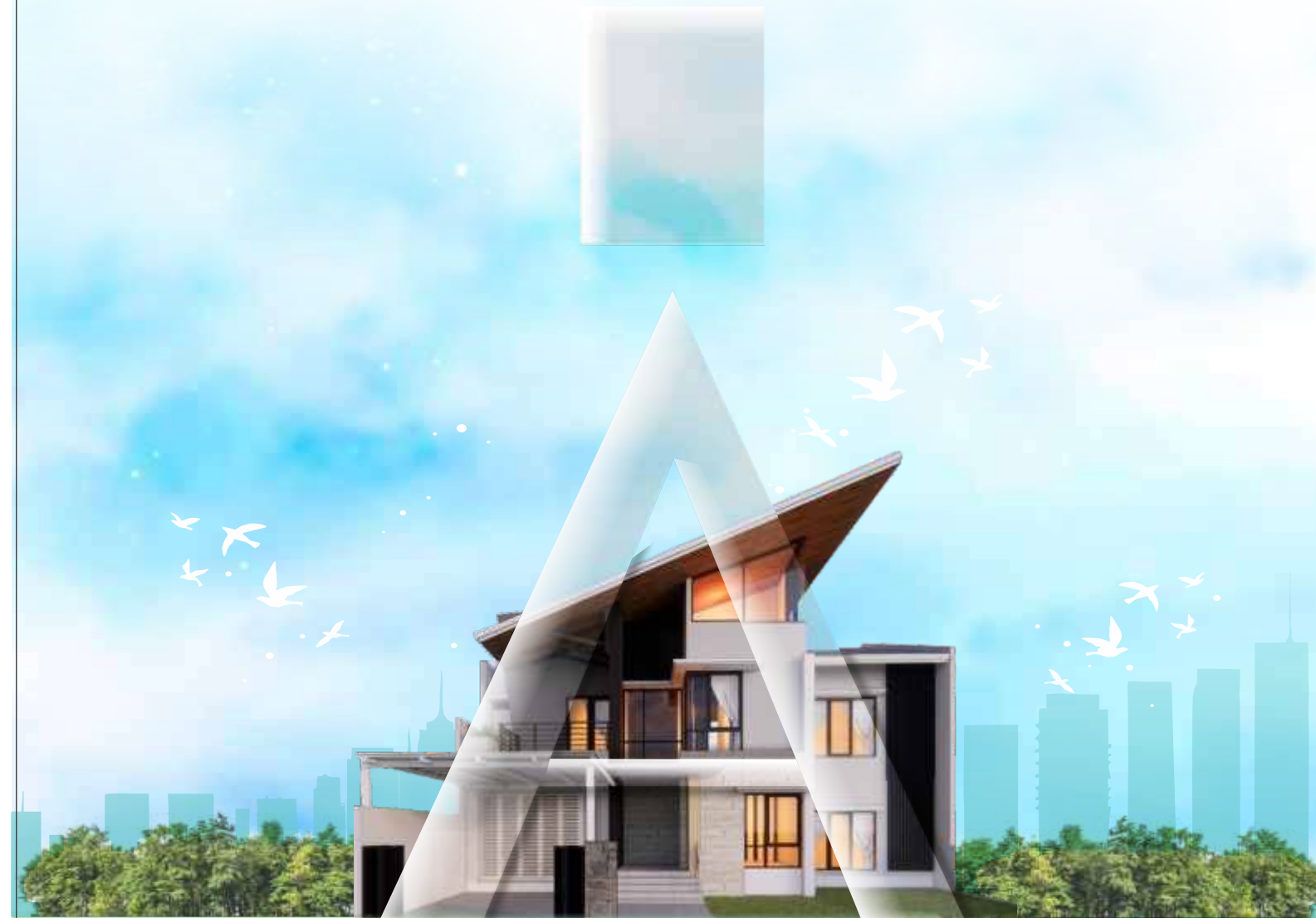


Envision - Innovate - Execute



ANNUAL REPORT 2022 - 2023

WHAT'S INSIDE...

COMPANY OVERVIEW

The Art of Predicting the Real Estate Trends: The Arihant Way.....	01
Chairman's Communique.....	08
Our Story.....	10
Knowing Arihant Superstructures Limited.....	11
Snap shot.....	12
Our Project Allocations Matrix.....	13
Rewards & Recognition.....	14
Our Journey so far	16
Operational Indicators.....	18
Key Performance Indicators.....	21
Corporate Information.....	22
Management Discussion and Analysis.....	24
Human Resource Indicators.....	46

STATUTORY REPORTS

Notice and Explanatory Statement.....	48
Director's Report and Annexure.....	69
Report on Corporate Governance.....	104

FINANCIAL STATEMENT

Standalone Financial Statements.....	131
Consolidated Financial Statements.....	182

The Art of Predicting the Real Estate Trends: The Arihant Way...

Introduction

The real estate industry in India has witnessed significant growth over the years, and Mumbai, being the financial capital of the country, continues to remain the leading market offering the best return on investment time and again. This, in the context of a deeper study of the overall economy emerging out of a pandemic state and still reeling under the aftermath of interest rate pressures, is an interesting one. The skyscrapers continue to soar, the population seems to be where it is, and the challenges and opportunities seem to egg each other parallelly. In this context, the latest real estate report pointing at a reduction of unsold inventory by almost 11%, points towards a healthy value appreciation of anywhere between 6-20%. In this context the total absorption rates in cities like Navi Mumbai and Thane have surpassed new supply significantly.

Overview of Mumbai's Real Estate Market

Mumbai's real estate market is known for its high property prices and limited availability of land. The capital value trend offering an average 14% y-o-y growth has only further fueled the demand for a piece of 'long-term' real estate in places like Navi Mumbai. The city's economic potential, attractive job opportunities, and cosmopolitan lifestyle have made it a preferred destination for people from all over the country. As a result, the demand for residential and commercial spaces in Mumbai has continuously increased. Buying a piece of real estate in Mumbai has always been about the first property, a bigger flat, a better location or more luxury. With over 13% of the total real estate focused on the luxury segment and the absorption at 14%, the trend on is a highly positive one.

And yet, the city has never offered its residents the choice that some other urban landscape like Delhi-Noida Bengaluru or Hyderabad offered and that is, the choice of a personal villa. An aspirational element that adds bling to the super hefty dreams in this city, these have traditionally been accessible only to the legacy wealth owners in the city. The nouveau riche most often having to settle for a more luxurious flat in a super expensive location and maybe adding the square feet under ownership by adding a few extra floors. The only other alternative therefore has been owning a second or a third home in other large cities that offered the availability of land and therefore the opportunity to build a personal space.

Soon that could change and to a great extent, also be able to change the urban landscape of Mumbai itself. The rapid infrastructure growth offers the catalyst to this change. Luxury real estate absorption especially in cities like Mumbai and now in Navi Mumbai and Thane areas are directly linked to infrastructure growth. This is directly correlated to an increase in rental yields and better opportunities for holding investments for the long term. Compared to any other city near Mumbai, Navi Mumbai has the advantage of being better planned and almost every long-term infrastructure need accounted for. Add to this, the near completion horizon of most of the projects, the real opportunities seem more visible.

Infrastructure as a Catalyst to Real Estate Growth

Mumbai has received a huge boost on infrastructure growth with work at several projects parallelly firing on all cylinders.

- Mumbai Trans-Harbour Link (MTHL): The longest sea bridge in India, scheduled to open in December 2023
- Goregaon-Mulund Link Road: A 12-km road that will connect Mulund to Goregaon
- New international airport in Navi Mumbai: Expected to be ready by December 2024
- Coastal Road spanning 22km from Marine Lines to Kandivali
- Santacruz-Chembur Link Road Extension
- The Airoli - Kaiti Tunnel Road
- Water taxis on the DCT-Belapur, DCT-JNPT and Belapur - Gateway of India routes

The list goes on and these projects collectively cover almost all the requisites of infra growth required for a megapolis like Navi Mumbai spanning Transportation, Airport, Metro, Retail, Commercial, Port, Healthcare and Entertainment besides others. These collectively offer the veins for the city's internal growth and further spreading the periphery of the city itself.

Distances won't matter Anymore: Predictive Real Estate Vision Paying off for Arihant

The Mumbai Metropolitan Region (MMR) encompasses Mumbai and its surrounding areas, including Thane, Navi Mumbai, and other satellite towns. These regions have witnessed rapid urbanization and infrastructural development, making them desirable locations for both homebuyers and investors. Arihant Superstructures Ltd

entered this high growth market much before most drawing boards were finalized and stayed-on with the commitment as the leading listed player in the fastest growing market offering both affordable luxury as well as signature styled-premium luxury.

The direct impact of the infrastructure growth in the city will be to help increase the periphery of the city and make Navi Mumbai less than 30 minutes away from South Mumbai for daily commute and the hub for almost all international getaways in the next few years

The upward trajectory therefore in the residential segment in the MMR region is significantly shifting from low cost bulk homes to the affordable luxury and then to the more spacious large villa formats post Covid. From catching trends on amenities to location to even specific lifestyle choices of opting for shared office and recreational areas; starting from personal work pods and spaces within the living places, Arihant's 'ear-to-ground' approach of adapting plans to predictive real estate demand trends have greatly paid-off. The demand for luxury properties has not only remained robust, but majorly evolved with high-net-worth individuals and NRIs investing in premium apartments and villas. Senior management professionals continue to prefer holding their base in Mumbai MMR and yet are opting out of the highly concentrated areas of Mumbai city.

The ARIHANT Lifestyle

While catching-on trends has greatly paid off for Arihant, what has truly helped the organization to stand its ground and gain more momentum is the balanced combination of its projects, scalability, managing to consistently maintain one of the highest ROEs in the industry at 26%, brand equity spanning the entire ecosystem starting at the purchaser and flowing downward amongst all partners, contractors, vendors and banking relationships; and forward leading to return purchases. Arihant's consistent performance even during the downcycle has earned it the laurel of 'consistency' across its fund-raising abilities, creating a formidable project pipeline of 17 mn sq. ft. across 18 projects, strong pre-sales momentum as well as a high revenue visibility surpassing INR 800 crores of revenues and over INR 360 crores in receivables from sold units alone.

Offering luxury and aspirational affordability to the city for decades now, the latest addition to the Arihant arsenal

would be a game changer in how Mumbai's living lifestyle would be viewed. Offering over 350+ villas not too far from the heart of the city, Arihant's latest project aims to defy the odds of luxury living in the city by providing the discerning individuals an option to own land and build a property on it. Situated on main state highway and a tranquil river on the east side, the north & south sides are green patches of farm lands. The contour of the land is a gentle sloping plateau to the riverside making construction easy with very less earth movement on this big size of land of 76 acres making land development less costly. The land is wider spread making all construction in its sectors possible along with the Gymkhana & Resort Hotel without disturbing the phased handing over of the project itself.

Often restricted to the unorganized sectoral and regional pockets of some parts of the city, these villas will redefine luxury itself as part of a larger infrastructure sanctuary housing a commercial Gymkhana (Sports Club) with premium memberships and matching facilities; a luxury resort spanning 9-10 acres that can host MICE events as well as destination weddings; Leasable Retail Development spanning over 1.5 acres retail development. Some of the overall highlights would include waterfalls, a forest park, access to a riverfront promenade, a Club 10 Gymkhana, wide inroads, fully developed area, residential facilities for 500 servicemen & hospitality managers inside the complex, Open air below the sky cinema, , art gallery, amphitheaters for shows besides other ever evolving amenities.

The villas itself remain unique and especially exclusive from a Mumbai lifestyle perspective. Built on plot land sizes ranging from 2100 sq. ft. to 3150 sq. ft. you own the land you live on. With a 13ft. clear heighted extra-large rooms, each of the property would have a Double height living or dining area, a separate room with toilet for the domestic help, provision for optional lift, car parking, front garden, a plunge pool and a deck that are optional in the design you choose. The luxuries of a functional backyard and sloping roofed homes combined with a contemporary elite wall & floor finish promise to enhance the aspirational experience for the truly discerning purchaser in every unit within the property.

Residential Real Estate Scenario

The new economy and growth of the tech, fintech and entrepreneurial categories of wealth; as well as the flexibility of the top tier individuals in the corporate world to travel outside the city more and spend more time

working from home when locally present, has fueled an ever increasing demand for 'high-end' , 'self-styled' living spaces akin to cities like Gurugram, Noida, Bengaluru and others. The ever increasing buzz words for demand now are 'airport access', 'speed of distances', 'land ownership for the long term', amenities to entertain, retail access and of course the brag worthiness of the investment itself. The work from home and flexi-work scenario has further fueled the growth of 'all-inclusive' community living. The city has always boasted of the most expensive and opulent residential properties in the country and yet has never provided the opportunity to own a piece of the land itself or of styling spaces that highlights the person's individual design nor an access to an 'all inclusive' community living. Space constraints remain the primary drawback and the high demand for smaller affordable units do not then permit any offering that could be 'out of the ordinary' and yet there remains a huge need gap here with individuals who can afford and not finding the right product.

Commercial Real Estate and the 'moving beyond' Scenario

Mumbai's commercial real estate market is thriving, with several multinational companies, banks, and financial institutions establishing their offices in the city. The central business districts of Nariman Point and Bandra-Kurla Complex (BKC) are home to numerous corporate headquarters, making them prime locations for business and commercial activities.

According to recent data released by a leading real estate research firm, the office space absorption in FY21 in Mumbai witnessed a huge slump fueled by the pandemic. The post pandemic trend has been for offices and office spaces to shift where employment and employability exists rather than to establish offices at a central district and expect employees to travel.

This is leading to offices establishing satellite workspaces and supplementary offices or in some cases a trend of moving the entire corporate office to newer business districts with access to long-distance as well as short distance travel. The MMR region has witnessed the development of several IT parks and commercial complexes. Navi Mumbai has emerged as a major hub for the IT and business process outsourcing (BPO) industries. These developments have not only boosted the commercial real estate market but also created job opportunities for many.

Future Outlook

If Mumbai has remained the megapolis of the country for the world, Navi Mumbai is at the cusp of witnessing the biggest growth phase in an urbanscape in India. It has everything aligned to support and fuel this growth. The almost complete state of its infrastructure, the following completion pipeline, the opportunity to plan and build things in a more structured manner and the through and through support of the Center as well as state and local government bodies to see though this planned development leading to rapid parallel growth.

Navi Mumbai has already seen 3 growth spurts and with global funds and organized real estate realizing the potential of this growth city, overall Navi Mumbai has registered almost double-digit growth numbers in less than a decade. Infrastructure growth and large corporates showing interest in setting up in the area continue to fuel this growth. With newer corridors such as Taloja, Shil Phata and Kalyan almost bursting at its seams with new and planned projects. The right mix of affordable housing, affordable commercial as well as uber luxury residential combined with large global brands such as IKEA vying for the retail commercial space, Navi Mumbai is on the radar of global funds and banks alike. As a choice for better quality of life, lower pollution levels, and more open spaces than Mumbai urban city. Navi Mumbai with its diverse and vibrant socio-cultural fabric, educational institutions, healthcare facilities, entertainment zones, and recreational spots vies to become the perfect spot for future settlements. In the speed to rapid growth it is important to maintain the perfect balance between ecological preservation and urban expansion, ensuring adequate future water and drainage provisions and a continued attention to detailing when it comes to envisaging a planned city – ensuring a consistent approach towards the road to a next global luxury residential hub that is no longer an extension of Mumbai, but a distinct identity and experience in itself.



WORLD VILLAS

CHANGING LIFESTYLE



ARIHANT CLAN
AALISHAN
— KHARGHAR ANNEXE —

WE WORKED
TOWARDS
BUILDING A
LONG-TERM,
AND **PROFITABLE**
BUSINESS

FINANCIAL GROWTH

₹ **391.7** CR
REVENUE FROM OPERATION
18% YoY growth

₹ **79.8** CR
EBITDA
12% YoY growth

FINANCIAL GROWTH

₹ **42.7** CR
PAT

20.4%
EBITDA
MARGIN

20%
NEW PROJECTS
ADDED

BUSINESS GROWTH

9900 CR

ESTIMATED REVENUE POTENTIAL
FROM ONGOING AND
FORTHCOMING PROJECTS
IN NEXT 6 YEARS

MORE THAN

15,000

units covering

13.5

million sq.ft. across

19

projects currently
being executed



CHAIRMAN'S COMMUNIQUE



ASHOK CHHAJER

Chairman & Managing Director
Arihant Superstructures Limited

Dear Shareholders,

I thank all of you for your encouragement and support due to which we have been able to achieve record performance in terms of revenue and operating profits for FY23. I believe we are at an inflection point and I look forward to your continued association with us as we embark on the next phase of growth at Arihant Superstructures Ltd.

In FY23, though the global economy faced a series of challenges, recession fears looming large on the developed economies, India continued to march head like a shining star. However, the inflationary environment world-wide had its effect on India with Reserve Bank of India raising rates by 250 basis points since May 2022. This increase led to an EMI increase of Rs. 820/-per month on a loan of Rs. 50 lacs with a tenure of 20 years. This had an effect on the affordable & mid-income housing demand as they are most dependent on housing loan to purchase their dream homes. Despite this, our projects were in demand due to our brand pull and execution. We closed the year with 1552 unit sales admeasuring 12.59 lac sq ft amounting to Rs. 773 crs. Had it not been for the voluntary refund against our Project Arihant Aakarshan, the unit sales numbers would have been higher by 352 units.

We continue on affordable and mid-income housing which has been the mainstay of your company for last 3 decades, and in the years to come, however, we are also focusing on building the premium housing segment in a big way. We are majorly in Mumbai MMR ex-Mumbai market, wherein various micro-markets which were considered affordable housing a few years back are now poised for Premium Housing. Being leaders in these micro-markets, it's natural that we will take advantage of this opportunity.

Arihant has always been at the forefront of innovation and remains highly responsive to market needs. A major difference between Mumbai and other Urban regions like Delhi NCR, Bengaluru or Hyderabad, is that each of these offer the perfect choice of personal Villas. In Mumbai, these have traditionally been accessible only to

the legacy wealth owners in the city and even those locations are rapidly getting transformed into high rises. The nouveau riche, most often have to settle for an extra-large luxury flat or a penthouse, but that doesn't give you the same feel and personal space as owning a villa with land. To address this market, Arihant has bought 76 acres of prime land parcel Off the Old Mumbai-Pune Highway, just 75 minutes from South Mumbai, to offer premium Villas to the discerning primary home buyer. The project will also have a 10-acre Club 10 Gymkhana which would be one of its kind in this region. We have engaged world-renowned architects and consultants to execute this project. Success of this Villa Project will be yet again a testament to our ability to meet customer expectations even with new products at new micro-markets.

As a part of our business strategy, we would also be investing into annuity assets, the first one being Club 10 Gymkhana and Tranquil Hotel & Resorts of 200-keys designed for wedding destination and corporate MICE programs. I am sure this will add value to the company and enhance wealth for the shareholders.

In addition to the Villa Project, the other premium projects are Arihant Advika at Vashi, Arihant Aalishan at Kharghar, The Palatial Towers Arihant Avanti at Shil-Kalyan-Dombivali Road & Arihant Ayati at Jodhpur. Going forward, we will consistently add more premium projects.

To ensure scalability with sustainability of our business model, we map our projects in various micro-markets to mirror the Population Matrix from the real estate demand perspective. For example Vashi is a premium housing market and there is enough demand from the local population as well as those in the vicinity to upgrade to new premium projects. Whereas the Villa Project will attract buyers from Mumbai MMR region due to the concept, location and accessibility.

Our major institutional strength is getting relevant projects into markets within a short yet secure development cycle. We are currently at 17 mn sqft across 18 projects under development and aspire to reach 20 mn sqft by the end of this Financial Year. Interestingly, we have achieved our current size of development with a secured external debt to equity ratio of just **0.57**, and that too against just 3 projects out of the 18 projects under construction. This gives us an ample leverage for the future.

I am excited at the opportunities staring at us. Navi Mumbai real estate is in a sweet spot as most of the infraprojects in Mumbai MMR are converging to provide easier accessibility to the region which will lead to constant influx of population to stay & work in the region. The Mumbai Trans-Harbour Link would be opened to public by December 2023 drastically reducing the distance as well as travel time. The Navi Mumbai International Airport is expected to be functional by December 2024 which will herald the next wave of growth in this region. The arterial Vashi Bridge is being double to 12 lanes will ensure smooth commute between Mumbai Suburbs and Navi Mumbai. The proposed Kharghar Corporate Park which would twice the size of BKC will attract top rung corporates resulting in trickle down effect on residential housing demand.

We are on track with our long term vision & goals and would like to take this opportunity to thank all the stakeholders for their unstinted support. Our achievement would not have been possible without tireless and dedicated work by our team across the board. I look forward to delivering the best years yet for Arihant Superstructures Ltd and seek your bestwishes.

ASHOK CHHAJER

Chairman & Managing Director
Arihant Superstructures Limited

Stay Safe. Stay Healthy.

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 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.

KNOWING ARIHANT SUPERSTRUCTURES LIMITED

Guided by one of the industry's pioneers, 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.



Representational image



Vision

To nurture the best talent and be a "Built to Last" company



Mission

To construct the most efficient spaces for our customers while leaving the least ecological foot-print



Policy

To share wealth with all the stakeholders and contribute to the well-being of society at large

SNAPSHOT



Largest real estate
player in MMR region



Balanced portfolio of projects
in luxury , Mid-Income
and affordable housing.



Projects spread across
11 different micro-markets
in MMR and Jodhpur



Highest market share in
Navi Mumbai and most
micro markets operating in



12,000+ units in over
60+ projects delivered
till date



Area under development
grew by 8x and Net worth
by 4.7x in last decade



One of the lowest Avg. land
acquisition Cost in the industry
of < INR 400/Sq.ft



INR 99,000 Mn Revenue Potential,
11000 units 17.3 millions sq.ft..



3 Year Revenue
CAGR 18.14%



3 year EBITDA CAGR
18.81%

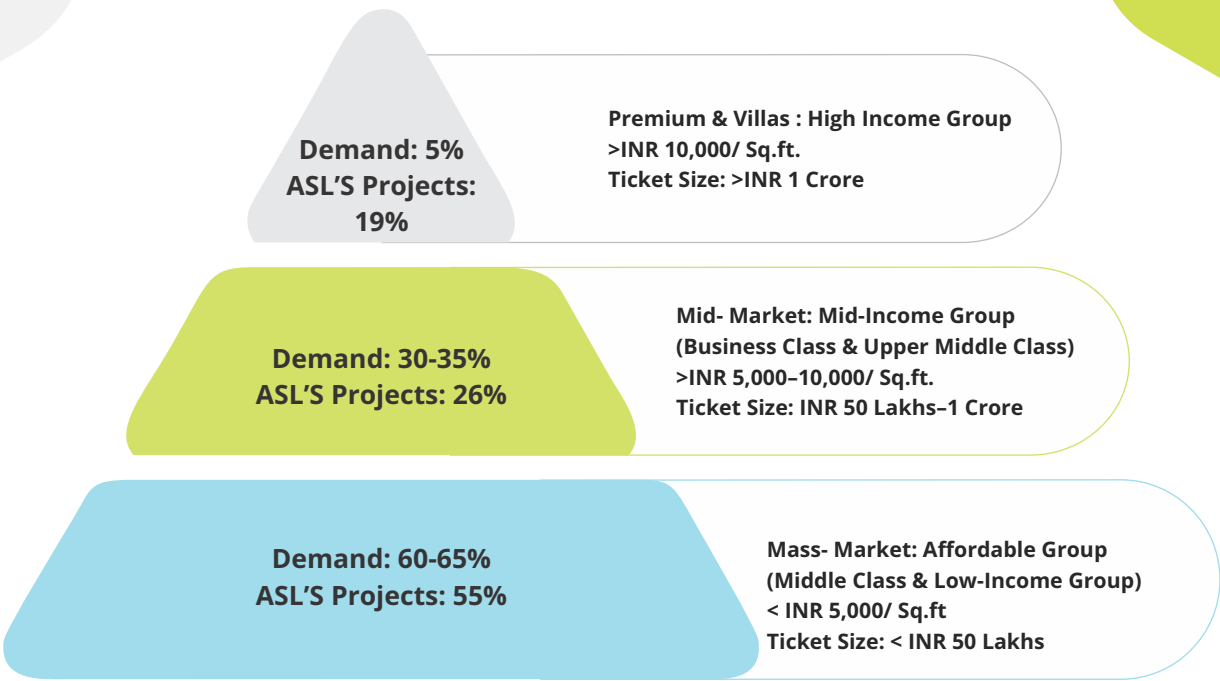


3 year PAT
CAGR 56.66%



Fy23
ROCE - 15%
ROE- 16%

Our project portfolio development strategy



“Mirroring the Population Matrix”

ASL’s business strategy is to mirror the population matrix and hence the supply of projects is in line with the socio-economic spread of the population

Over the years, ASL have developed capabilities across affordable, mid-income and luxury projects.

The company consciously undertakes projects in the ratio mirroring the demand cycle across income groups with a higher emphasis on the affordable and mid-segment.

Advantages:

- De-risking from demand stagnancy during downward real estate cycle
- Able to quickly scale up during favourable
- macroeconomic scenario
- Gaining market share in each category and micro- markets

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



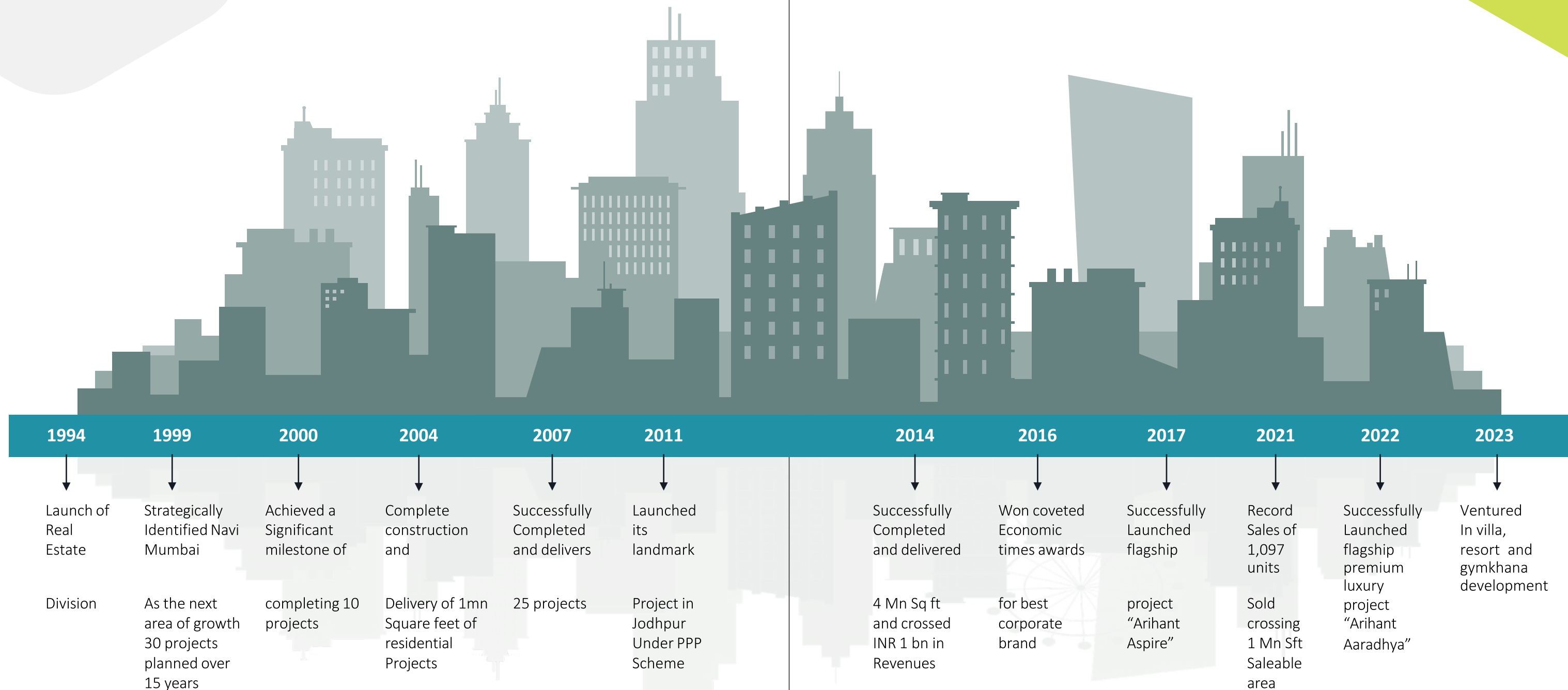
IGBC Pre-certificated Platinum Rating for Aspire Project in Year July 2018



Excellence in Modern-Edge Technology by Bharat 24 Year 2023



OUR JOURNEY SO FAR



OPERATIONAL INDICATORS

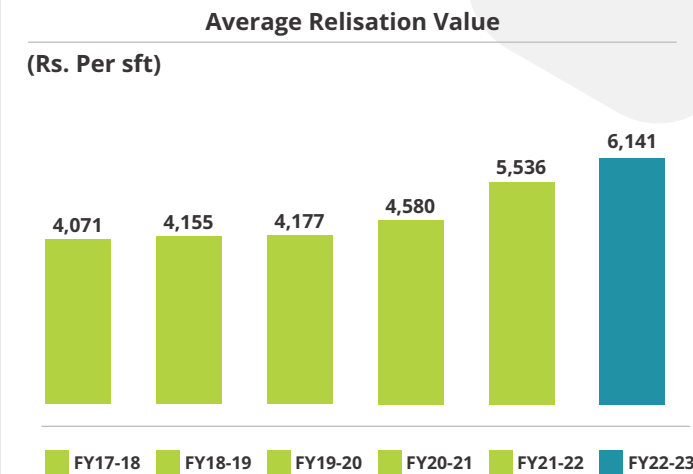
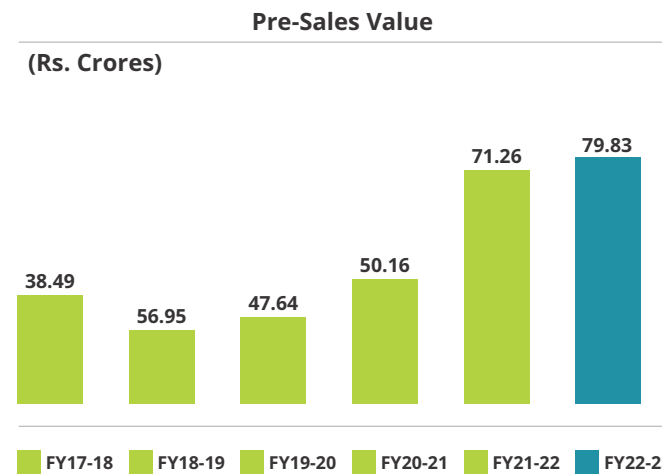
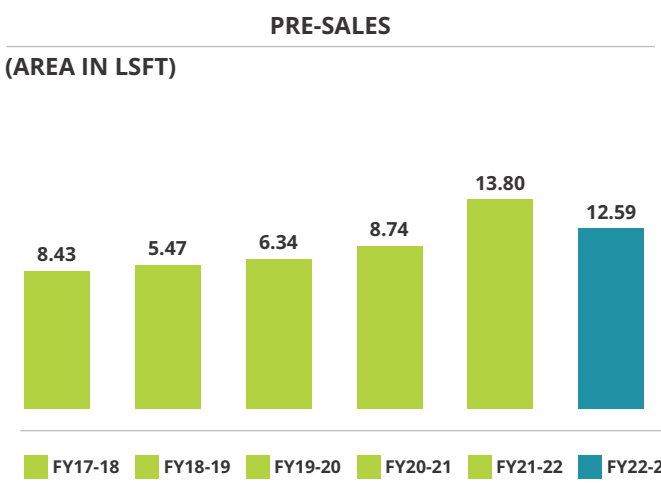
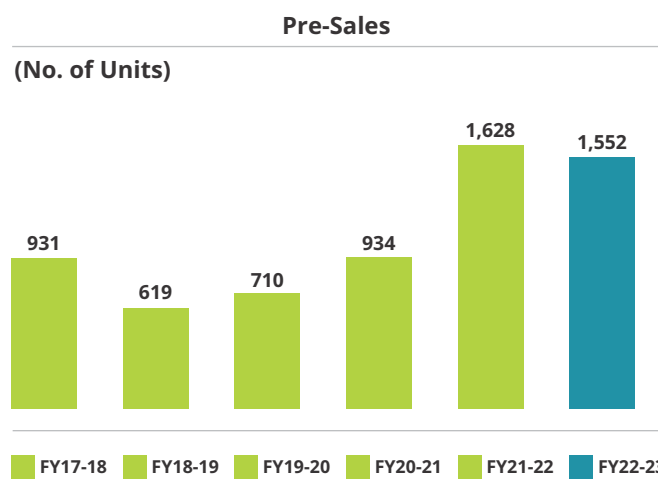
Embracing operational excellence through technology and by building digital capabilities

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.



Indian residential real estate market is witnessing a surge in new launches as the appetite for home ownership remains strong. This is evident in the 18% quarterly uptick in new unit launches across the top 7 cities, rising from approximately 92,900 units in Q4 2022 to 1.09 Lakh units in the current quarter Q1 2023. Additionally, there was a significant 23% upsurge in new launch supply on yearly basis.

MMR Market:

Mumbai's housing market recorded a surge in consumer searches (demand) In Q2 2023, Mumbai's residential market witnessed a hike of 2.8% Q-o-Q in demand (searches), while the supply (listings) within the city dipped by 4.3%. Further, property prices observed a growth of 2.1% Q-o-Q. The launch of metro lines 2A and 7 in the last quarter crackdown on illegal constructions and actions to resolve abandoned projects by the government is instilling confidence among home buyers. Reduction of unsold inventory, completion of major infrastructure projects and proposal by the State to encourage the self-redevelopment of cessed and dilapidated buildings will increase supply in the future.

Navi Mumbai:

Navi Mumbai experienced hike in demand and average rate; supply dipped. In Q2 2023, Navi Mumbai's residential market witnessed a 6.1% Q-o-Q growth in searches (demand). The average property rate also recorded an increase of 2.3% Q-o-Q. However, the supply (listings) saw a decline of 8.8% Q-o-Q. Homebuyers in Navi Mumbai are eagerly awaiting upcoming launches by renowned developers in the coming months; the anticipation being fuelled by the prospect of completion of significant infrastructural projects such as the new suburban railway corridor between Panvel and Karjat, Navi Mumbai International Airport, and Mumbai Trans Harbour Sea Link towards year end, the average rate per sq.ft. has increased in the last two years despite there being periods of stagnation or gradual increases. Overall, the average rate increased by 6.7% during the period FY21-23.

Way Forward

The Indian residential sector created a new peak in the Q1 (Jan-Mar) of 2023 with housing sales and new launches breaching the 1 lakh mark. Housing prices also headed north. But while the Q1 remained buoyant, global headwinds now pose short term risks for the housing sector.

Going forward, it is anticipated that the recent layoffs by the large and small corporates could have some impact on the demand in the upcoming two quarters, if any. Continued inflation concerns along with a possible rate hike by the RBI in the near future could also dent growth in the housing market.

Many home buyers impacted by the layoffs may go into the wait and-watch mode for some time, or until they have a secured job. This is largely because sense of security associated with physical assets has now motivated many to consider buying a home post COVID-19. Thus, home ownership is a compelling priority for most Indians facing uncertain times.

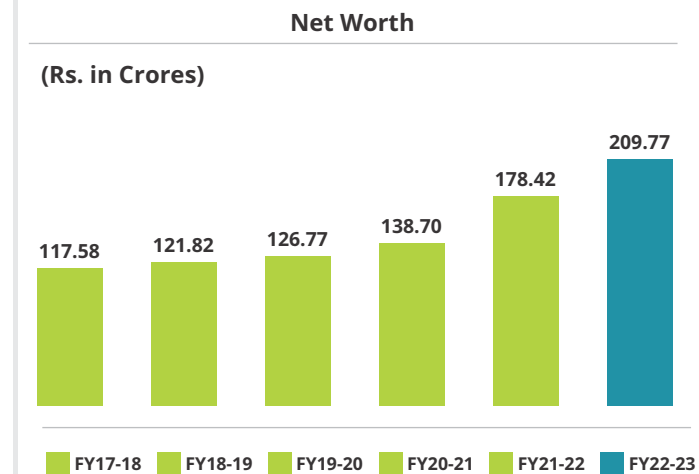
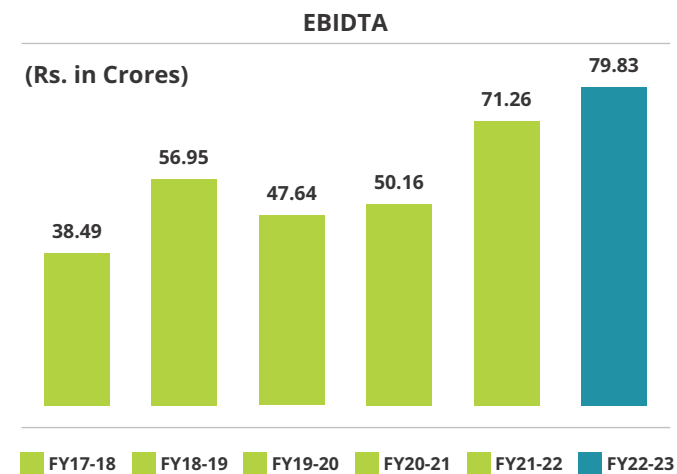
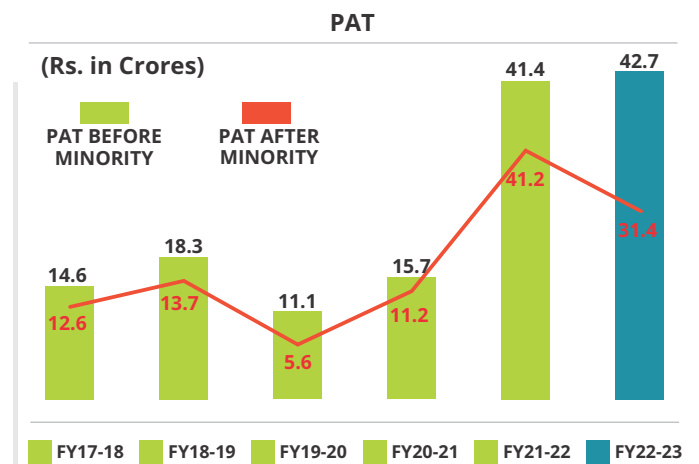
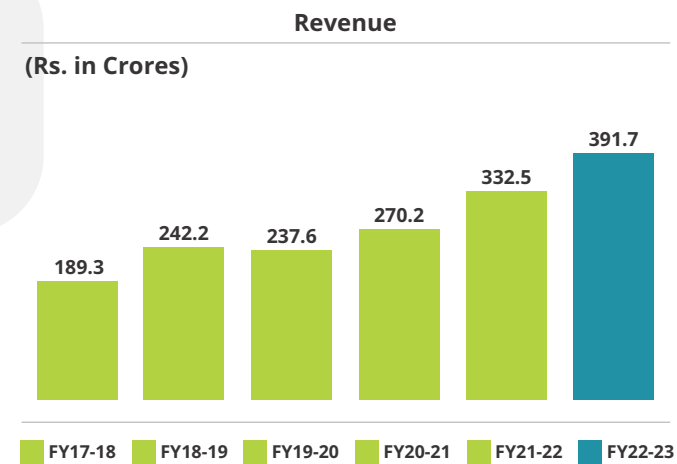
So to say, the housing demand is deferred but not destroyed. Hence, there are high chances that by FY25 when the present turbulence will become a thing of the past, the market will again bounce back and all those who deferred their purchase temporarily will come back in the market. Moreover, even while there are predictions that there could be more layoffs in the times to come, housing demand is likely to maintain its momentum in the long run because these are only short-term repercussions. Meanwhile, it is anticipated that avg. property prices may see around 8-12% growth over the year across the top 7 cities. And the new launches will continue to remain dominated by the large and listed developers.

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



CORPORATE INFORMATION

(As on Current Date)

BOARD OF DIRECTORS

Ashokkumar Chhajer

Chairman & managing Director

- Over 2.6 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 stakeholder management

Nimish Shah

Whole-Time Director

- A civil engineer with over 20 years 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 real estate sector

Parth Chhajer

Whole- Time Director

- Worked briefly with the leading capital markets group CLSA in its India Equity Research Team before joining ASL in 2018
- Responsible for product development, marketing & sales strategy and actively involved in finance function
- He is a Bachelor of Science (Economics) from Pennsylvania State University, USA.

R.N. Bhardwaj

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 Ministry of Finance

Mr. Pramod Deshpande

Independent Director

- Worked for over 35 years from 1984 in Semi Govt., Corporation of Govt Maharashtra in MIDC.
- During the tenure serve in various department of MIDC like Architecture & Planning,
- SEZ, DMICDC & other departments and retired from MIDC as Associate Architect as Class I officer IN December 2016.

CORPORATE INFORMATION

Chief Financial Officer

Dhiraj Jopat

Internal Auditor

Anjani Goyal & Co.

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

Statutory Auditor

Kailash Chand Jain & Co.

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

Listing

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

Registered Office

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

Secretarial Auditor

D. A. Kamat & Co.

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

Bankers

The Federal Bank Limited
ICICI Bank Limited
HDFC Bank Limited

Registrar & Transfer Agent

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

MANAGEMENT DISCUSSION AND ANALYSIS

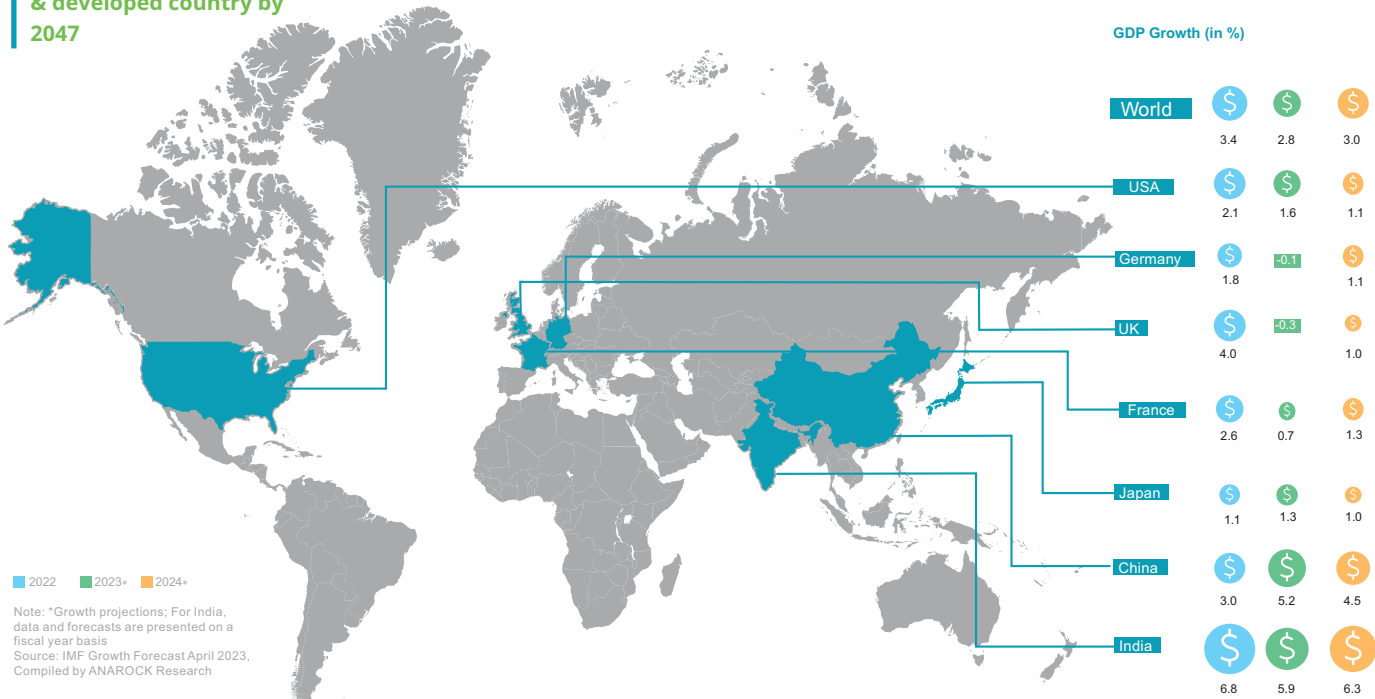
Global Economy

In 2022, the global economy faced a series of turbulent challenges. High inflation rates, the most significant in several decades, led to tightened financial conditions in most regions. Additionally, Russia's invasion of Ukraine had a lasting impact on economic activity. The rapid spread of COVID-19 in China also hampered growth during the year.² However, the recent reopening of economies has paved the way for a rapid recovery.

Global governing bodies have undertaken various initiatives to mitigate existing economic risks. Monetary policies are anticipated to focus on restoring price stability, while fiscal policies aim to alleviate cost pressures while maintaining a suitably tight stance. In addition, structural reforms can play a crucial role in lowering inflation by enhancing productivity and addressing supply-side constraints.² These collective measures are expected to support economic stability and reduce the impact of prevailing risks.

INDIA: ECONOMY

India to become 3rd largest economy by 2030 & developed country by 2047



Sources:
1 <https://www.imf.org/en/Publications/WEO>
2 <https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022>
3 <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>

As per the latest International Monetary Fund (IMF) estimates published in January'23, the global economy is projected to grow at 2.9% in 2023 (vs estimated 3.4% in 2022) and 3.1 % in 2024.¹ In 2022, Middle East and Central Asia have been the highest contributor to the global real GDP, while Emerging and Developing Asia are expected to be the highest contributors in 2024. Euro area is estimated to grow at 1.6% in 2024, whereas United States and Latin America are expected to grow at 1.0% and 2.1% respectively in 2024.³

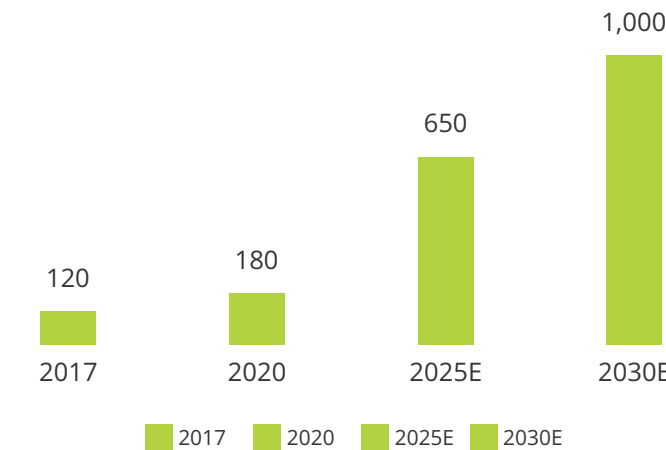
Indian Economy

The Indian economy has staged a full recovery, ahead of many nations and has positioned itself to ascend to the pre-pandemic growth path in FY23. However, India must also cope with the challenge of controlling inflation. Fortunately, actions taken by the government and RBI along with decline in global commodity prices has led retail inflation levels reaching to 5.7% in December'22 and 5.66% in March'23, which are within the RBI upper tolerance target of 6%.⁴

As per IMF, India's real GDP grew at 6.8% in 2022 (estimates) ⁵ and expected to grow at 5.9% in 2023 and 6.3% in 2024, with resilient domestic demand despite external headwinds. As per CEIC, India's per capita GDP reached USD 2,301 in March'22, an all-time high resulting in a significant increase in demand driven by consumption.⁷ Industrial production also increased supported by persistent demand conditions. For the first half of FY23, the Industrial Sector's overall Gross Value Added (GVA) increased by 3.7%, above the 2.8% average growth seen in the first half of the previous decade.⁹

In 2023, nearly 15% of the world's growth is forecasted to come from India.⁵ These growth projections are partially based on the economy's resiliency, which can be observed in how quickly private consumption rebounded, while the government's capital expenditure, which surged by 63.4% in the first eight months of FY23 was also a major contributor.⁹ India will also be able to maintain a positive growth-interest rate differential owing to the government's policy of capital expenditure led growth, which will result in a sustainable debt to GDP over the long term.

Market Size Of Real Estate In India (USD Bn)



in the first nine months of FY22. Foreign investments in the commercial real estate sector were at USD 10.3 Bn from 2017-2021. As of February 2022, Developers expect demand for office spaces in SEZs to shoot up after the replacement of the existing SEZs act. As per ICRA estimates, Indian firms are expected to raise roughly USD 48 Bn through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth USD 29 Bn to date.

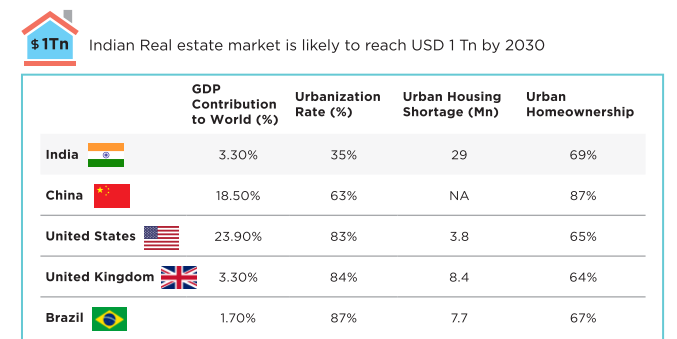
Image 1 Source: <https://www.ibef.org/industry/real-estate-india>
Image 2 Source: https://api.anarock.com/uploads/research/CII_ANAROCK_THE%20HOUSING%20MARKET%20BOOM_2023.pdf

To connect India to international supply chains, the Production Linked Incentive (PLI) programmes were created with an expected investment of 4 lakh crore during FY22-27.⁶ As per the Indian Brand Equity Foundation (IBEF) In FY22, investments under PLI programmes totalled INR 47,500 Crs, which reached 106% of the year's set objective.¹⁰ Due to PLI initiatives, production/sales of 3.85 lakh crore and the creation of 3.0 lakh jobs have been registered.¹⁰ The Indian economy has also begun to prosper from more formalisation, greater financial inclusion, and economic possibilities brought forth by technologically driven economic reforms.

Indian Real Estate Sector

Real estate sector in India is expected to reach USD 1 trillion in market size by 2030, up from USD 200 Bn in 2021 and contribute 13% to the country's GDP by 2025

Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. India's real estate sector saw over 1,700 acres of land deals in top eight cities



Note: Data is on financial year for India; Data for 2021
Source: World Bank, Industry Estimates, ANAROCK Research

Budget Impact on The Indian Real Estate Sector

Budget 2023-24 could be a watershed moment for the real estate industry. The Finance Minister has announced measures of growth and progress, built on the foundations of Amrit Kaal, a 25-year plan to transition India from 75 to 100 years of independence. The sector will reap dividends from the growth-oriented fiscally 'balanced' budget proposals like enhanced capital expenditure in infrastructure, that is 33% increase in capex

funds to INR 10 lakh Crs to elevate the urban planning substratum, boost the paradigms of infrastructural connectivity, and notch up holistic development in multiple corridors, and improve multimodal connectivity between mass urban transport, rail, and air network underscores Indian government's concerted focus on infrastructure development that will open up hinterlands across geographies. These coupled with the emphasis on systematic development of megacities as well as tier II and tier III cities for the future will prompt real estate players to seek land parcels in the periphery for RE developments, especially in the commercial space.

In its effort to have a robust financial sector, strong public finances, and provide a cushion against global headwinds, the government fixed the fiscal deficit for 2023-24 at 5.9% of GDP well below the 6.4% budgeted for 2022-23. The announcement reassured sovereign credit rating agencies. It will heighten investment activities across all business sectors which will help the real estate sector to maintain stability.

Over the last decade, various government policies and initiatives have directly or indirectly contributed to the development of the Indian RE sector:

Real estate (Regulation and Development Act) RERA: With the introduction of RERA, the largely unorganised RE sector was brought within the ambit of the regulator, making the developer /builder/ promoter/agents accountable and answerable, thereby bringing in transparency. This has increased confidence amongst the customers and investors.

Smart Cities Mission: The objective of the smart cities mission is to promote cities that provide core infrastructure and give its citizens a decent quality of life, and a clean and sustainable environment through the application of 'Smart' solutions, thus requiring the adoption of technology to deliver energy-efficient and sustainability-focused solutions.

Pradhan Mantri Awas Yojana (PMAY): This initiative aims at providing 'housing for all'. The government has also given infrastructure status to 'affordable housing', thus enabling developers to raise funds, including external commercial borrowings. Interest subvention provided under the PMAY has increased the demand for affordable homes.

Source: <https://timesofindia.indiatimes.com/blogs/voices/expected-impact-of-the-union-budget-2023-on-the-indian-real-estate-sector/>
<https://timesproperty.com/news/post/union-budget-2023-24-insights-from-real-estate-sector-perspective-blid3848>

Monetisation of non-core real estate: In 2022, the government set up the National Land Monetisation Corporation to monetise non-core real estate assets held by public sector enterprises.

Foreign Direct Investment (FDI): FDI policy has been considerably liberalised, permitting foreign investment in under-construction projects and for the operation of completed projects, subject to certain conditions.

Make in India: The 'Make in India' initiative has boosted the creation of manufacturing facilities, resulting in the emergence of suburban areas and, consequently, housing colonies/projects.

Real Estate Investment Trusts (REITs): SEBI introduced REITs as an investment vehicle in 2014 to raise funds from investors to acquire, own and operate revenue-generating real estate assets directly or through special purpose vehicles. REITs are publicly listed, highly regulated, and provide a steady return to investors. The introduction of REITs enabled developers to monetise revenue-generating real estate assets and utilise the funds for the further development of new assets.

Ease In Housing Finance: In order to boost affordable real estate, housing loans up to USD 54,306 in metro cities were included in priority sector lending by the RBI in June 2019. Loans under priority sector lending are relatively cheaper. Housing loans account for more than half of retail loans.

Land Acquisition Bill: In December 2014, the Government passed an ordinance amending the Land Acquisition Bill which is intended to speed up the process for industrial corridors, social infra, rural infra, housing for the poor and defence capabilities.

Amendment to the Benami Transactions Act: Benami transactions were common in the real estate sector. However, an amendment to the existing Benami Transactions Act gave teeth to the act, making it more stringent. The act further enhanced India's status as an investment destination by instilling professionalism, accountability, and greater transparency in transactions.








Sources:
<https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/realising-the-potential-of-real-estate.pdf>

<https://www.naredco.in/notification/pdfs/IBEFReal-Estate-August-2020.pdf>

Residential Real Estate Sector
India's Housing Market growth to expected to continue with 9% rise in FY24 sales. The growth is supported by a steady and healthy demand, although factors such as a potential global recession and inflation may slightly dampen the demand soon. However, the market is expected to withstand any pressure due to supply consolidation and improved affordability compared to historical standards.

According to data from Liasas Foras, residential sales in the top eight cities in India, including Mumbai, Bengaluru, Chennai, Hyderabad, NCR, Pune, Ahmedabad, and Kolkata, increased by 18% in 2022-23, reaching 392 Mn Sq.ft. This growth was driven by consistent and healthy demand, as well as renewed interest and improved perceptions from homebuyers following the pandemic.

TOP 7 CITIES

City	New Launches	Sold Units	Available Inventory	Avg. Price (INR/sf)
 NCR	12,450	17,100	119,000	5,200
 MMR	37,300	34,700	200,500	12,200
 Bengaluru	13,600	15,700	54,500	5,750
 Pune	19,400	19,900	103,800	6,150
 Hyderabad	14,600	14,300	83,700	4,800
 Chennai	6,400	5,900	28,700	5,400
 Kolkata	5,850	6,200	36,500	4,800

Budget Segmentation:
Affordable: < INR 40 Lakh
Mid-end: INR 40 Lakh - INR 80 Lakh
High-end: INR 80 Lakh - INR 1.5 Cr
Luxury: INR 1.5 Cr - INR 2.5 Cr
Ultra-luxury: > INR 2.5 Cr

Notes:
Pan-India refers to top 7 cities of India only.
Average price in INR/sf as quoted on BSP on BUA.
^Available inventory includes units from projects that are launched but yet not sold, despite the launch timelines and construction progress.
Image Source: https://api.anarock.com/uploads/research/CIL_ANAROCK_THE%20HOUSING%20MARKET%20BOOM_2023.pdf
Source: <https://www.liasesforas.com/>

The sector witnessed a significant number of new and improved product launches to meet market demand, resulting in a reasonable balance between demand and price. New launches increased by 60% compared to the previous year, reaching 551 Mn Sq.ft. in 2022-23.

Top 7 cities recorded new launches of around 1.09 Lakh units in Q1 2023 against 89,100 units in Q1 2022 and 92,900 units in Q4 2022, indicating a rise of 23% on annual basis and a rise of 18% from the previous quarter. Key cities contributing to new launches in Q1 2023 included MMR (Mumbai Metropolitan Region), Hyderabad, Pune, NCR and Bengaluru, together accounting for 89% supply addition. MMR witnessed the highest volume of new launch activity in the current quarter, accounting for 34% of the total new supply across the top 7 cities. Kolkata comprised the lowest share of 5% launches amongst the top 7 cities in India.

The NCR market witnessed the highest price surge, which had previously undergone a correction and stagnation due to low demand. Hyderabad, Mumbai, Kolkata, and Bengaluru followed suit with incremental trends in housing prices.

 **NEW LAUNCHES**
109,600 **23%**

 **SALES**
113,800 **14%**

 **AVAILABLE INVENTORY**
626,700 **0%**
Units Y-o-Y

Q1-2023



WORLD VILLAS

CHANGING LIFESTYLE

Representational image

✧ *A Lifestyle Project*

ARIHANT CLAN
AALISHAN
— KHARGHAR ANNEXE —

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



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

Artist's Impression



✧ *A Lifestyle Project*

ARIHANT
ASPIRE
— PALASPE - PANVEL —

8 MAGNIFICENT TOWERS OF 42 STOREYS
LAVISH STUDIO, 1, 2 & 3 BHK APARTMENTS



Artist's Impression

Phase I MahaRERA No. P52000014107, P52000050712



ARIHANT ADVIKA

SECTOR - 9, VASHI

2, 3 & 4 BHK RESIDENCES

 *A Lifestyle Project*



ARIHANT ANAIIKA

TALOJA NEAR METRO STATION

1, 2 & 3 BHK RESIDENCES



ARIHANT AARADHYA

KALYAN ANNEXE, OPP. KHADAKPADA

1 & 2 Apartments



ARIHANT ALOKI

KARJAT EAST
NEAR RAILWAY STATION

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



Phase I MahaRERA No. P52000004014

Artist's Impression



ARIHANT AAROHI

KALYAN - SHIL ROAD

STILT+13 STOREY TOWER
2 & 3 BHK RESIDENCES



Phase II MahaRERA No. P51700015328

Artist's Impression



ARIHANT ARSHIYA

KHOPOLI - NEW TOWN, NEAR IMAGICA

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

ARIHANT ANMOL

BADLAPUR - EAST
SPACIOUS 1 & 2 BHK RESIDENCES



Artist's Impression

MaharERA No. P51700003112



ARIHANT AAYAN

TITWALA
1 & 2 BHK APARTMENTS



Artist's Impression

MAHARERA.: P51700049910

ARIHANT SUPERSTRUCTURES LIMITED



ARIHANT AMISHA

PANVEL

SPACIOUS 1 & 2 BHK RESIDENCES



Phase I MahaRERA No. P52000029991

Artist's Impression



ARIHANT ANANT

TALOJA, NEAR METRO STATION
1 & 2 BHK RESIDENCES



MahaRERA No. P52000030053

Artist's Impression



ARIHANT ADITA

JODHPUR
NEAR DPS CIRCLE

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

ACTUAL PHOTOGRAPH

RAJ/P/2018/599

ARIHANT ANCHAL

JODHPUR
NEAR DALI BAI CIRCLE

G+7 STOREY TOWERS
SPACIOUS 2 BHK RESIDENCES

Artist's Impression

RAJRERA NO. RAJ/P/2017/322

HUMAN RESOURCE TREND

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.



No. of
Employees

265
2021-22

No. of
Employees

410
2022-23

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Fortieth (**40th**) **Annual General Meeting ("AGM")** of Arihant Superstructures Limited (**'the company'**) will be held on Saturday, 23rd September,2023 at 11AM through **Video Conferencing ("VC")** or **Other Audio Visual Means ("OAVM")**, to transact the following business. The Registered Office of the Company Shall be the deemed venue of 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, 2023, and the Reports of Directors (**'the Board'**) and Auditors thereon.

Item No. 02: Appointment of Statutory Auditor of the Company for a period of 5 (five) years from F.Y. 2022-23:

To consider and, if thought fit, to pass the following resolution as Ordinary:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and as per the applicable regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as recommended by Audit Committee, and approved by the Board, the consent of the Members be and is hereby accorded to appoint M/s. Ummed Jain & Co., Chartered Accountants, Mumbai (Firm Registration No. 119250W), as Statutory Auditors of the Company for the 1st term of 5 (five) consecutive years from the conclusion of the this Annual General Meeting till the conclusion of the Annual General Meeting to be held for F.Y. 2027-28.

RESOLVED FURTHER THAT, the remuneration of the Statutory Auditors shall be Rs. 10,00,000/- (Rupees Ten Lakhs Only), from time to time, subject to the approval of the Audit Committee, Members and Board of Directors, from time to time."

RESOLVED FURTHER THAT, the Managing Director and Whole Time Director of the Company, either jointly or

severally be and are hereby authorised to file the said resolution with the Registrar of Companies, Mumbai, and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution."

Item No. 03: Retirement by Rotation:

To appoint a Director in place of Mr. Parth Ashokkumar Chhajer (DIN: 06646333), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment

Item No. 04: Declaration of Dividend:

To declare a Final Dividend of Rs. 0.50 per Equity Share for the Financial Year ended 31st March, 2023.

SPECIAL BUSINESS:

Item No. 05: To consider and approve re-appointment of Mr. Ashokkumar B. Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company

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

RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the consent of Shareholders of the Company be and hereby accorded for the re-appointment of Mr. Ashokkumar B. Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company for a period of 5 (Five) Years commencing from 15th January, 2024 and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any

Committee constituted/ to be constituted by **the Board**) from time to time to alter the said terms and conditions of re-appointment and remuneration of Mr. Ashokkumar B. Chhajer in the best interests of the Company

RESOLVED FURTHER THAT, the remuneration payable to Mr. Ashokkumar B. Chhajer, shall be Rs. 90 lakhs (Rupees Ninety Lakhs Only) per annum which is within the limits specified under Section 197 of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and any other regulations, as applicable in this regard and in the event of loss or inadequacy of profits, the minimum remuneration payable to Mr. Ashokkumar B. Chhajer, shall be as per the terms stated in Section II, Part II of Schedule V to the Companies Act, 2013."

RESOLVED FURTHER THAT, the Whole time Director of the Company, either jointly or severally be and is hereby authorized to file the said resolution with the Registrar of Companies, Mumbai and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution."

Item No. 06: 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 supersession 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"**), nonconvertible 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 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. 07: To consider and approve appointment of Mr. Pramod Deshpande as an Independent Director of the Company for the 1st term of 5 years.

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

“RESOLVED THAT, pursuant to the provisions of Section 149, 150, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board, the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Pramod Deshpande (DIN: 10204931), as an Independent Director of the Company with effect from 10th August, 2023 to hold office for a period of 5 (Five) consecutive years commencing from 10th August, 2023 till 9th August, 2028.”

Item No. 08: To approve the proposed Material Related Party Transactions for the Financial Year 2023-24:

To consider and, if thought fir, 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 2023- 24 as per details as set out under Item no. 08 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.”

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

Ashokkumar B. Chhajer

Chairman & Managing Director

DIN: 01965094

Place: Mumbai

Date: 30th August 2023

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 pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 2/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
- Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the EGM/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, May 05, 2020, January 13, 2021, May 5, 2022 and December 28, 2022 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/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 EGM/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 EGM/AGM has been uploaded on the website of the Company at 31st August, 2023. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
- EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 Circular No. 2/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022.

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

The remote e-voting period begins on Monday 18th September, 2023 at 09:00 A.M. and ends on Friday, 22nd September, 2023 at 05:00 P.M. 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. 16th September, 2023, 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 16th September, 2023.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” 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 cfo@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 cfo@asl.net.in by 16th September, 2023 (5:00 p.m.). 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.

Other Instruction:

1. 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.
2. 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 B Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: 30th August, 2023

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

Item No. 05:

Mr. Ashokkumar B Chhajer was re-appointed as a Chairman & Managing Director of the Company w.e.f. 28th September, 2018 under Companies Act for the period of 5 (Five) Years and his appointment was approved by the Shareholders in the Annual General Meeting held on 28th September, 2018. The original date of appointment of Mr. Ashokkumar B Chhajer was 15th January, 2009. During his tenure so far, Mr. Ashokkumar B Chhajer has, contributed immensely for the business activities of the Company and to guide the Company in its expansion activities.

The Shareholders are requested to note, that the current term of Mr. Ashokkumar B Chhajer is expiring on 14th January, 2024 and he is seeking his re-appointment for term of 5 (Five) Consecutive Years.

Mr. Ashokkumar B Chhajer has been contributing immensely in the business activities of the Company and is guiding the Company in its expansion activities. Accordingly, the Nomination and Remuneration Committee have recommended the re-appointment of Mr. Ashokkumar B Chhajer (DIN: 01965094) as the Chairman & Managing Director of the Company with effect from 15th January, 2019 with an Annual Remuneration of Rs. 56,32,000 (Rupees Fifty Six Lacs Thirty Two Thousand Only) per annum unless otherwise revised by the Board of Directors. The same was approved by the Board of Directors on 10th August, 2018, subject to the Shareholders approval. The Remuneration paid / payable to Mr. Ashokkumar B Chhajer is within the limits set out under Section 197 of the Companies Act, 2013. Further, it is proposed, that in the event of loss or inadequacy of profits, the Remuneration payable to Mr. Ashokkumar B Chhajer shall be within the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013 or any other limit, as may be prescribed in this matter by the Central Government.

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

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

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

The Board of Directors recommends resolution for the appointment of Mr. Pramod Deshpande (DIN: 10204931) 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. Pramod Deshpande (DIN: 10204931).

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. 08:

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 2023-24 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	Justifications 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 at arms' length	Same rates as applicable to unrelated parties	100	Mentioned in attached annexure
2	Selling or otherwise disposing of, or buying of property	Market price at arms' length	Same rates as applicable to unrelated parties	500	Mentioned in attached annexure
3	Leasing of property	Market price at arms' length	Market conditions	100	Mentioned in attached annexure

4	Availing or rendering of any services	Market price at arms' length	Market conditions	100	Mentioned in attached annexure
5	Giving loan, guarantee and security	As governed by market conditions	As governed by ordinary course of business	300	Mentioned in attached annexure
6	Loan and advances given by Director to the Company	Market price as applicable to third parties	Any loan obtained from a director shall be accompanied by a declaration stating that the same is not from borrowed funds of the directors & that the rates are not prejudicial to company	300	Mentioned in attached annexure
				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)

*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.

1.

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 B 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

DIRECTORS REPORT

Dear Members,

The Board of Directors are pleased to present the Annual Report of your Company M/s Arihant Superstructures Limited (the “Company” or “ASL”) along with the Audited (Standalone and Consolidated) Financial Statements for the Financial Year ended March 31st, 2023.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year ending on March 31, 2023 is summarised as below:

(Rs. in Lacs)

Particulars	Stand-alone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Sales and Other Income	8119.72	15431.29	39,173.04	33,253.98
Profit before Interest, Depreciation & Tax	2582.18	4806.14	7982.95	7126.09
Interest	701.39	154.52	2564.31	2103.09
Depreciation	39.10	42.99	195.37	173.43
Profit/ (Loss) before Tax	1841.69	4608.63	5223.27	4849.58
Provision for Tax	(4.93)	607.38	955.74	711.99
Profit/ (Loss) after Tax	1846.62	4001.25	4267.53	4137.59
Profit/(Loss) for the Year	1846.62	4001.25	4267.53	4137.59
Share of Minority	-	-	-	-
Profit carried to the Balance Sheet (incl. OCI)	1849.38	3992.17	3137.26	4122.40

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 Lacs, except as stated otherwise.

Previous years figures may have been regrouped/ reclassified as and when it is necessary.

COMPANY PERFORMANCE OVERVIEW

During the year under review, the revenue from operations of the company, increased from Rs. 33,253.98 Lacs in FY 2021-22 to Rs. 39,173.04 Lacs in FY 2022-23 on a consolidated basis. The revenue from operations on a stand-alone basis, decreased from Rs. 15431.29 Lacs in FY 2021-22 to Rs. 8119.72 Lacs in FY 2022-23.

The profit after tax for the FY 2022-23 on a stand-alone basis was Rs. 1846.62 Lacs as against the profit after tax of Rs. 4001.25 Lacs for FY 2021-22. The profit after tax on a consolidated basis was Rs. 4267.53 Lacs in FY 2022-23 as against the profit after tax of Rs. 4137.59 Lacs for FY 2021-22. The increase in the consolidated profit after tax for FY 2022-23 was on account of the positive financial performance of the entire group.

PROJECTS AND OPERATIONS OF THE COMPANY

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

Project: Arihant Aarohi: Residential project located at Kalyan Shil Road , Navi Mumbai, spans over 2.5 acres of land comprises of 2 & 3 BHK is nearing completion and almost sold out.

Project: Arihant Adita: Residential project located at Pal Road , Gangadhar , Jodhpur (Rajasthan) , first of a kind high rise project in Jodhpur. Project consists of five phases having saleable area of 1 Mn sft. Equipped with all lifestyle amenities, its become a Landmark project in the City of Jodhpur

Project: Arihant Aangan: Residential project located at Jodhpur, Rajasthan in affordable category .

Project: Arihant Anchal: Residential project located at Jodhpur, Rajasthan in into affordable category.

Project: Arihant Arshiya: Residential project located at Khalapur, Khopoli spans on 20 acres of land complex having owned shuttle bus service as extended amenity.

Project: Arihant Aaradhya: A Residential project located at Kalyan Annexe (Bhiwandi), comprises of 11 Towers of G+14 Floors. It shall have a 1st of its kind, 300 meter long Man Made Beachfront along with lifestyle facilities spread across 7.5 acres of land area.

Project: Arihant Aayan: Located in Titwala, this project comprises of 3 Towers of G+14 Floors providing modern lifestyle at affordable prices. This project is near to Titwala Railway Station which provides connectivity to Mumbai City.

Project: Arihant Anaika: A residential project providing modern living at affordable prices near to Taloja Metro Station. This project is completed and sold out.

The following projects are currently being undertaken by the subsidiary companies:

Project: Arihant Advika: A redevelopment residential project at Vashi , Navi Mumbai has two towers with twenty six floors of construction housed under Arihant Aashiyana Pvt Ltd.

Project: Arihant Aspire: Residential project located at Panvel , Navi Mumbai comprises of eight buildings under construction having forty two floors. Aspire is developed in Arihant Abode Ltd.

Project: Arihant Anmol: Residential project located at Badlapur (E) spans over seven acres of land well equipped with all amenities housed under Arihant Vatika Realty Pvt Ltd

Project: Arihant Amisha : Residential project located at Taloja , Panvel spans over 7 acres of land area is housed under Arihant Aashiyana Pvt Ltd

Project: Arihant Aloki : Residential project located at Karjat spanning six acres of land is developed in Arihant Aashiyana Pvt Ltd

Project: Arihant Clan Aalishan : Residential project at Khargar , Annex , is one of the tallest project of with 53 floors comprising of three towers is Navi Mumbai being developed in Arihant Vatika Realty Pvt Ltd

Project: Arihant Anaika 5: Residential project at Taloja developed under Arihant Vatika Realty Pvt Ltd over six acres of land

TRANSFER TO RESERVES

Tthe Company has transferred entire profits to Retained Earnings of Reserves and Surplus.

DIVIDEND

The Board of Directors are pleased to recommend for approval of the shareholders a final dividend of Rs 0.50 per equity share of Rs. 10/- each for the financial year ended 2022-23. The dividend, if approved by the shareholders, would entail a payout of approximately Rs. 52.05 Lacs. The dividend would be paid to all the equity shareholders (excluding Promoters who has forgone & voluntarily waived their right to receive dividend as per Board Meeting of date 22nd May, 2023) to receive the dividend, whose name would appear in the Register of Members/ list of beneficial owners on the record date fixed for this purpose i.e. 16th September, 2023

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 2022-23, together with the Auditors’ Report form part of this Annual Report

SUBSIDIARY COMPANIES

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

Name of the Material Subsidiaries	Name of Non-Material Subsidiaries
Arihant Abode Limited	Arihant Aashiyana Private 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 as set out in attached **Annexure- II** to this report.

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. Ashokkumar B Chhajer (DIN: 01965094)	Chairman & Managing Director
2	Mr. Nimish Shah (DIN: 03036904)	Whole-time Director
3	Mr. R N Bhardwaj (DIN: 01571764)	Independent Director
4	Mr. Parth Chhajer (DIN: 06646333)	Whole Time Director
5	Mr. Pramod Deshpande (DIN: 10204931)	Additional Independent Director

Changes in the composition of the Board of Directors

Mr. Parth Chhajer (DIN: 06646333) was appointed as an Whole time Director for a period of 5 years by the shareholders in the 39th Annual General Meeting of the Company held on 20th Spetember, 2022 by the means of Special Resolution with effect from 23rd July, 2022.

Mr. Raj Narain Bhardwaj (DIN: 01571764) was appointed as an Independent Director of the Company for a second (2nd) term of five (5) years by the shareholders of the Company with effect from 12th August, 2022 in the 39th Annual General Meeting of the Company held on 20th September, 2022 by means of passing of passing a special resolution.

Ms. Divya Momaya (DIN: 00365757) has resigned as the Women Independent Director of the Company with effect from 10th August, 2022 pursuant to provisions of Section 168 of the Companies Act, 2013.

The shareholders in the 39th Annual General Meeting of the Company held on 20th September, 2022 had approved

the continuation of Mr. Virendra Kumar Mital (DIN: 00376830), as an Independent Director of the Company beyond the age of 75 years. Further on account of completion of second (2nd) term of five (5) years, Mr. Virendra Kumar Mital (DIN: 00376830) ceased to be the Independent Director of the Company with effect from 22nd May, 2023.

Mrs. Chandra Iyengar (DIN: 02821294) has resigned as the Women Independent Director of the Company with effect from 29th July, 2023 pursuant the provisions of Section 168 of the Companies Act, 2013.

The Board of Directors of the Company through a circular resolution has approved the appointment of Mr. Pramod Deshpande (DIN: 10204931) as an Additional Independent Director of the Company with effect from 10th August, 2023 for a period of five (5) years subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company. In the opinion of the Board, Mr. Pramod Deshpande 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.

The above appointment is recommended by the Nomination & Remuneration Committee of the Company, 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 Pramod Deshpande (DIN: 10204931) as the Independent Director of the Company.

Pursuant to the completion of tenure of Mr. Ashokkumar B Chhajer (DIN: 01965094), the Board of Directors in its meeting held on 11th August, 2023 has approved the re-appointment of Mr. Ashokkumar B Chhajer (DIN: 01965094) as the Chariman & Managing Director of the Company with effect from 15th January, 2024 for a period of five (5) years with the same terms and condtions as per the existing tenure subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board accordingly recommends the same to the shareholders of the Company.

Mr. Parth Chhajer retires by rotation at ensuing 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. Ashokkumar B Chhajer	Managing Director	April 1, 2011
*Mr. Dhiraj Jopat	Chief Financial Officer	22 nd May, 2023
*CS Darshni H Lakhani	Company Secretary & Compliance Officer	12 th November, 2022

** Mr. Deepak Lohia had resigned from the position of the Chief Financial Officer of the Company w.e.f. 21st September, 2022 and Board has approved the appointment of Mr. Dhiraj Jopat as the Chief Financial Officer w.e.f. 22nd May, 2023.*

**CS Govind Rao has resigned from the post of the Company Secretary and Compliance Officer w.e.f. 5th July, 2022 and the Board has appointed CS Darshni Lakhani as the Company Secretary and Compliance Officer of the Company w.e.f from 12th November, 2022 Further, Ms. Darshni Lakhani has resigned from the said position w.e.f. 8th August, 2023.*

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors, during Financial Year 2022-23 met 4 (four) 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 Nominationand 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 Boardas a whole.

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

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

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

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

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed and that no material departures have been made from the same.
- (b) Such Accounting Policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for that period;
- (c) Proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- (d) The Annual Accounts of the Company have been prepared on a going concern basis.
- (e) Internal Financial Controls have been laid down to be by the Company and that such internal Financial Controls are adequate and were operating effectively.
- (f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

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

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

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Notes to the Standalone Financial Statements of the Company. The company also obtains suitable approval of the members for the materially significant related party transactions, in line with Regulation 24 of the Listing Regulations.

The approval of the materially significant related party transactions for Financial Year 2023-24 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 2022-23, the CSR liability of the Company was Rs. 23,51,173/- (Rupees twenty three lacs fifty one thousand one hundred and seventy three Only) However, the Company has undertaken a CSR spend of Rs. 26,16,442 /- (Rupees Twenty six lacs sixteen thousand four hundred and forty two 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, 2023, 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, 2023 is available on the website of the company on www.asl.net.in

AUDITORS AND AUDITORS' REPORT

Statutory Auditors and their Report

M/s Kailash Chand Jain & Co, Chartered Accountants (Firm Regn No. 112318W) were appointed in 35th Annual General Meeting of the Company held on September 28, 2018 as a Statutory Auditor of the Company for the second (2nd) term of 5 years till the conclusion of the AGM to be held in 2023. Pursuant to Rule 6 of Companies (Audit and Auditors) Rules, 2014, M/s Kailash Chand Jain & Co. are retiring at the ensuing Annual General Meeting and cannot be re-appointed on account of completion of tenure of 2 consecutive term.

The Board of Directors proposes the appointment of M/s Ummed Jain & Co., Chartered Accountants (Firm Regn No 119250W), Mumbai as the Statutory Auditor of the Company for the first (1st) term of five (5) years till the conclusion of 45th Annual General Meeting to be held in the year 2028 at the remuneration of Rs. 10,00,000/- p.a. (Rupees Ten Lacs Only).

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 2022-23 under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditors Report for Financial Year 2022-23 is attached as **Annexure – V** to this Report.

The Secretarial Compliance Report for the financial year ended March 31, 2023, 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 and dividend thereon 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.	The Company is maintaining a functional website. However, the website of the Company is not updated.	The Company is in the process of updating the same.
3.	Mr. Deepak Lohia resigned as the Chief Financial Officer of the Company with effect from 21st September, 2022 and appointed Mr. Dhiraj Jopat as a Chief Financial Officer on 22 nd May, 2023. Accordingly, the Company has not filled the vacancy within a period of 6 months from the date of Vacancy.	The Company was in process of finding Chief Financial Officer of the Company. However, the Company in the Board meeting held on 22 nd May, 2023 has finalized and appointed CFO.

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 2023-24. The Board has appointed M/s Anjani Goyal & Co, Chartered Accountants as the Internal Auditors for Financial Year 2022-23. 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 ensure 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 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 providing a safe and conducive work environment to all of its employees and associates. The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act.

No complaints of sexual harassment were received during the Financial Year 2022-23 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 2022-23 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.

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 2022-23:

Name	Designation	Ratio of remuneration to Median Remuneration	% Increase in the remuneration
Mr. Ashokkumar B Chhajer	Managing Director	8.23	12.00
Mr. Deepak Lohia*	Chief Financial Officer	1.12	(-) 62.43
Mr. Chandra Iyengar**	Independent Director	0.86	2.70
Mr. R. N. Bhardwaj	Independent Director	0.97	16.22
Mr. Virendra Mital***	Independent Director	1.03	16.67
Ms. Divya Momaya****	Independent Director	0.11	(-) 80.77
Mr. Nimish Shah	Wholetime Director	5.88	(-) 4.09
Mr. Parth A Chhajer*****	Wholetime Director	3.95	--
Mr. Govind Rao*****	Company Secretary	0.13	(-) 80.34
Ms. Darshni Lakhani*****	Company Secretary	0.29	--

- 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 and again resigned with effect from 21st September, 2022.
 - **Mrs. Chandra Iyengar (DIN: 02821294) has resigned as an Woman Independent Director of the Company with effect from 29th July, 2023.
 - *** On account of completion of term of 2(two) consecutive tenures of 5 (five) years each, Mr. Virendra Kumar Mital (DIN 00376830) ceased to be the Independent Director of the Company with effect from 22nd May, 2023
 - ****Ms. Divya Momaya (DIN: 00365757) has resigned as an Independent Director of the Company with effect from 10th August 2022.
 - *****Mr. Parth A Chhajer (DIN: 06646333) has been appointed as Whole Time Director of the Company with effect from 23rd July, 2022
 - *****Mr. Govind Rao resigned from the position of the Company Secretary & Compliance Officer of the Company w.e.f. 5th July, 2022
 - ***** Ms. Darshni Lakhani is appointed as Company Secretary & Compliance Officer of the Company with effect from 12th November, 2022 and has resigned from the said position with effect from 8th August, 2023.

- 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.
- A) Break-up of median remuneration for employees is given below:
The median remuneration of employees for FY 2022-23 is Rs. 885,000/-
- B) Number of permanent employees on rolls of the Company as on March 31, 2023: 171
- C) The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2022-23 was 20.3 and its comparison with the average percentile increase in the managerial remuneration was 11.5%.
- D) 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.
- E) 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 Limited

Place: Navi Mumbai
Date: 11th August, 2023

Ashokkumar 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 lakhs)

Sr. No.	Particulars	Details	Details	Details	Details
1	Name of the subsidiary	Arihant Abode Limited	Arihant Aashiyana 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	5.00	1.00	1.00	1.00
5	Reserves & surplus	1540.69	1912.61	5502.56	-19.71
6	Total assets	34843.84	14352.39	23003.92	1479.18
7	Total Liabilities	34843.84	14352.39	23003.92	1479.18
8	Investments	-	254.30	656.05	-
9	Turnover	19001.82	2071.92	10387.82	-
10	Profit before taxation	1963.15	12.08	1811.92	-2.55
11	Provision for taxation	495.74	-2.27	467.21	-
12	Profit after taxation	1467.41	14.35	1344.71	-2.55
13	Proposed Dividend	-	-	-	-
14	% of shareholding of holding company	60%	60%	60%	60%

1. Names of subsidiaries which are yet to commence operations - NA

2. 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	NA
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.	
	Amount of Investment in Associates or Joint Venture	
	Extent of Holding (in percentage)	
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	
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 Limited

Ashokkumar B Chhajer
Chairman & Managing Director
DIN: 019650904

Place: Navi Mumbai
Date: 11th August, 2023

ANNEXURE III
Form No. AOC - 2
As on the Financial Year ended 31st March, 2023
(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of Contracts/Arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third proviso thereto:

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

- (a) Name(s) of the Related Party and nature of relationship: NA
- (b) Nature of Contracts/Arrangements/Transactions: NA
- (c) Duration of the Contracts / Arrangements/Transactions: NA
- (d) Salient terms of the Contracts or Arrangements or Transactions including the value, if any: NA
- (e) Justification for entering into such Contracts or Arrangements or Transactions: NA
- (f) Date(s) of approval by the Board: NA
- (g) Amount paid as advances, if any: NA
- (h) Date on which the Special Resolution was passed in General Meeting as required under first provision to Section 188 of the Companies Act, 2013: NA

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 Transaction s 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 on which the Special Resolution was passed in General Meeting as required under first provision to Section 188 of the Companies Act, 2013
Amoghvarsh Houses Pvt. Ltd	Availing of services in nature of Construction contracts	Current year	923.11 Lakhs	Cost efficient in nature	11.08.2023	NA	20.09.2022

Place: Navi Mumbai
Date: 11 August, 2023

Ashokkumar B. Chhajer
Chairman & Managing Director
DIN: 01965094

For and on behalf of the Board of Directors

ANNEXURE -IV
ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2022-23

1. Brief outline on CSR Policy of the Company:

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

The Company's CSR policy intends to:

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

2. Composition of CSR Committee:

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

**On account of completion of term of two consecutive tenures of five years each, Mr. Virendra Kumar Mital ceased to be the Independent Director of the Company and accordingly the Chairman of the CSR Committee with effect from 22nd May, 2023 Mr. Nimish Shah has been appointed as the Chairman of the CSR Committee with effect from 22nd May, 2023.*

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 theCompanies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. (a) Average net profit of the Company as sub-section (5) of Section 135: Rs. 16,17,22,277/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135:
Rs. 32,34,446/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:
Nil.

(d) Amount required to be set-off for the financial year, if any: Rs. 8,83,272/-.

(e) Total CSR Obligation for the financial year [(b)+(c)-(d)]: Rs. 23,51,173/-

6. (a) Amount spent on CSR Projects (both ongoing Project and other than ongoing project): -

(b) Amount spent in Administrative Overheads: NA

(c) Amount spent on Impact Assessment, if applicable: NA

(d) Total amount spent for the financial year [(a)+(b)+(c)]: Rs. 26,16,442/-

(e) CSR Amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per the second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
26,16,442/-	Nil	NA	NA	Nil	NA

(f) Excess amount for set - off, if any

Sr. No.	Particulars	Amount (in Rs.)
1	Two percent of average net profit of the company as per sub-section (5) of section135	32,34,446
2	Total amount spent for the Financial Year	34,99,714/-
3	Excess amount spent for the Financial Year [(2)-(1)]	2,65,268/-
4	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
5	Amount available for set off in succeeding Financial Years [(4)-(3)]	2,65,268/-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years

Sr. No.	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Balance amount in unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount spent in the financial year (in Rs.)	Amount available for set off in succeeding Financial Years		Amount remaining ng to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amo unt (in Rs.)	Date of trans fer		
1	FY 2019-20							
2	FY 2020-21							
3	FY 2021-22							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
	NIL						

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of Section 135: N.A

Sd/-
Ashokkumar B Chhajer
(Managing Director)

Sd/-
Nimish Shah
(Chairman CSR Committee)

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

Place: Navi Mumbai
Date: 11th August, 2023

ANNEXURE V

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

Subject: Secretarial Audit Report of the Company for the Financial Year 2022-23.

We present herewith the Secretarial Audit Report for **Arihant Superstructures Limited**, for the Financial Year 2022-23 in terms of Section 204 of the Companies Act, 2013. Our report of even date is to be read along with the following:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Place: Mumbai
Date: 11th August, 2023

D A Kamat
Partner
FCS 3843
CP 4965
UDIN: F003843E000866089

FORM NO MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR APRIL 1, 2022 to MARCH 31, 2023

[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, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. We have examined the books, papers, minute books, forms and returns filed, reports issued by various fellow professionals and other applicable records and registers and maintained by the Company for the Financial Year from April 1, 2022 to March 31, 2023 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- **Not applicable to the company for the period of review**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- (d) The Securities and Exchange Board (Listing Obligation and Disclosure Requirements) Regulations, 2015.

- (e) The Securities Contracts (Regulation) Act, 1956 and the rules made there under
- (f) The Securities and Exchange Board of India (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.*

(c) *The Company is maintaining a functional website. However, the website of the Company is not updated.*

(d) *Mr. Deepak Lohia resigned as the Chief Financial Officer of the Company with effect from 21st September, 2022 and appointed Mr. Dhiraj Jopat as a Chief Financial Officer on 22th May, 2023. Accordingly, the Company has not filled the vacancy within a period of 6 months from the date of Vacancy.*

- IV. We further report that during the year under 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 Fund-raising committee held on 09th May, 2022 and 13th June, 2022 has allotted 35,00,000 (Thirty five Lacs) and 10,00,000 (Ten Lacs) respectively, 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.

- (b) Mr. Parth Chhajaj was appointed as the Additional Whole time Directors of the Company with effect from 23rd July, 2022 for a period of five (5) years which was later regularized in the 39th Annual General Meeting of the Company held on 20th September, 2022.
- (c) There has been inter-se transfer of shares through gift among the Promoters of the Company pursuant to Regulation 10(1)(a)(ii) of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulation, 2011 wherein the acquirer is exempted from making an open offer.
- (d) Ms. Divya Momaya resigned as the Women Independent Director of the Company with effect from 10th August, 2022. Intimation was given within a period of 7 Days from the date of resignation on 16th August, 2023.

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.

ForD A Kamat & Co
Company Secretaries
P. R. No: 1714/2022

Place: Mumbai
Date: 11th August, 2023

D A Kamat
Partner
FCS 3843
CP 4965
UDIN: F003843E000866089

ANNEXURE VI

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE REPORT:

as on the Financial Year ended on 31st March, 2023

[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:

- Use of CFLs, metal halide and LED light fixtures in all common areas of residential projects.
- Use of occupancy sensors in commercial project & common areas of large scale residential projects.
- Use of best quality wires, cables, switches and low self-power loss MCCB’s and RCCB’s.
- Following standard specifications like colour codes, independent neutral and earthing for each circuit to curb energy leakage.
- Selection of high efficiency transformers (BEE rated), DG sets and other equipment.
- Integration of auto-correction power factor capacitors and harmonic filters in all HT/LT feeder pillars.
- Use of energy efficient lifts with group control in residential projects.
- Use of highly energy efficient air conditioning screw chillers& compressors with VFD’s for commercial building projects.
- Use of low water flow CP fixtures for common areas of buildings.
- 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 our 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 2022-2023 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. Sandard specifications like colour codes, independent neutral and earthing for each electrical circuit's to curb energy leakage.

e. Installed 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.+

f. Increased use of Aluminium formwork instead of traditional wooden formwork thereby reducing the use of plywood, wooden plants and saving environment.

g. Added green zones/ plantation in our various projects and helping reduce environmental pollution

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

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

V. 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.

VI. 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 2022-23:

Foreign Exchange outgo during the Financial Year 2022-23 was NIL

Foreign Exchange inflow during the Financial Year 2022-23 was NIL

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

Ashokkumar B Chhajer
Chairman & Managing Director
DIN: 01965094

Place: Navi Mumbai
Date: 11th August, 2023

Certificate on Corporate Governance

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.

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, 2023, 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, 2023.
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: F003843E000866067

Place: Mumbai
Date: 25th August, 2023

CEO & CFO CERTIFICATION

To,
The Board of Directors,
Arihant Superstructures Limited

Dear Members of the Board,

I, Ashokkumar B Chhajer, Chairman & Managing Director of Arihant Superstructures Limited ("the Company") to the best of my knowledge & belief certify that:

- (A)

I have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March, 2023 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 my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- (C)

I 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)

I 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: 22nd May, 2023

Ashokkumar B Chhajer
Chairman & Managing Director
DIN: 01965094

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, 2023.

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

Place: Navi Mumbai
Date: 22nd May, 2023

Ashokkumar B. Chhajer
Chairman & Managing Director
DIN: 01965094

Certificate Of Non-Disqualification Of Directors

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ARIHANT SUPERSTRUCTURES LIMITED** having CIN: L51900MH1983PLC029643 and having registered office at “Arihant Aura” 25th Floor, B-Wing, Plot No.13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai, Thane-400705, Maharashtra and (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities and 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, 2023 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, 2023 is as follows:

Sr. No.	Name of the Directors	DIN	Date of Appointment in the Company
1	Mr. Raj Narain Bhardwaj*	01571764	12/08/2017
2	Mr. Ashokkumar Chhajer	01965094	01/04/2011
3	Mr. Virendra Kumar Mital**	00376830	23/05/2018
4	Mrs. Chandra Iyengar***	02821294	21/10/2020
5	Mr. Nimish Shashikant Shah	03036904	13/04/2010
6	Mr. Parth Ashokkumar Chhajer****	06646333	23/07/2022

- 1 * Mr. Raj Narain Bhardwaj (DIN: 01571764) was appointed as an Independent Director of the Company for a second (2nd) term of five (5) years by the shareholders of the Company with effect from 12th August, 2022 in the 39th Annual General Meeting of the Company held on 20th September, 2022 by means of passing of passing a special resolution.
- 2 **On account of completion of tenure of 2 (Two) consecutive terms of 10 years, Mr. Virendra Mital (DIN: 00376830) cease to be an Independent Director of the Company with effect from 22nd May, 2023.
- 3 *** Mrs. Chandra Iyengar (DIN: 02821294) has resigned as an Independent Woman Director of the Company with effect from 29th July, 2023.
- 4 ****Mr. Parth Ashokkumar Chhajer (DIN: 06646333) has been appointed as Whole Time Director of the Company with effect from 23th July, 2022.

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.

Place: Mumbai
Date: 25th August, 2023

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

D.A. Kamat Partner
FCS No.: 3843
CP No. 4965
UDIN: F003843E000865880

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 2023 comprised of Six Directors out of which Three Directors are Non-Executive Independent Directors (including One Woman Independent Director), one Chairman & Managing Director and Two Whole-time Executive Directors. The Managing Director and Whole-time Executive Directors 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 2022-23			Number of Directorships in Public Companies*		Number of Committee positions held in other Public Companies*		Whether attended 39 th AGM (20.09.2022)
	Held	Eligible to attend	Attended	Chairman	Member	Chairman	Member	
Non-Independent Executive Directors								
Mr. Ashokkumar B Chhajer [Chairman & Managing Director]	4	4	4	1	1	0	0	Yes

[DIN 01965094]								
Mr. Nimish Shah [WTD] [DIN:03036904]	4	4	4	0	0	0	0	Yes
Mr. Parth Chhajer * [Whole Time Director] [DIN: 06646333]	4	3	3	0	0	0	0	Yes
Independent Directors								
Mr. Virendra Mital [DIN: 00376830]	4	4	4	0	0	2	2	Yes
Mr. Raj Narain Bhardwaj** [DIN: 01571764]	4	4	4	0	1	0	2	Yes
Ms. Divya Sameer Momaya*** [DIN: 00365757]	4	2	1	0	3	1	3	No
Mrs. Chandra Iyengar [DIN: 02821294]	4	4	4	0	3	0	3	No

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.

*Mr. Parth Chhajer (DIN: 06646333) was appointed as the Whole time Director of the Company with effect from 23rd July, 2022.

**Mr. Raj Narain Bhardwaj (DIN: 01571764) has been re-appointed as the Independent Director of the Company for the second term for a period of 5 (five) consecutive years with effect from 13th August, 2022.

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

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

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, 2023 are given below:

Name	Category of Director	Number of Equity Shares
Mr. Ashokkumar B Chhajer	Non-Independent, Executive	1,23,88,237
Mr. Parth Chhajer	Non-Independent, Executive	60,85,341
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 2022-23, 1 (One) Meeting of Independent Directors was held on 27th March, 2023 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 Meeting 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
Mrs. Chandra Iyengar	1	1	1

**Mr. Raj Narain Bhardwaj (DIN: 01571764) has been re-appointed as the Independent Director of the Company for the second term for a period of 5 (five) consecutive years with effect from 13th August, 2022.*

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. Ashokkumar B Chhajer	Yes	Yes	Yes
Mr. Nimish Shah	Yes	-	Yes
Mr. Virendra Mital	Yes	Yes	Yes
*Mr. R N Bhardwaj	Yes	Yes	Yes
**Mr. Parth Chhajer	Yes	Yes	Yes
Mrs. Chandra Iyengar	Yes	Yes	Yes

**Mr. Raj Narain Bhardwaj (DIN: 01571764) has been re-appointed as the Independent Director of the Company for the second term for a period of 5 (five) consecutive years with effect from 13th August, 2022.*

***Mr. Parth Chhajer (DIN: 06646333) was appointed as the Whole time Director of the Company with effect from 23rd July, 2022*

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, 2023 are as follows: Remuneration paid to Non-Independent, Executive Directors:

Name of Director	Salary and Allowance (`in Rupees)
Mr. Ashokkumar B Chhajer [Chairman & Managing Director]	72,80,000
Mr. Nimish Shah [Whole-time Executive Director]	61,00,000
*Mr. Parth Chhajer [Whole-time Executive Director]	35,00,000

**Mr. Parth Chhajer was appointed as the Whole-Time Director of the Company with effect from 23rd July, 2022 by the Shareholders in the 39th Annual General Meeting of the Company held on 20th September, 2022.*

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	9,10,000
*Mr. Raj Narain Bhardwaj	8,60,000
Mrs. Chandra Iyengar	7,60,000

**Mr. Raj Narain Bhardwaj (DIN: 01571764) has been re-appointed as the Independent Director of the Company for the second term for a period of 5 (five) consecutive years with effect from 13th August, 2022.*

There are no Stock Options or Commissions payable to Non-Executive/ Independent Directors of the Company. Except for the sitting fees payable to the Non-Executive Directors annually in accordance with the applicable laws, there is no pecuniary or business relationship between the Non-Executive Directors and the Company.

5. Committees of the Board:

A. Audit Committee:

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

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

Terms of reference:

- I. Over-seeing Financial Reporting process and disclosure of Financial information, to ensure that the Financial Statements are correct, sufficient and credible;
- ii. Recommending appointment and removal of the Statutory Auditors, fixation of Audit fee and approval for payment of any other services;
- iii. Reviewing with the Management, the periodical Financial Statements including of Subsidiaries/Associates, in particular the investments made by the unlisted Subsidiaries of the Company, before submission to the Board for approval;
- iv. Reviewing with the Management and the Statutory and Internal Auditors, the adequacy of Internal Control Systems and recommending improvements to the Management;
- v. Reviewing the adequacy of Internal Audit function, approving Internal Audit plans and efficacy of the functions including the structure of the Internal Audit department, staffing, reporting structure, coverage and frequency of Internal Audit;
- vi. Discussion with Internal Auditor on any significant findings and follow-up thereon;
- vii. Reviewing the findings of any internal investigations by Internal Auditors into matters where there is suspected fraud or irregularity or failure of Internal Control Systems of a material nature and reporting the matter to the Board;
- viii. Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit, as well as post-audit discussions to ascertain any area of concern;
- ix. Reviewing the Management Discussion and Analysis of financial condition and results of operations, statement of significant Related Party Transactions, Management letters/letter of Internal Control Weakness issued by Statutory Auditors, Internal Audit Reports etc and approval for amendments in RPT Transactions;
- x. Reviewing the Company's Financial and Risk Management System;
- xi. Scrutiny of Inter-corporate Loans and Investments;
- xii. Reviewing any subsequent modification of transactions with the Related Parties;
- xiii. Reviewing the reasons for substantial defaults in the payments to the Depositors, Debentures holders, Shareholders (in case of non-payment of declared Dividends) and Creditors if any;
- xiv. Besides the Committee Members, Whole-time Executive Director, Chief Financial Officer and partners/other representatives of the firms of Statutory Auditors and Internal Auditors were also present at the Meetings to answer the queries raised by the Committee Members;
- xv. Establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed;
- xvi. The Chairman of Audit Committee was present at 39th Annual General Meeting of the Company held on 20th September, 2022;
- xvii. To perform such other function(s) as may be delegated by the Board from time to time;
- xviii. The Company Secretary acts as the Secretary of the Committee.
- xix. Four Audit Committee Meetings were held during the Financial Year 2022-23. These were held on 6th May, 2022, 23rd July, 2022, 12th November, 2022 and 4th February, 2023. The Composition of the Audit Committee and the details of Meetings attended by its Members are given below:

Complaints at the beginning of the Year	Received during the Year	Disposed of during the Year	Unresolved as on 31 st March, 2023
Nil	Nil	Nil	Nil

i. **Name, designation and address of Compliance Officer:**

* Darshni Lakhani

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

**Ms. Darshni Lakhani was appointed as the Company Secretary and Compliance Officer of the Company with effect from 12th November, 2022.*

Four Stakeholder's and Relationship Committee Meetings were held during the Financial Year 2022-23. These were held on 6th May, 2022, 23rd July, 2022, 12th November, 2022 and 4th February, 2023.

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 2022-23		
		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	3

**Mr. Raj Narain Bhardwaj (DIN: 01571764) has been re-appointed as the Independent Director of the Company for the second term for a period of 5 (five) consecutive years with effect from 13th August, 2022.*

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 2022-23 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.

One Meeting of Corporate Social Responsibility Committee was held during the Financial Year 2022-23. The same was held on 04th February, 2023.

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 2022-23		
		Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairman)	Independent, Non-Executive	1	1	1
Mr. Ashokkumar B Chhajer	Non-Independent, Executive	1	1	1
Mr. Nimish Shah	Non- Independent, Executive	1	1	1

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:

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

During the Financial Year 2022-23 no Meeting of the Risk Management Committee Meeting was held.

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

Name	Category
*Mrs. Divya Momaya (Chairperson)	Independent, Non-Executive
Mr. Nimish Shah	Non-Independent, Executive
Mr. Ravindra Parakh	Member

**Ms. Divya Momaya has resigned as the Women Independent Director of the Company with effect from 10th August, 2022.*

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.

The Composition of the Executive Committee as on 31st March 2023:

Name	Category
Mr. Ashokkumar B Chhajer	Non-Independent, Executive
Mr. Nimish Shah	Non-Independent, Executive
*Mr. Deepak Lohia	Chief Financial Officer

**Mr. Deepak Lohia resigned as the Chief Financial Officer of the Company with effect from 21st September ,2022 and accordingly is not a member of the Executive Committee*

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 2022-23 no Meeting of the Disinvestment Committee was held.

The Composition of Disinvestment Committee of the Company as on 31st March, 2023:

Name	Category
Mr. Virendra Mital (<i>Chairperson</i>)	Independent Non-Executive
Mr. Nimish Shah	Non-Independent, Executive
Mr. Ashokkumar B Chhajer	Non-Independent, Executive

C) Insider Trading Compliance Committee

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

During the Financial Year 2022-23, no Meeting of the Insider Trading Compliance Committee was held.

The Composition of Insider Trading Compliance Committee of the Company as on 31st March, 2023:

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

**Ms. Divya Momaya has resigned as the Women Independent Director of the Company with effect from 10th August, 2022.*

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.

Two (2) meetings of the Fund Raising Committee were held during the financial year 2022-23. The meetings were held on 09th May, 2022 and 13th June, 2022.

The Composition of Fund Raising Committee of the Company as on 31st March, 2023:

		Number of Meetings during the Financial Year 2022-23		
Name	Category	Held	Eligible to Attend	Attended
Mr. Virendra Mital (Chairperson)	Independent Non-Executive	2	2	2
Mr. Ashokkumar B Chhajer	Non-Independent, Executive	2	2	2
Mr. Nimish Shah	Non-Independent, Executive	2	2	2

e) **Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices**
In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company have the Code of Practices and Procedures for fair disclosures of Unpublished Price Sensitive Information. The Code of Practices and Procedures for fair disclosures of Unpublished Price Sensitive Information is available on www.asl.net.in for the members.

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 2022-23 signed by Mr. Ashokkumar B Chhajer, Managing Director was placed before the Board of Directors of the Company at their meeting held on 22nd May, 2023 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 Abode Limited and Arihant Vatika Realty Private Limited are Material unlisted subsidiaries in Financial Year 2022-23. 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 Abode Limited and M/s Arihant Vatika Realty Private Limited has been undertaken for FY 2022-23 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 section 204 of the Companies Act, 2013 and 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 as per regulation 24(A) of the Listing Regulations is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has obtained the said Annual Secretarial Compliance along with Secretarial Audit Report in form MR-3 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 2022-23 is Rs 18,00,000/-

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 2022-23 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 in formation 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. Nomination Facility

Pursuant to provisions of Section 72 of the Companies Act, 2013, Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company, may submit their requests in Form No. SH.13 to the Company. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly. Form No. SH.13 can be downloaded from the Company's website on www.asl.net.in.

20. General Shareholder’s Information:

a) Annual General Meeting:

Day: Saturday
Date: 23rd September, 2023
Time: 11.00 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, 2023 to 31st March, 2024.

Board Meetings for Quarterly Results:

(Tentative and subject to change)

Quarter ended	Latest by
30 th June,2023	20 th July,2023
30 th September,2023	20 th October, 2023
31 st December,2023	20 th January, 2023
31 st March,2024	20 th May, 2024

c) Book Closure Dates:

From 16th September, 2023 to 22nd September, 2023 (both days inclusive).

d) Dividend Payment Date:

Between 24th September, 2023 to 20rd October, 2023

e) Shares held in electronic form:

Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, the Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. For Members who are unable to receive the dividend directly in their bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Warrant/Bankers' Cheque/ Demand Draft through postal or courier services.

f) 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 2022-23 and 2023-24.

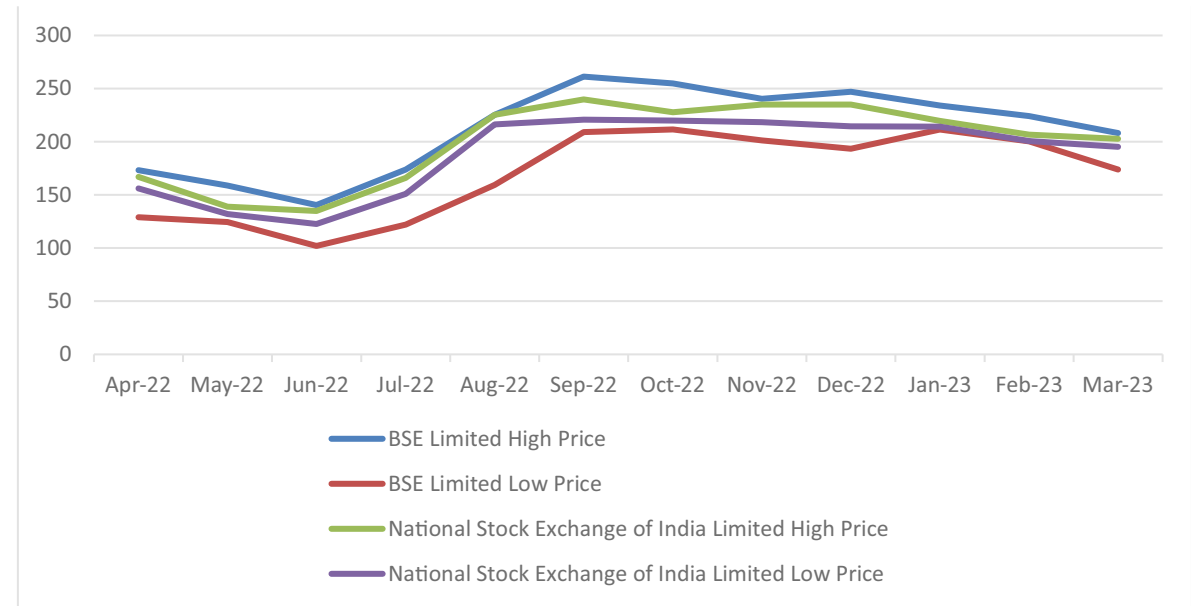
g) Listing of Equity Shares on Stock Exchanges:

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

h) Stock Price Data:

Month	BSE Limited		National Stock Exchange of India Limited	
	High Price	Low Price	High Price	Low Price
April 2022	173.15	129.00	166.85	156.15
May 2022	158.95	124.50	138.95	131.90
June 2022	140.50	102.00	134.90	122.65
July 2022	173.80	122.10	166.15	151.05
August 2022	225.50	159.30	225.50	216.35
September 2022	261.30	209.25	239.85	220.80
October 2022	254.95	211.60	227.80	220.10
November 2022	240.55	201.20	234.95	218.55
December 2022	247.00	193.55	235.05	214.50
January 2023	234.00	211.45	219.65	214.35
February 2023	224.05	200.45	206.60	200.70
March 2023	208.20	174.00	202.90	195.15

Stock Performance



i) 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

j) 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, 2023:

No. of Equity Shares held	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Upto 100	4,746	71.97	1,35,243	0.33
101-500	1,154	17.50	2,88,109	0.70
501-1000	245	3.72	1,93,848	0.47
1001-2000	142	2.15	2,16,919	0.53
2001-3000	58	0.88	1,54,063	0.37
3001-4000	30	0.45	1,08,653	0.26
4001-5000	25	0.38	1,18,118	0.29
5001-10000	59	0.89	4,51,552	1.10
10001 -20000	35	0.53	4,96,331	1.21
20001-50000	51	0.77	17,96,450	4.36
50001 & above	49	0.74	3,72,00,705	90.38
Total	6,594	100	4,11,59,991	100

Category of Shareholders as on 31st March, 2023:

Category	No. of Shareholders	%age of Shareholders	No. of Shares held	%age of Shareholding
Residential Individuals	6,286	95.33	58,68,705	14.26
Non Resident Indians (Individuals)	70	1.06	23,661	0.06
Corporate Bodies	56	0.85	24,54,539	5.96
Mutual Funds	3	0.05	5,71,000	1.39
Banks	-	-	-	-
Director (Promoter)	3	0.05	1,23,88,237	30.10
Director Relatives	5	0.065	1,11,967	0.27
Promoters	7	0.11	1,83,62,891	44.61
Financial Institutions	-	-	-	-
Foreign Institutional Investors	-	-	-	-
Clearing Members	9	0.14	1,937	0
Corporate Body- Brokers	-	-	-	-
Investor Education and Protection Fund	1	0.02	250	0
Foreign Portfolio Investors	3	0.05	2,84,061	0.69
Alternate Investment Fund	-	-	-	-
Hindu Undivided Family (HUF)	151	2.29	10,92,743	2.65
Total	6594	100	4,11,59,991	100

k) 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, 2023 is 4,11,33,837 Equity Shares (constituting 99.94%) were in Dematerialized form.

l) 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.

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

The Company does not have any exposure to commodity price risks. However, the foreign exchange exposure and the interest rate risk have not been hedged by any derivative instrument or otherwise.

n) 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.

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

Pursuant to Sections 123, 124 and 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed/unpaid Dividend, Application money, Debenture interest and interest on Deposits as well as the principal amount of Debentures and Deposits, as applicable, remaining unclaimed/unpaid for a period of Seven Years from the date they became due for payment, in relation to the Company, Arihant Superstructures Ltd. have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2023 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 Registrars and Transfer Agent. Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company at www.asl.net.in.

The Company is under process to transfer an Amount of 1492.20 for the Financial Year 2010-11, being unclaimed/unpaid Dividend as on 12th August, 2019 to IEPF under Section 124(5) and Section 125(1) of Companies Act, 2013.

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

Financial Year	Date of declaration of Dividend	Last Date for claiming unpaid/ unclaimed Dividend
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. Ashokkumar B Chhajer, Managing Director as the Nodal Officer under the IEPF Rules for the company.

p) 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

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

No penalties have been imposed by Stock Exchanges or SEBI during the Financial Year 2022-23.

r) 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
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 Persons, 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

s) Other disclosures:

- The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) requiring disclosure under these Regulations.
- The Company uses the NEAPS (NE 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 2022-23 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: 11th August, 2023

Ashokkumar B Chhajer
Chairman & Managing Director
DIN: 01965094

<div>Other Information</div> <p>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.</p> <p>Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>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 such 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.</p> <div>Responsibilities of Management for the Standalone Financial Statements</div> <p>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), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.</p> <p>In preparing the standalone financial statements, the Company's Management and Board of Directors are 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.</p> <p>The Board of Directors are also responsible for overseeing the company's financial reporting process.</p> <div>Auditor's Responsibilities for the Audit of the Standalone Financial Statements</div> <p>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.</p>	<p>As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p> <ul style="list-style-type: none">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. <p>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.</p> <p>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.</p> <p>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 for the financial year ended March 31, 2023 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.</p> <div>Report on Other Legal and Regulatory Requirements</div> <ol style="list-style-type: none">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.
--	--

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023, 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 these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”** to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has, to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its 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. 0.01Lakhs 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; and

(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 (i) and (ii) contain any material misstatement.

v. As stated in Note 47 to the standalone financial statements:

(i) The Company has not paid any dividend during the year; and

(ii) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Saurabh Chouhan
Partner
Membership No.: 167453
UDIN : 23167453BGRWCQ4537
Place : Navi Mumbai
Date : May 22, 2023

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 property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed 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) or intangible assets or both during the year. Accordingly, the requirement under paragraph 3(i)(d) of the Order are not applicable to the Company.

(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 and explanation given to us, the Company has provided loans or provided advances in the nature of loans or given guarantee, 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 follow:

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	NIL	NIL	1,488.18	NIL
Joint Ventures	NIL	NIL	NIL	NIL
Associates	NIL	NIL	NIL	NIL
Balance Outstanding as at balance sheet date in respect of above cases				
Subsidiaries	NIL	NIL	4,526.45	NIL
Joint Ventures	NIL	NIL	NIL	NIL
Associates	NIL	NIL	NIL	NIL

B. The details of such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates 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				
Others	NIL	NIL	NIL	NIL
Balance Outstanding as at balance sheet date in respect of above cases				
Others	NIL	NIL	NIL	NIL

- (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) In case of the loans and advances in the nature of the loan, the schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.

(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 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 explanation given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans and/or advances in the nature of loans which are 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	4,526.45	4526.45
Total	4,526.45	4,526.45
Percentage of loans / advances in nature of loan to the total loans	99.98%	99.98%

- (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, 2023, 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, 2023, which have not been deposited on account of a dispute, are as follows:

Name of the statue	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.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (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.
- (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.
- (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.
- (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.
- (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.

- (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) The Company has complied with provisions of Section 42 of Companies Act, 2013 in respect of private placement of Non-Convertible Debentures during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (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) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (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.
- (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
- (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
ICAI Firm registration no.: 112318W

Saurabh Chouhan

Partner
Membership No.: 167453
UDIN: 23167453BGRWCQ4537
Place: Navi Mumbai
Date: May 22, 2023

**Annexure - B to the Independent Auditors' Report
of even date on the Standalone financial statements of Arihant Superstructures Limited.**

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

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

We have audited the internal financial controls over financial reporting of Arihant Superstructures Limited (“the Company”) as of March 31, 2023 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, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kailash Chand Jain & Co.

Chartered Accountants
Firm's Reg. No: 112318W

Saurabh Chouhan

Partner
Membership Number: 167453
UDIN: 23167453BGRWCQ4537
Place: Navi Mumbai
Date: May 22, 2023

ARIHANT SUPERSTRUCTURES LIMITED

Standalone Cash Flow Statement for the year ended March 31, 2023

(All amounts in INR Lakhs except as stated otherwise)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax and before Extra ordinary Items :	1,841.69	4,608.63
	Adjustment for		
	Depreciation & Amortisation	39.10	42.99
	Loss / (Profit) on Sale of Fixed Assets	-	-
	Loss / (Profit) from Partneship firm	(0.07)	(0.06)
	Profit on Sale of Fixed Assets	-	(1.55)
	Interest Paid	701.39	154.52
	Interest Received	(596.35)	(281.84)
	Remeasurement gain/ (loss) on defined benefit plans	2.76	(9.08)
	Sundry balances written off	-	(3.62)
		1,988.52	4,509.99
	Changes in Working Capital		
	(Increase) / Decrease in Inventories	(1,684.26)	2,817.50
	(Increase) / Decrease in Fianancial Assets	(1,502.82)	(4,056.59)
	(Increase) / Decrease in Non- Fianancial Assets	(7,008.57)	(2,714.33)
	Increase / (Decrease) in Fianancial Liability	(355.76)	791.35
	Increase / (Decrease) in Non-Fianancial Liability	301.41	(287.11)
	Cash flow from Operating Activities before Tax and Extraordinary Items	(8,261.47)	1,060.81
	Income Tax paid (Net)	(577.94)	(303.79)
	Cash flow from Operating Activities before Extraordinary Items	(8,839.42)	757.03
	Adjustment for Extraordinary Items	-	-
	Cash Generated from Operating Activities	(8,839.42)	757.03
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	(Purchase)/Sale of Property, Plant and Equipments (Net)	(7.69)	(38.94)
	(Purchase)/Sale of Investments In property	-	-
	(Purchase)/Sale of Investments In Equity	(0.07)	(0.06)
	Interest Received on Investment	596.35	281.84
	Cash Generated from Investment Activities	588.59	242.84
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase/(Decrease) in Borrowing	9,105.86	(1,196.50)
	Interest paid	(701.39)	(154.52)
	Cash Generated from Financing Activities	8,404.47	(1,351.02)
	Net Increase in Cash & Cash Equivalents (A+B+C)	153.64	(351.15)
	Opening Balance of Cash & Cash Equivalents (Net of Book o/d)	149.83	500.98
	Closing Balance of Cash & Cash Equivalents	303.47	149.83
	(i) Cash in Hand	3.47	9.95
	(ii) Balance with Bank	146.35	126.77
	(ii) Balance with Fixed Deposit	153.65	13.11
	Closing Balance of Cash & Cash Equivalents	303.47	149.83
Notes:			
1. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under			
2. Reconciliation of liabilities arising from financing activities under Ind AS 7			
Particulars		As at March 31, 2023	As at March 31, 2022
Borrowings			
Balance at the beginning of the year		671.06	1,867.56
Cash Flow		9,105.86	(1,196.50)
Non cash changes		-	-
Balance at the end of the year		9,776.92	671.06
As per our attached report of even date			
For Kailash Chand Jain & Co.		For and on behalf of the Board of Directors of	
Chartered Accountants		Arihant Superstructures Limited	
Firm Reg. No.: 112318W			
Saurabh Chouhan		Ashok Chhajer	
Partner		Chairman & MD	
Membership No.: 167453		DIN- 01965094	
		Nimish Shah	
		Whole Time Director	
		DIN- 03036904	
Place: Navi Mumbai		Dhiraj Jopat	
Date: May 22, 2023		Chief Financial Officer	
		Darshni Lakhani	
		Company Secretary	
		ICSI Mem No. A37388	

ARIHANT SUPERSTRUCTURES LIMITED

Statement of Changes in Equity for the year ended March 31, 2023

(All amounts in INR Lakhs except as stated otherwise)

Particulars	Equity Share Capital	Other Equity		Toal 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
Changes during the year				
Profit for the year	-	-	4,001.25	4,001.25
Add / (Less) : Earlier Year Tax Provision	-	-	(48.16)	(48.16)
Other Comprehensive Income				
Remeasurement of the net defined benefit plans, net of taxes			(9.08)	(9.08)
Balance as of March 31 2022	4,116.00	524.40	11,140.21	15,780.61

Particulars	Equity Share Capital	Other Equity		Toal Equity Attributable to Equity Holders of the Company
		Reserves & Surplus		
		Security Premium Reserve	Retained Earnings	
Balance as of April 1, 2022	4,116.00	524.40	11,140.21	15,780.61
Changes during the year				
Profit for the year	-	-	1,846.62	1,846.62
Add / (Less) : Earlier Year Tax Provision	-	-	-	-
Other Comprehensive Income				
Remeasurement of the net defined benefit plans, net of taxes	-	-	2.76	2.76
Balance as of March 31, 2023	4,116.00	524.40	12,989.59	17,629.99

As per our attached report of even date		For and on behalf of the Board of Directors of	
For Kailash Chand Jain & Co.		Arihant Superstructures Limited	
Chartered Accountants			
Firm Reg. No.: 112318W			
Saurabh Chouhan		Ashok Chhajer	Nimish Shah
Partner		Chairman & MD	Whole Time Director
Membership No.: 167453		DIN- 01965094	DIN- 03036904
Place: Navi Mumbai		Dhiraj Jopat	Darshni Lakhani
Date: May 22, 2023		Chief Financial Officer	Company Secretary
			ICSI Mem No. A37388

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

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, 2023 were approved by the Board of Directors and authorized for issue on May 22, 2023.

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

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Standalone Financial Statements
(All amounts in INR Lakhs except as stated otherwise)

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.

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.

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

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.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Standalone Financial Statements
(All amounts in INR Lakhs except as stated otherwise)

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 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

ARIHANT SUPERSTRUCTURES LIMITED

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

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.

ARIHANT SUPERSTRUCTURES LIMITED

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

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.

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

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 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.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Standalone Financial Statements
(All amounts in INR Lakhs except as stated otherwise)

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.

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone Financial Statements

(All amounts in INR Lakhs except as stated otherwise)

Note 6 Loans (Unsecured, Considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current loans		
Loan to Related parties		
Subsidiaries	4,526.45	3,038.27
Others	-	100.32
	4,526.45	3,138.59
Current loans		
Loan to others		
Employee	0.91	0.33
	0.91	0.33
Total	4,527.36	3,138.92

Note 7 Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non - current		
Security Deposits	262.62	86.80
	262.62	86.80
Current		
Deposit with Government	103.08	20.91
Society Maintenance Receivables	53.34	27.78
	156.42	48.69
Total	419.04	135.49

Note 8 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Finished goods	1,418.49	1,880.18
Work in Progress	11,585.64	9,477.14
Raw Material	198.91	161.46
Total	13,203.04	11,518.78

Note 9 Trade Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables (Unsecured, considered good)	1,894.16	2,271.83
Total	1,894.16	2,271.83

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 dose not expect any credit loss.

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone Financial Statements

(All amounts in INR Lakhs except as stated otherwise)

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, 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	2,271.83	-	-	-
As at 31 March, 2023				
Less than 6 months	1,136.50	-	-	-
6 months - 1 year	378.83	-	-	-
1 - 2 years	284.12	-	-	-
2 - 3 years	56.82	-	-	-
More than 3 years	37.88	-	-	-
Total	1,894.16	-	-	-

Note 10 Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash in hand	3.47	9.95
Balances with banks		
(i) Current accounts	146.35	126.77
(ii) In deposit accounts with original maturity less than 3 months	153.65	13.11
Total	303.47	149.83

Note 10a Other Bank Balances

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with Bank	217.73	9.24
Total	217.73	9.24

Note 11 Current Tax Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Income Tax (Net of Provision)	764.58	186.57
Total	764.58	186.57

Note 12 Land

Particulars	As at March 31, 2023	As at March 31, 2022
Land	13,930.04	7,431.77
Total	13,930.04	7,431.77

Note 13 Other

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses - Unsecured, considered good	1.30	1.06
Cenvat Credit Available	426.08	347.89
Advances for Land	57.00	57.00
Advances to Suppliers	538.41	127.05
Others	8.60	0.50
Total	1,031.39	533.50

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone Financial Statements

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

Note 26 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	721.45	435.92
Staff welfare expenses	7.01	9.70
Contribution to provident fund	9.63	5.46
Gratuity Expenses	7.53	7.00
Total	745.62	458.08

Note 27 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on:		
Interest on secured loans	557.97	134.40
Interest on unsecured loans	121.46	19.75
Others Borrowing Cost	21.96	0.37
Total	701.39	154.52

Note 28 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Administrative Expenses	217.73	129.22
Auditor Remuneration (refer note "a" below)	18.00	12.00
Advertisment & Selling Exp		
Advertisement	465.90	133.97
Brokerage	323.21	261.77
Customer Benefits Exp	130.58	137.43
Exhibition & Other Exp	42.97	18.69
Legal and Professional Expenses	187.08	125.02
Rent, Rates & Taxes	187.86	373.61
CSR expenses	-	48.01
Donation	0.25	0.50
Vehicle Expenses	60.25	42.52
Others	8.01	9.54
Total	1,641.84	1,292.28

Note (a):

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to Auditor:		
Statutory Audit (including limited review fees)	12.50	9.50
Tax Audit	5.50	2.50
Total	18.00	12.00

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone Financial Statements

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

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 :

As at March 31, 2023

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	2.68	2.78	2.78	-	-	-	-	2.78
Loans	6	4,526.45	0.91	4,527.36	-	-	4,527.36	-	-	4,527.36
Other Financial Assets	7	262.62	156.42	419.04	-	-	419.04	-	-	419.04
Trade Receivable	9	-	1,894.16	1,894.16	-	-	1,894.16	-	-	1,894.16
Cash & Cash Equivalents	10	-	303.47	303.47	-	-	303.47	-	-	303.47
Total		4,794.48	2,357.64	7,152.12	2.78	5.31	7,144.03	-	-	7,152.12
Financial Liabilities										
Borrowings	16	9,283.17	493.75	9,776.92	-	-	9,776.92	-	-	9,776.92
Trade payables	17	-	2,840.27	2,840.27	-	-	2,840.27	-	-	2,840.27
Other Financial Liabilities	18	-	411.09	411.09	-	-	411.09	-	-	411.09
Total		9,283.17	3,745.11	13,028.29	-	-	13,028.29	-	-	13,028.29

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	3,138.59	0.33	3,138.92	-	-	3,138.92	-	-	3,138.92
Other Financial Assets	7	86.80	48.69	135.49	-	-	135.49	-	-	135.49
Trade Receivable	9	-	2,271.83	2,271.83	-	-	2,271.83	-	-	2,271.83
Cash & Cash Equivalents	10	-	149.83	149.83	-	-	149.83	-	-	149.83
Total		3,230.80	2,473.29	5,704.09	2.71	5.31	5,696.07	-	-	5,704.09
Financial Liabilities										
Borrowings	16	63.11	607.94	671.05	-	-	671.05	-	-	671.05
Trade payables	17	-	3,468.92	3,468.92	-	-	3,468.92	-	-	3,468.92
Other Financial Liabilities	18	-	138.22	138.22	-	-	138.22	-	-	138.22
Total		63.11	4,215.09	4,278.19	-	-	4,278.19	-	-	4,278.19

ARIHANT SUPERSTRUCTURES LIMITED

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 March 31, 2023	For the year ended March 31, 2022
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 March 31, 2023	For the year ended March 31, 2022
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

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone 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 31,2023

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	9,283.17	-	9,283.17
Short term borrowings	493.75	-	-	493.75
Trade and other payables	2,840.27	-	-	2,840.27
Other financial liabilities	411.09	-	-	411.09
Total	3,745.11	9,283.17	-	13,028.28

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	3,468.92	-	-	3,468.92
Other financial liabilities	138.22	-	-	138.22
Total	4,215.09	63.11	-	4,278.19

(iii) Market Risk

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

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

a) Currency risk

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

b) Interest rate risk

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

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

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

- 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 March 31, 2023	For the year ended March 31, 2022
Fixed rate borrowings	9,341.21	211.05
Variable rate borrowing	435.71	460.00
Total	9,776.92	671.05

- 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 March 31, 2023	For the year ended March 31, 2022
Interest sensitivity		
Interest rate increase by 50 basis points	437.89	462.00
Interest rate decrease by 50 basis points	433.53	456.00

- 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.

a) Debt Equity Ratio
The Company monitors capital using debt equity ratio. The Company’s debt to equity ratios are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Long term borrowings	9,283.17	63.11
Short term borrowings	493.75	607.94
Total Borrowing	9,776.92	671.05
Less: Cash and cash equivalents	303.47	149.83
Net Debt	9,473.45	521.22
Total Equity	17,629.99	15,780.61
Debt to Equity Ratio	0.54	0.03

b) Dividends
Dividends paid during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Interim Dividend	Rate per Share Amount in INR	NIL NIL
- Final Dividend	Rate per Share Amount in INR	NIL NIL

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

Note 31 RELATED PARTY TRANSACTIONS
Related parties and transactions with them as specified in the Ind-AS 24 on “Related Parties Disclosures” prescribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Arihant Abode Limited Arihant Aashiyana Private Limited Arihant Gruhnirman Private Limited Arihant Vatika Realty Private Limited
Key Management Personnel (KMP)	Ashok B. Chhajer Nimesh Shah Deepak Lohia Govind Rao Darshani Lakhani
Relatives of KMP	Parth A Chhajer Bhavik A Chhajir Sangeeta A. Chhajer
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.

Details of related party transactions for the year ended 31 March, 2023

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans & Advances Given					
Current Year	3,383.00	-	-	-	3,383.00
Previous Year	4,340.50	-	-	-	4,340.50
Loan & Advances Received					
Current Year	2,400.26	-	-	-	2,400.26
Previous Year	1,657.01	-	-	-	1,657.01
Interest Received (Gross)					
Current Year	561.60	-	-	-	561.60
Previous Year	394.20	-	-	-	394.20
Loan Taken (Borrowings)					
Current Year	-	3,173.75	-	-	3,173.75
Previous Year	-	1,393.00	-	-	1,393.00
Loan Repaid					
Current Year	-	1,174.50	-	-	1,174.50
Previous Year	-	1,423.00	-	-	1,423.00
Interest Paid (Gross)					
Current Year	-	82.54	-	-	82.54
Previous Year	-	19.75	-	-	19.75
Rent Paid (Gross)					
Current Year	-	4.80	-	53.67	58.47
Previous Year	-	4.80	-	-	4.80

ARIHANT SUPERSTRUCTURES LIMITED

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, 2023 Continued....

	Subsidiaries / Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Construction Contract					
Current Year	-	-	-	673.50	673.50
Previous Year	-	-	-	1,760.00	1,760.00
Purchase of materials					-
Current Year	-	-	-	1.73	1.73
Previous Year	-	-	-	-	-
Advance against contract					
Current Year	-	-	-	247.88	247.88
Previous Year	-	-	-	-	-
Remuneration					
Current Year	-	166.13	-	-	166.13
Previous Year	-	135.73	-	-	135.73
Purchase of Office/Land					
Current Year	-	-	-	-	-
Previous Year	-	-	-	240.00	240.00
Loans and Advances Outstanding(Asset)					
Current Year	4,526.45	-	-	-	4,526.45
Previous Year	3,038.27	-	-	-	3,038.27
Loans and Payables Outstanding (Liability)					
Current Year	-	2,189.69	-	-	2,189.69
Previous Year	-	116.16	-	-	116.16
Deposits (Outstanding Balance)					
Current Year	-	20.00	-	15.00	35.00
Previous Year	-	20.00	-	15.00	35.00

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

Particulars	As at March 31, 2023	As at March 31, 2022
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders (₹ in Lakhs)	1,849.38	3,992.17
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 (₹)	4.49	9.70
Diluted (₹)	4.49	9.70

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

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax (liability) / asset		
Opening deferred tax (liability) / asset	(3.02)	8.12
Add/(less): Recognised/ reversed during the year	4.93	(11.14)
Closing deferred tax (liability) / asset	1.91	(3.02)

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone Financial Statements

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

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 - ₹ Nil Lakhs. (Previous Year ₹ 13.85 Lakhs.)

Unhedged Foreign currency

Liabilities	As at March 31, 2023		As at March 31, 2022	
	Foreign	Rupees	Foreign Currency	Rupees
Trade payable in USD	-	-	0.22	16.39

Note 35 : Contingent Liabilities and Commitments:

Particulars	As at March 31, 2023	As at March 31, 2022
Claim against the company not acknowledged as debts		
Corporate Guarantees Given	-	460.00
Disputed Taxation Matters	-	-
Disputed Land related Legal Cases	-	-
Total	-	460.00

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

Particulars	As at March 31, 2023	As at March 31, 2022
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	11.59	5.01
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting	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, 2023 and March 31, 2022 to Micro, Small and Medium Enterprises on account of principal or interest.

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Standalone Financial Statements

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

Note 37 : Trade Payable Ageing Schedule

Particulars	MSME	Others	Disputed dues - MSME	Disputed dues - Others
As at 31 March, 2023				
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 1 year	11.59	1,818.40		
1 - 2 years	-	93.79	-	-
2 - 3 years	-	35.62	-	-
More than 3 years	-	880.87		
Total	11.59	2,828.68		
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 March 31, 2023	As at March 31, 2022
Gross Amount required to be spent for CSR Activity	32.34	3.17
Add / (Less) : Earlier year unspent / (overspent) amount	(34.00)	10.84
Total Amount required to be spent for CSR Activity during the year	(1.66)	14.01
Less : Amount Spent during the year	-	(48.01)
Unspent / (Overspent) amount outstanding	(1.66)	(34.00)

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 March 31,2023.

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	% of Voting Rights
Arihant Abode Limited	30,000	60%	60%
Arihant Vatika Realty Private Limited	6,000	60%	60%
Arihant Aashiyana Private Limited	6,000	60%	60%
Ariahant Gruhnirman Private Limited	6,000	60%	60%

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

Particulars	As at 31 March, 2023	As at 31 March, 2022	Maximumn balance during March 31, 2023	Maximumn balance during March 31, 2022
Subsidiaries				
Arihant Aashiyana Private Limited	2,473.10	688.66	2,473.10	708.79
Arihant Abode Limited	2,055.35	2,349.61	3,432.55	2,349.61
Arihant Gruhnirman Private Limited	-	-	-	-
Arihant Vatika Private Limited	-	-	-	359.91

ARIHANT SUPERSTRUCTURES LIMITED

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:

Assets and Liability (Balance Sheet Position)	As at 31 March, 2023	As at 31 March, 2022
Particulars		
Present Value of Obligation	30.30	25.53
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	(30.30)	(25.53)
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	(30.30)	(25.53)

* The liability as at 31-03-2022 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, 2023	As at 31 March, 2022
Present Value of Obligation as at the beginning	25.53	9.45
Current Service Cost	7.17	2.72
Interest Expense or Cost	1.49	0.55
Re-measurement (or Actuarial) (gain) / loss arisingfrom:		
change in demographic assumptions	(4.28)	-
change in financial assumptions	(1.97)	-
experience variance (i.e. Actual experiencevs assumptions)	2.35	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	30.30	25.53

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, 2023	As at 31 March, 2022
Current Liability (Short term)	20.65	6.03
Non-Current Liability (Long term)	9.65	19.50
Present Value of Obligation	30.30	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, 2023	As at 31 March, 2022
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	-	-

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

6 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).

7 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

Note 47 : Event after the reporting period
The Board of Directors have recommended dividend of Rs. 0.50/- per fully paid up equity share of Rs. 10/- each for the financial year 2022-23.

Note 48 : Previous Year Figure's regrouping:
Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.

As per our attached report of even date For Kailash Chand Jain & Co. Chartered Accountants Firm Reg. No.: 112318W	For and on behalf of the Board of Directors of Arihant Superstructures Limited	
Saurabh Chouhan Partner Membership No.: 167453	Ashok Chhajer Chairman & MD DIN- 01965094	Nimish Shah Whole Time Director DIN- 03036904
Place: Navi Mumbai Date: May 22, 2023	Dhiraj Jopat Chief Financial Officer	Darshni Lakhani Company Secretary ICSI Mem No. A37388

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, 2023, 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, 2023, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial 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.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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, 2023 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, 2023 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, 2023 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 it’s 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 it’s 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. As stated in Note. 46 to the consolidated financial statements:
 - a. The Company has not paid any dividend during the year: and
 - b. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- 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 registration No. 112318W

Saurabh Chouhan

Partner

Membership No.: 167453

Date: May 22, 2023

Place: Navi Mumbai

UDIN: 23167453BGRWCR3897

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, 2023, 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, 2023, 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
Date: May 22, 2023
Place: Navi Mumbai
UDIN: 23167453BGRWCR3897

Consolidated Balance Sheet

ARIHANT SUPERSTRUCTURES LIMITED

Consolidated Balance Sheet as at 31 March 2023

(All amounts in INR Lakhs except as stated otherwise)

Particulars		Notes	As at March 31, 2023	As at March 31, 2022
A	ASSETS			
	NON CURRENT ASSETS			
	Property, Plant & Equipment		1,034.29	917.24
	Intangible Assets		3.34	4.79
	Investment in Property	4	1,164.65	1,141.65
	Financial Assets			
	Investments in Equity	5	0.16	0.16
	Loan	6	-	100.32
	Other Financial Assets	7	3,990.38	3,773.00
	Deferred Tax Asset (net)	11	12.98	21.05
	Total Non Current Assets		6,205.80	5,958.22
	CURRENT ASSETS			
	Inventories	8	48,381.29	44,698.07
	Financial Assets			
	Investment	5	2.68	2.61
	Trade Receivable	9	8,517.23	5,985.44
	Cash & Cash Equivalents	10	796.11	1,463.06
	Loans	6	5.84	1,138.76
	Other Financial Assets	7	566.29	223.03
	Land	12	29,323.48	22,218.80
	Current Tax Assets (Net)	11	176.25	320.99
	Other Current Assets	13	9,306.48	3,420.91
	Total Current Assets		97,075.65	79,471.67
	TOTAL ASSETS		103,281.45	85,429.89
B	EQUITY AND LIABILITIES			
	EQUITY			
	Equity Share Capital	14a	4,116.00	4,116.00
	Other Equity	14b	16,861.07	13,726.29
	Non- Controlling Interest		3,585.15	2,457.85
	Total Equity		24,562.22	20,300.14
	LIABILITIES			
	NON-CURRENT LIABILITIES			
	Financial Liabilities			
	Borrowings	15	31,755.70	14,482.10
	Total Non Current Liabilities		31,755.70	14,482.10
	CURRENT LIABILITIES			
	Financial Liabilities			
	Trade Payables	16	7,458.72	6,179.61
	Other Financial Liabilities	17	517.24	771.76
	Other Current Liabilities			
	Advance from Customers	18	31,135.47	27,701.82
	Other Current Liabilities	19	6,247.83	484.92
	Provisions	20	173.79	63.79
	Current Tax Liabilities (Net)		-	-
	Total Current Liabilities		46,963.53	50,647.65
	TOTAL EQUITY & LIABILITIES		103,281.45	85,429.89
See accompanying notes to the Consolidated Financial Statement		1-47		
As per our attached report of even date For Kailash Chand Jain & Co. Chartered Accountants Firm Reg. No.: 112318W			For and on behalf of the Board of Directors of Arihant Superstructures Limited	
Saurabh Chouhan Partner Membership No.: 167453			Ashok Chhajer Chairman & MD DIN- 01965094	Nimish Shah Whole Time Director DIN- 03036904
Place: Navi Mumbai Date: May 22, 2023			Dhiraj Jopat Chief Financial Officer	Darshni Lakhani Company Secretary ICSI Mem No. A37388

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023
(All amounts in currency INR Lakhs except as stated otherwise)

2.3 Use of Estimates and Judgements

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

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

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

2) Evaluation of percentage of completion for the purpose of revenue recognition:

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

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

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

4) Recognition of Deferred Tax Asset:

The extent of which Deferred Tax Asset can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

5) Provisions and contingencies:

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

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.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023
(All amounts in currency INR Lakhs except as stated otherwise)

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:

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

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023
(All amounts in currency INR Lakhs except as stated otherwise)

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.

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.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023
(All amounts in currency INR Lakhs except as stated otherwise)

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.

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023
(All amounts in currency INR Lakhs except as stated otherwise)

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.

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023
(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, 2022

Particulars	Building	P&M & 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	1,688.87
Additions	-	153.17	4.67	-	37.41	195.24
(Deductions)/(Disposals) (Adjustment)	-	3.69	-	-	(0.24)	3.45
Gross carrying value as of March 31, 2022	14.42	871.96	117.49	341.41	538.25	1,883.52
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	476.63	18.45	178.03	233.11	917.24

The changes in carrying value of Property, Plant & Equipment for the year ended March 31, 2023

Particulars	Building	P&M & Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of April 1, 2022	14.42	871.96	117.49	341.41	538.25	1,883.52
Additions		295.17	15.79			310.97
(Deductions)/(Disposals)						-
Adjustment						-
Gross carrying value as of March 31, 2023	14.42	1,167.13	133.29	341.41	538.25	2,194.49
Accumulated Depreciation as of March 31, 2022	3.39	395.33	99.04	163.38	305.14	966.28
Depreciation for the year	0.56	108.62	8.59	31.65	44.50	193.93
Accumulated depreciation on deletion						
Accumulated Depreciation as of March 31, 2023	3.94	503.95	107.64	195.04	349.64	1,160.20
Carrying Value as of March 31, 2023	10.48	663.18	25.65	146.37	188.61	1,034.29

Note 3a Intangible Assets

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	24.79	3.15	27.94
Additions	-	-	-
(Deductions)/(Disposals)	-	-	-
Gross carrying value as of March 31, 2022	24.79	3.15	27.94
Accumulated Depreciation as of March 31, 2021	18.44	2.54	20.98
Depreciation for the year	1.83	0.35	2.17
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2022	20.27	2.89	23.15
Carrying Value as of March 31, 2022	4.52	0.27	4.79

The changes in carrying value of Intangible Assets for the year ended March, 31 2023

Particulars	Software	Trademark	Total
Gross carrying value as of April 1, 2022	24.79	3.15	27.94
Additions	-	-	-
(Deductions)/(Disposals)	-	-	-
Gross carrying value as of March 31, 2023	24.79	3.15	27.94
Accumulated Depreciation as of March 31, 2022	20.27	2.89	23.15
Depreciation for the year	1.34	0.11	1.45
Accumulated depreciation on deletion	-	-	-
Accumulated Depreciation as of March 31, 2023	21.60	3.00	24.60
Carrying Value as of March 31, 2023	3.19	0.16	3.34

ARIHANT SUPERSTRUCTURE LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 4 Investment in Property

Particulars	Building	Total
Non Current Investments		
Gross Carrying Value		
Cost as at April 01, 2021	1,141.65	1,141.65
Additions/(Disposal)	-	-
As at March 31,2022	1,141.65	1,141.65
Additions/(Disposal)	23.00	23.00
As at March 31,2023	1,164.65	1,164.65
Depreciation and Impairment		
As at April 01, 2021	-	-
Additions/(Disposal)	-	-
As at March 31, 2022	-	-
Additions/(Disposal)	-	-
As at March 31, 2023	-	-
Net Carrying Value		-
As at March 31, 2023	1,164.65	1,164.65
As at March 31, 2022	1,141.65	1,141.65

Note: Investment in properties comprises of 3 commercial properties in Navi Mumbai

(i) Income and expenditure of Investment Properties

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Rental and facilities Income	-	-
Less : Maintenance Expenses	10.35	11.25
Profit from Investment properties	(10.35)	(11.25)
Depreciation and Impairment	-	-
Profit from Investment Properties	(10.35)	(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.

Note 5 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Investments in Equity Instruments		
Unquoted		
Associates		
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 Investments		
Unquoted		
Partnership Firm		
Arihant Aksh Realty LLP	2.68	2.61
	2.68	2.61
Total	2.84	2.77
Aggregated value of unquoted investments		
	2.84	2.77

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 6 Loans (Unsecured Considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Loan to Related party	-	100.32
	-	100.32
Current		
Loan to Others	-	1,130.56
Loan to Employee	5.84	8.20
	5.84	1,138.76
Total	5.84	1,239.08

Note 7 Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Security Deposit	3,990.38	3,773.00
	3,990.38	3,773.00
Current		
Security Deposit	27.14	0.10
Deposit With Government	268.08	185.91
Society Maintaicne Recevable	53.34	27.78
Deposit with Bank	217.73	9.24
	566.29	223.03
Total	4,556.67	3,996.03

Note 8 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Finished goods	1,619.83	2,067.81
Work in Progress	46,194.36	42,193.18
Raw Material	567.10	437.08
Total	48,381.29	44,698.07

Note 9 Trade Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables (Unsecured, considered good)	8,517.23	5,985.44
Total	8,517.23	5,985.44

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 dose not expect any credit loss.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Particulars	Other Equity				Total Equity Attributable to Equity Holders of the Company
	Reserves & Surplus			Other Comprehensive Income	
	Security Premium Reserve	Capital Reserve	Retained Earnings		
Balance as of April, 01 2021	524.40	0.78	9229.20	-	9754.20
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
Balance as of April, 01 2022	524.40	0.78	13,201.11	-	13,726.29
Changes in Equity for the year ended March, 31 2023:					
Short Provision of Income tax	-	-	(2.51)	-	(2.51)
Share of Partnership firm	-	-	-	-	-
Profit /(Loss) for the year	-	-	3,137.29	-	3,137.29
Balance as of March, 31 2023	524.40	0.78	16,335.89	-	16,861.07

Note 15 Borrowings			
Particulars	As at March 31, 2023	As at March 31, 2022	
Non-current borrowings			
Secured Loans			
Vehicle Loan	41.30	68.33	
Term Loan		13,575.37	
NCD	4,500.00		
Interest Accrued but not due	665.95		
Financial Institution	9,411.36		
Bank	125.16		
Unsecured Loans			
Loans From Relative	16,285.15	774.00	
Loans From Others	726.78	64.40	
	31,755.70	14,482.10	
Current borrowings			
Secured Loans			
Vehicle Loan	25.77	40.03	
Term Loan		880.75	
Bank Loan	70.43		
Financial Institution	893.36		
Interest Accrued but not due	37.21		
Unsecured Loans			
Loans From Relative	330.61	14,111.65	
Loans From Others	73.10	413.32	
	1,430.48	15,445.75	
Total	33,186.18	29,927.85	

Notes on Borrowings :
Secured, Rate of Interest & Repayable by :-
1. Term loan from STCI Finance Limited @ 12.25% p.a. is secured by Adita Project and repayable by Jan 2026.
2. Term Loan from HDFC Limited @ 13.55% p.a is secured by Aspire Project, foreclosed during the year FY 2023-24.
2. 45,00,000 Unlisted Unrated Secured Redeemable Non-Convertible Debentures, at 16.43% having a face value of Rs. 100/- each aggregating to Rs. 45,00,00,000/- (Rs. Forty Five Crores only) issued during the year by way of private placement. The same will be re-paid by Dec 2024.
3. Vehicle loans are secured against the vehicle itself having rate rate ranging from 8% to 9% p.a.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 16 Trade Payables		
Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables:		
Sundry Creditors	5,807.38	4,550.11
Retention	1,651.34	1,629.50
Total	7,458.72	6,179.61

*Refer Note 35 for Trade Payable ageing.

Note 17 Other Financial Liabilities		
Particulars	As at March 31, 2023	As at March 31, 2022
Current Other Financial Liabilities		
Customer security deposit	44.67	48.22
Other payables		
Book O/D	363.61	633.54
Other Fiancial Liability	108.96	90.00
Total	517.24	771.76

Note 18 Advances from Customers		
Particulars	As at March 31, 2023	As at March 31, 2022
Bookings Received	31,135.47	27,701.82
Total	31,135.47	27,701.82

Note 19 Other Current Liabilities		
Particulars	As at March 31, 2023	As at March 31, 2022
Other payables		
Statutory remittances	122.56	198.77
Others Payable	220.27	286.15
Advance against Land	5,905.00	-
Total	6,247.83	484.92

Note 20 Provisions		
Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Provision for Expenses	106.48	23.68
Provision for Gratuity	67.31	40.11
Total	173.79	63.79

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in 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 31,2023

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	31,755.70	-	31,755.70
Short term borrowings	1,430.48	-	-	1,430.48
Trade and other payables	7,458.72	-	-	7,458.72
Other financial liabilities	517.24	-	-	517.24
Total	9,406.44	31,755.70	-	41,162.14

As at March 31,2022

Particulars	Less than 1 year	1 - 5 years	More than 5 year	Gross carrying amount (INR)
Long term borrowings	-	14,482.10	-	14,482.10
Short term borrowings	15,445.75	-	-	15,445.75
Trade and other payables	6,179.61	-	-	6,179.61
Other financial liabilities	771.76	-	-	771.76
Total	22,397.13	14,482.10	-	36,879.22

(iii) Market Risk
The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price. Market risk further comprises of
(a) Currency risk;
(b) Interest rate risk; and
a) Currency risk
The Company is not exposed to any currency risk as the Company does not have any import payables, short term payables, short term borrowings and export receivables in foreign currency.

b) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.
The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

- 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 March 31, 2023	For the year ended March 31, 2022
Fixed rate borrowings	24,442.78	16,352.49
Variable rate borrowing	8,743.40	13,575.36
Total	33,186.18	29,927.85

- 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 March 31, 2023	For the year ended March 31, 2022
Interest sensitivity		
Interest rate increase by 50 basis points	8,787.12	13,643.24
Interest rate decrease by 50 basis points	8,699.68	13,507.48

- 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.

a) Debt Equity Ratio
The Company monitors capital using debt equity ratio. The Company's debt to equity ratios are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Long term borrowings	31,755.70	14,482.10
Short term borrowings	1,430.48	15,445.75
Total Borrowing	33,186.18	29,927.85
Less: Cash and cash equivalents	796.11	1,463.06
Net Debt	32,390.07	28,464.79
Total Equity	20,977.07	17,842.29
Debt to Equity Ratio	1.54	1.60

b) Dividends
Dividends paid during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Interim Dividend	Rate per Share Amount in INR	NIL NIL
- Final Dividend	Rate per Share Amount in INR	NIL NIL

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 27: Financial Instruments : Accounting classifications and fair value measurements

(i) Accounting classifications

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

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

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

(ii) Fair value measurements

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

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

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

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

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

As at March 31, 2023

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	0.06	-	0.06	-	0.06	-	-	-	0.06
Investment in Firm	5	0.10	2.68	2.78	2.78					2.78
Loans	6	-	5.84	5.84	-	-	5.84	-	-	5.84
Other Financial Assets	7	3,990.38	566.29	4,556.67	-	-	4,556.67	-	-	4,556.67
Trade Receivable	9	-	8,517.23	8,517.23	-	-	8,517.23	-	-	8,517.23
Cash & Cash Equivalents	10	-	796.11	796.11	-	-	796.11	-	-	796.11
Total		3,990.54	9,888.15	13,878.69	2.78	0.06	13,875.85	-	-	13,878.69
Financial Liabilities										
Borrowings	16	31,755.70	1,430.48	33,186.18	-	-	33,186.18	-	-	33,186.18
Trade payables	17	-	7,458.72	7,458.72	-	-	7,458.72	-	-	7,458.72
Other Financial Liabilities	18	-	517.24	517.24	-	-	517.24	-	-	517.24
Total		31,755.70	9,406.44	41,162.14	-	-	41,162.14	-	-	41,162.14

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	0.06	-	0.06	-	0.06	-	-	-	0.06
Investment in Firm	5	0.10	2.61	2.71	2.71					2.71
Loans	6	100.32	1,138.76	1,239.08	-	-	1,239.08	-	-	1,239.08
Other Financial Assets	7	3,773.00	223.03	3,996.03	-	-	3,996.03	-	-	3,996.03
Trade Receivable	9	-	5,985.44	5,985.44	-	-	5,985.44	-	-	5,985.44
Cash & Cash Equivalents	10	-	1,463.06	1,463.06	-	-	1,463.06	-	-	1,463.06
Total		3,873.48	8,812.90	12,686.38	2.71	0.06	12,683.61	-	-	12,686.38
Financial Liabilities										
Borrowings	16	14,482.10	15,445.75	29,927.85	-	-	29,927.85	-	-	29,927.85
Trade payables	17	-	6,179.61	6,179.61	-	-	6,179.61	-	-	6,179.61
Other Financial Liabilities	18	-	771.76	771.76	-	-	771.76	-	-	771.76
Total		14,482.10	22,397.13	36,879.22	-	-	36,879.22	-	-	36,879.22

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 28: Financial Risk Management

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

(i) Credit Risk,

(ii) Liquidity Risk and

(iii) Market Risk.

Risk management framework

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

(i) Credit Risk

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

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

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 March 31, 2023	For the year ended March 31, 2022
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 March 31, 2023	For the year ended March 31, 2022
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

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 30 Disclosures under Ind-AS 33 on “Earnings Per Share”

Particulars	As at March 31, 2023	As at March 31, 2022
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the Equity Shareholders (₹ in Lakhs)	3,140.23	4,134.14
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 (₹)	7.63	10.04
Diluted (₹)	7.63	10.04

Note 31 Disclosures under Ind-AS 12 on “Income Taxes”

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax (liability) / asset		
Opening deferred tax (liability) / asset	21.05	15.69
Add/(less): Recognised/ reversed during the year	(8.07)	5.36
Closing deferred tax (liability) / asset	12.98	21.05

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
CRM Software Expenses - Current Year Nil. (Previous Year ₹ 29.99 Lakhs.)

Unhedged Foreign currency

Liabilities	As at March 31, 2023		As at March 31, 2022	
	Foreign	Rupees	Foreign Currency	Rupees
Trade payable in USD	-	-	0.38	29.99

Note 33 : Contingent Liabilities and Commitments:

Particulars	As at March 31, 2023	As at March 31, 2022
Claim against the company not acknowledged as debts	-	-
Corporate Guarantees Given	-	-
Disputed Taxation Matters	1,385.67	1,385.67
Disputed Land related Legal Cases	-	-
Total	1,385.67	1,385.67

Note 34 : Details of dues to Micro, Small and Medium Enterprises :

Particulars	As at March 31, 2023	As at March 31, 2022
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	58.78	231.94
(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, 2023 and March 31, 2022 to Micro, Small and Medium Enterprises on account of principal or interest.

ARIHANT SUPERSTRUCTURES LIMITED

Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 35 : Trade Payable Ageing Schedule

Particulars	MSME	Others	Disputed dues - MSME	Disputed dues - Others
As at 31 March, 2023				
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 1 year	58.78	5,469.34	-	-
1 - 2 years	-	480.56	-	-
2 - 3 years	-	151.39	-	-
More than 3 years	-	1,298.65	-	-
Total	58.78	7,399.93	-	-
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	-	722.78	-	-
Total	231.94	5,947.67		

Note 36 : Details of Corporate Social Responsibility Expenditure (CSR)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Amount required to be spent for CSR Activity	47.93	48.47
Amount Spent during the year	47.93	159.31
Unspent amount outstanding	-	-

Note 37 : Impairment of Assets

On the basis of physical verification of assets, as specified in IND AS - 36 and cash generation capacity of those assets, in the management perception there is no impairment of such assets as appearing in the Balance Sheet as on March 31,2023.

Note 38 : 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 39 : Company Information :

The Subsidiaries considered in the Consolidated Financial Statement are :

Name of Company	Principal Activities	Country of Information	% of Holding	
			As at March 31, 2023	As at March 31, 2022
Arihant Abode Limited	Real Estate	India	60.00%	60.00%
Arihant Vatika Realty Private Limited	Real Estate	India	60.00%	60.00%
Arihant Aashiyana Private Limited	Real Estate	India	60.00%	60.00%
Ariahant Gruhnirman Private Limited	Real Estate	India	60.00%	60.00%

Note 40 : Disclosure required by Clause 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	As at 31 March, 2023	As at 31 March, 2022	Maximumn balance during March 31, 2023	Maximumn balance during March 31, 2022
Subsidiaries				
Arihant Aashiyana Private Limited	2,473.10	688.66	2,473.10	708.79
Arihant Abode Limited	2055.35	2,349.61	3,432.55	2,349.61
Arihant Gruhnirman Private Limited	-	-	-	-
Arihant Vatika Private Limited	-	-	-	359.91

Note 41 : 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.

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 42 : Ratio Analysis and its element

Sr. No.	Particulars	March 31, 2023			March 31, 2022			% Change	Remarks for variance more than 25%
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
1	Current Ratio - (Current Assets / Current Liabilities)	97,075.65	46,963.53	2.07	79,471.67	50,647.65	1.57	31.73%	Current Ratio improved on account of better working capital uses.
2	Debt-Equity Ratio - (Paid-up Debt / Total Equity [Share Capital + Applicable Reserves])	33,186.18	20,977.07	1.58	29,927.85	17,842.29	1.68	-5.68%	
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))]	6,855.65	2,564.31	2.67	7,122.64	2,103.08	3.39	-21.06%	on account of cyclical nature of our project billings.
4	Return on Equity Ratio - (Profit after tax / Average of total Equity)	3,140.23	19,409.68	0.16	4,134.14	15,856.25	0.26	-37.95%	
5	Inventory Turnover Ratio - (Cost of Goods Sold / Average Finished Inventory)	24,479.86	46,539.68	0.53	19,682.91	40,084.70	0.49	7.12%	
6	Trade Receivables Turnover Ratio - (Revenue from operations) / Average Trade receivables)	38,944.38	7,251.34	5.37	33,093.75	4,292.11	7.71	-30.35%	
7	Trade Payables Turnover Ratio - (Cost of Project / Average Trade payables)	28,163.08	6,819.17	4.13	28,909.65	5,729.84	5.05	-18.14%	On account of new launches.
8	Net Capital Turnover Ratio - (Revenue from operations / Working Capital)	38,944.38	50,112.12	0.78	33,093.75	28,824.02	1.15	-32.31%	
9	Net Profit Ratio - (Profit after tax / Total Income)	3,140.23	39,173.04	0.08	4,134.14	33,253.98	0.12	-35.52%	-- as above --
10	Return on Capital Employed - ((Profit before tax (+) finance costs) / (Total Equity (+) Borrowings (-/+ Deferred Tax Asset/Liability))	7,787.58	54,176.23	0.14	6,952.66	47,791.19	0.15	-1.19%	
11	Return on Investment - (Income from investments / Average Investments)	0.07	2.81	0.02	0.06	2.74	0.02	-13.96%	

Note 43
The Company has maintained proper books of account as prescribed under Section 128(1) of the Companies Act, 2013 (as amended). The books of accounts are maintained in electronic mode as required under Section 128 (1) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended). Back-ups of books of account and other relevant books and papers maintained in electronic mode is kept as per the policy of the Company effective August 5, 2022. The back-up of the principal accounting system is kept in a server physically located in India and is done on a daily basis. However, there were a few instances where back-ups were not completed on the same date but were subsequently taken. Further, there are a few systems whose servers are physically located outside India, though daily back-ups of the same are taken.

Note 44
Advances to Vendors’ and Security deposits comprise advances/deposits of 6149.72 Lacs towards land and transferable development rights (‘projects’). Having regard to the nature of business, these include amounts relating to projects that could take a substantial period of time to conclude. Management has evaluated the status of these projects and is confident of performance of obligations of the counter-parties. In view of the management, these advances are in accordance with the normal trade practice and are not in the nature of loans or advance in the nature of loans

ARIHANT SUPERSTRUCTURES LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2023.
(All amounts in INR Lakhs except as stated otherwise)

Note 45 : Other Statutory Information
1 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
2 The Company does not have any transactions with companies struck off.
3 The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
4 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:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
5 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:
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
6 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).
7 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

Note 46 : Dividend Proposed
The Board of Directors of the standalone company have recommended Dividend of ₹ 0.50 per fully paid up equity share of ₹ 10 each for the financial year 2022-2023

Note 47 : Previous Year Figure’s regrouping:
Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year’s classification.

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

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

Saurabh Chouhan
Partner
Membership No.: 167453

Ashok B. Chhajer
Chairman & MD
DIN- 01965094

Nimish Shah
Whole Time Director
DIN- 03036904

Place: Navi Mumbai
Date: May 22, 2023

Dhiraj Jopat
Chief Financial Officer

Darshni Lakhani
Company Secretary
ICSI Mem No. A37388

*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.*



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.