

KAILASH CHAND JAIN & CO. (Regd.)

CHARTERED ACCOUNTANTS

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Near Income Tax Office,
Mumbai - 400 020.

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022-22065373

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Independent Auditors' Report

To

The Members of
Arihant Abode Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s Arihant Abode Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

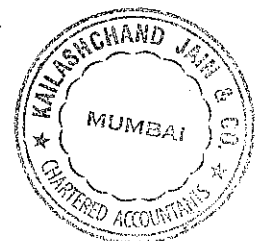
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2014**
 - (b) In the case of the Statement of Profit and Loss, of the **loss** for the year ended on that date;
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

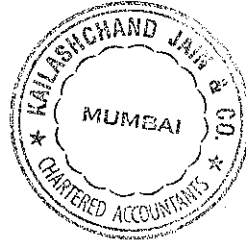
7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

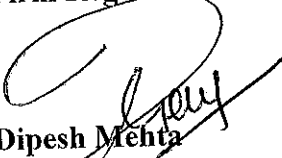


8. As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet and Statement of Profit and Loss dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.; and
- (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For and on behalf of
KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 112318W.




Dipesh Mehta
Partner
Mem. No. 134607

Place : Mumbai
Dated : 28/04/2014

Annexure to the Auditors' Report

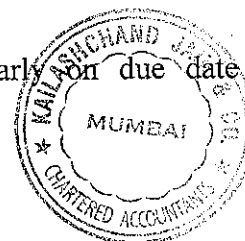
ARIHANT ABODE LIMITED

(Referred to in paragraph 1 of our Report of even date)

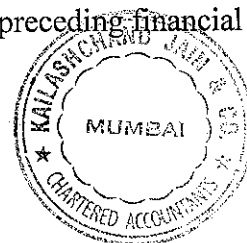
- 1 a) According to the information and explanation given to us the company has maintained proper records showing full particulars including quantitative details & situation of fixed assets.
- b) All the assets have been physically verified by management during the year and no material discrepancies were noticed on such verification.
- c) During the year the company has not disposed any substantial part of fixed assets affecting going concern of the company.
- d) None of the fixed assets have been revalued during the year.

- 2 a) According to the information and explanation given to us, the inventory is physically verified during the year by the management of the company. In our opinion, the frequency of such verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of company and nature of its business
- c) As Per explanation provided by the management the company is maintaining proper records of Inventory. And no discrepancies were noticed on verification between physical inventories and books records. The company is maintaining proper records of inventory.

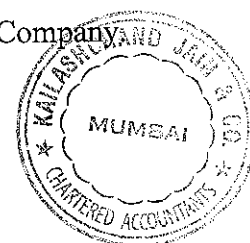
- 3 a) The company has not granted any loans to parties covered under register maintained under Section 301 of the Act. Accordingly, paragraphs 4(iii) (b) to (d) of the order are not applicable to the Company.
- e) The Company has taken unsecured loan from thirteen parties listed in the register to be maintained under section 301 of the Act. The outstanding balance of such loan is Rs. 39,62,99,576/- as on 31.03.2014. The maximum aggregate balance of the loan during the year is Rs. 85,92,64,953/-
- f) The rate of interest and terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
- g) The principal amount and interest thereon are paid regularly on due date or immediately thereafter.



- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and its nature of its business with regard to purchase of inventory, fixed assets and with regards to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5 According to the information and explanation given to us, In case of transaction exceeding the value of Rupees Five Lacs in the financial year in respect of a party that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956:
- a) The transaction that needs to enter in the register maintained u/s 301 of the company Act, 1956 have been so entered.
 - b) In our opinion, each of these transactions has been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 As informed, the company has not taken any deposits in accordance with section 58A, 58AA of the companies' act 1956 during the year.
- 7 In our opinion the company has an internal audit system commensurate with its size and nature of its business.
- 8 The central government of India has not prescribed the maintenance of cost records under clause (d) of sub section (1) of section 209 of the Act for any of the product of the company.
- 9
- a) According to information and explanation given to us there is no amount payable in respect of income tax, sales tax, service tax that have not been deposited with appropriate authorities on account of any dispute.
 - b) According to information and explanation given to us there is no amount payable in respect of income tax, sales tax, service tax that have not been deposited with appropriate authorities on account of any dispute.
- 10 The company has no accumulated losses. The company has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.

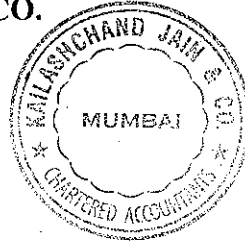


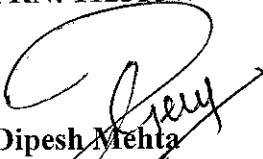
- 11 Based on our audit procedures and on the information and explanation given by management, we are of the opinion that the company has not defaulted in repayment of its due to any financial institution and bank during the year.
- 12 As informed, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debenture and other securities.
- 13 In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) (Amendment) Order 2004 are not applicable to the Company.
- 14 In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) (Amendment) Order 2004 are not applicable to the Company.
- 15 In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- 16 The company has not raised any new terms loans. Accordingly, the provision of clause 4(xvi) of the order are not applicable to the company.
- 17 According to the information and explanation given to us and on an overall examination of Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- 18 During the year, the company has not made preferential allotment of shares to parties & Companies covered in the Register maintained U/s 301 of the Companies Act, 1956.
- 19 The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.



- 20 The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- 21 We have been informed that there is no fraud on or by the Company has been either noticed or reported during the financial year 2013-2014.

FOR KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
FRN: 112318W




Dipesh Mehta
Partner
M.No: 134607

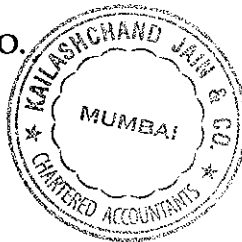
Place : Mumbai
Date : 28/04/2014

ARIHANT ABODE LTD.

Balance Sheet as at 31 March, 2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	500,000	500,000
	(b) Reserves and surplus	4	123,794	263,861
			623,794	763,861
2	Share application money pending allotment			
3	Non-current liabilities			
	(a) Long-term borrowings	5	3,611,633	4,379,653
	(b) Deferred tax liabilities (net)	21	275,092	158,323
			3,886,725	4,537,976
4	Current liabilities			
	(a) Short-term borrowings	6	495,145,721	538,761,199
	(b) Trade payables	7	4,632,627	33,211,164
	(c) Other current liabilities	8	188,137,071	4,748,785
			687,915,419	576,721,148
	TOTAL		692,425,938	582,022,985
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	6,883,923	7,119,648
	(b) Non-current investments		-	-
	(c) Long-term loans and advances		-	-
			6,883,923	7,119,648
2	Current assets			
	(a) Inventories	10	168,699,564	60,737,898
	(b) Trade receivables		-	-
	(c) Cash and cash equivalents	11	10,540,731	966,021
	(d) Short-term loans and advances	12	11,092,430	10,633,549
	(e) Other assets	13	495,209,290	502,565,869
			685,542,015	574,903,337
	TOTAL		692,425,938	582,022,985
	See accompanying notes forming part of the financial statements	1 & 2		

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



Dipesh Mehta
 Dipesh Mehta
 Partner
 M.No.: 134607

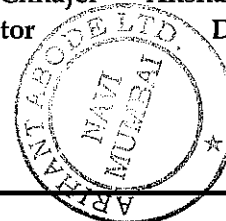
For and on behalf of the Board of Directors

Ashok B. Chhajer

Ashok B. Chhajer
 Director

Akshay A. Agarwal

Akshay A. Agarwal
 Director



Place : Mumbai
 Date : 28/04/2014

ARIHANT ABODE LTD.
Statement of Profit and Loss for the year ended

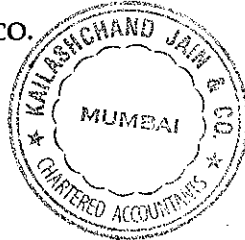
Particulars		Note No.	31st March 2014	31st March 2013
			₹	₹
1	Revenue from operations	14	-	-
2	Other income		19,657	-
3	Total revenue (1+2)		19,657	-
4	Expenses			
	(a) Cost of construction, land and development expenses	15.a	27,665,065	10,634,193
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	15.b	(107,961,666)	(15,558,396)
	(c) Employee benefits expense	16	7,390,695	1,624,515
	(d) Finance costs	17	64,300,858	66,753
	(e) Depreciation expense	9	668,818	195,228
	(f) Other expenses	18	7,979,185	3,037,707
	Total expenses		42,955.00	-
5	Profit / before tax (3 - 4)		(23,298)	-
6	Tax expense:			
	(a) Current tax expense for current year		-	-
	(c) Deferred tax		116,769	102,306
			116,769	102,306
7	Profit / (Loss) from continuing operations (5-6)		(140,067)	(102,306)
8	Earnings per share (of Rs.10/- each):			
	(a) Basic	20	(2.80)	(2.05)
See accompanying notes forming part of the financial statements		1 & 2		

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS

Firm Reg. No.: 112318W

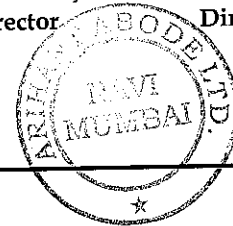
Dipesh Mehta
Partner
M.No.: 134607



For and on behalf of the Board of Directors

Ashok B. Chhajer
Director

Akshay A. Agarwal
Director



Place : Mumbai
Date : 28/04/2014

ARIHANT ABODE LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED

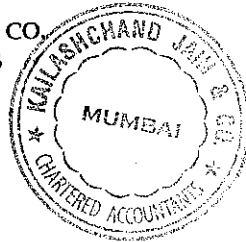
Particulars	31st March 2014	31st March 2013
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items :	(23,298)	-
Adjustment for Non Cash Items		
Depreciation	668,818	195,228
Gratuity	-	80,429
Less :- Non Operating Income	(19,657)	-
Interest Received	625,863	275,657
Changes in Working Capital:-		
(Increase)/ Decrease in Trade & Other Receivable	(101,063,968)	(115,898,080)
Increase/ (Decrease) in Current Liabilities & Provision	154,809,749	10,335,901
Before extraordinary & exceptional items	54,371,644	(105,286,522)
Exceptional Items :	-	-
Net Cash flow from operating activities	54,371,644	(105,286,522)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(433,094)	(5,689,769)
Interest Received	19,657	-
Cash Generated from Investment Activities	(413,437)	(5,689,769)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Secured Loans	(768,020)	453,169,199
Increase / (Decrease) in Unsecured Loans	(43,615,478)	(420,942,911)
Cash Generated from Financial Activities	(44,383,498)	32,226,288
Net Increase in Cash & Cash Equivalents	9,574,710	(78,750,003)
Opening Balance of Cash & Cash Equivalents	966,021	79,716,024
Closing Balance of Cash & Cash Equivalents	10,540,731	966,021

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

Dipesh Mehta
Partner
M.No. 134607

Place: Mumbai
Date: 28/04/2014



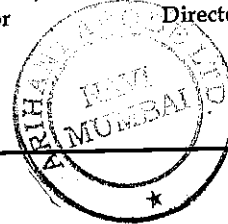
For and on behalf of the Board of Directors

Ashok B. Chhajer

Ashok B. Chhajer
Director

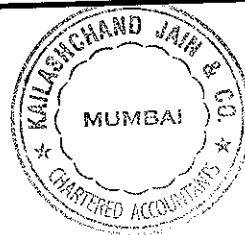
Akshay A. Agarwal

Akshay A. Agarwal
Director



ARIHANT ABODE LTD.**Notes forming part of the financial statements**

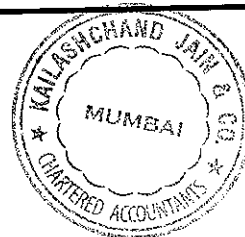
Note	Particulars
1 Corporate information	<p>ARIHANT ABODE LTD is registered under companies act, 1956 as public company. The company's registered office is located at 302, Persipolis Building Plot No. 74, Sector 17, Vahi, Navi Mumbai - 400703 and its registered office is situated in the state of Maharashtra, i.e. within the jurisdiction of the Registrar of Companies, Maharashtra, at Mumbai. The operation of the company span in all aspect of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.</p>
2 Significant accounting policies (Illustrative)	<p>2.1 Basis of accounting and preparation of financial statements The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent.</p>
2.2 Use of estimates	<p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>



ARIHANT ABODE LTD.

Notes forming part of the financial statements

Note	Particulars
2.3	<p>Inventories</p> <p>i) Construction materials and consumables : The construction material and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased are treated as consumables and added in work-in-progress.</p> <p>ii) Incomplete Project / Construction Work-In-Progress : The Incomplete Project / construction work-in-progress is valued lower at cost or net realisable value.</p> <p>(a) For projects where revenue is recognised : "Cost includes cost of land, development rights, rates and taxes, construction cost, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses as per Guidance Note on Accounting for real estate transactions (Revised 2012) issued by The Institute of Chartered Accountants of India".</p> <p>(b) For projects where revenue is not recognised : "Cost includes direct expenses, construction cost, rates and taxes, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses except land & development rights which is treated as other assets".</p>
2.4	<p>Cash flow statement</p> <p>Cash flows are reported using the indirect method as per AS-3, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.5	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on straight line basis method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 or on the basis of useful lives estimated by the management whichever is higher.</p> <p>Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.</p>



ARIHANT ABODE LTD.

Notes forming part of the financial statements

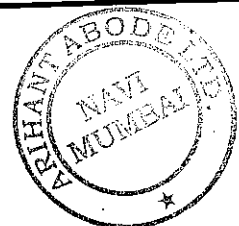
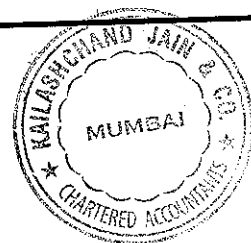
Note	Particulars
2.6	Revenue recognition "Pursuant to issuance of revised Guidance Note on Accounting for Real Estate Transactions (Revised 2012), by The Institute of Chartered Accountants of India (ICAI), the Company revised its Accounting Policy of revenue recognition for all projects commencing on or after April 1, 2012 or project where the revenue is recognised for the first time on or after the above date. During the year, the company is having project namely Arihant Akansha which came under the purview of the revised guidance note. As at March 31, 2014, the conditions for recognizing revenue for these projects was not met."
2.7	Other income Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head other income in the statement of profit and loss.
2.8	Tangible fixed assets Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.
2.9	Intangible fixed assets Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. During the year company has no intangible fixed assets.



ARIHANT ABODE LTD.

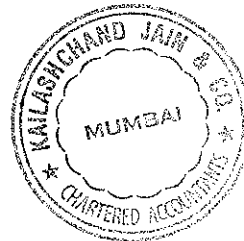
Notes forming part of the financial statements

Note	Particulars
2.10	<p>Investments Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. During the year the company has no investments.</p>
2.11	<p>Borrowing costs Borrowing costs as per AS-16 include interest, amortisation of ancillary costs incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
2.12	<p>Taxes on income Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. Deferred tax are directly recognised in equity and not in the Statement of Profit and Loss.</p>



ARIHANT ABODE LTD.**Notes forming part of the financial statements**

Note	Particulars
2.13	<p>Earning Per Share</p> <p>Basic earnings per share as per AS-20 are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.</p> <p>For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.</p>
2.14	<p>Provisions</p> <p>A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.</p>
2.15	<p>Contingent Liabilities</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.</p>



Note 3 Share capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹10 each with voting rights	50,000	500,000	50,000	500,000
(b) Issued Equity shares of ₹10 each with voting rights	50,000	500,000	50,000	500,000
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	50,000	500,000	50,000	500,000
Total	50,000	500,000	50,000	500,000

Notes:

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

Particulars	Opening Balance	Other changes (give details)	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2014			
- Number of shares	50,000	-	50,000
- Amount (₹)	500,000	-	500,000
Year ended 31 March, 2013			
- Number of shares	50,000	-	50,000
- Amount (₹)	500,000	-	500,000

Class of shares / Name of shareholder (holding more than 5%)	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Arihant Superstructures Ltd.	30,000	60.00	30,000	60.00
Akshay Agarwal	2,575	5.15	2,575	5.15
Sujata Agarwal	2,525	5.05	2,525	5.05
Sangeeta Chhajer	4,525	9.05	-	-

Note 4 Reserves and surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Statement of Profit / (Loss)		
Opening balance	263,861	366,167
Add: Profit / (Loss) for the year	(140,067)	(102,306)
Add: Earlier year adjustment		-
Closing balance	123,794	263,861
Total	123,794	263,861



ARIHANT ABODE LTD.
Notes forming part of the financial statements

Note 5 Long-term borrowings

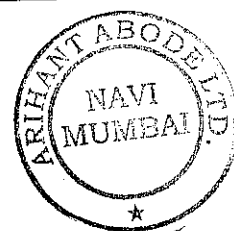
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Secured Loans ICICI Bank Ltd. (Jaguar Car Loan) (Secured against Motor Car)	3,611,633	4,379,653
Total	3,611,633	4,379,653

Note 6 Short-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans repayable on demand		
(i) Unsecured Loans		
From Directors		
Ashok B. Chhajjer	4,566,388	35,752,494
Akshay Agarwal	7,433,773	40,076,146
Sujata Agarwal	66,618,724	-
From Others		
Arihant Superstructure Ltd.	45,294,117	311,289,546
Arihant Universal Realty Pvt. Ltd.	237,887,851	-
Balar Fabrics Pvt. Ltd.	-	4,562,570
Jagprem Chemicals Pvt. Ltd.	-	3,048,506
Marnite Enterprises Pvt. Ltd.	13,807,743	12,336,603
Marnite Shoppe Pvt. Ltd.	16,657,735	21,918,089
Marnite Steel Pvt. Ltd.	4,033,245	9,245,944
Pragya Textiles Pvt. Ltd.	-	1,596,334
Tulsi Guru Textiles Pvt. Ltd.	-	2,983,627
Vivek Textech Pvt. Ltd.	-	9,848,459
Shree Bhairavnath Garments Pvt. Ltd.	98,846,145	86,102,881
Total	495,145,721	538,761,199

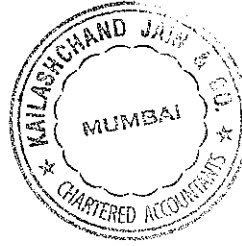
Note 7 Trade payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Trade payables:		
Other than Acceptances	4,548,112	33,169,569
Sundry Creditors	84,515	41,595
Retention		
Total	4,632,627	33,211,164



ARIHANT ABODE LTD.
Notes forming part of the financial statements
Note 8 Other current liabilities

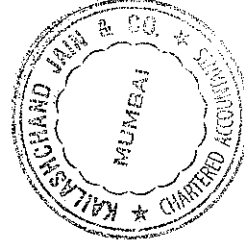
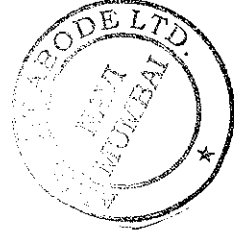
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(b) Advance from customers Bookings	183,486,199	2,924,688
(b) Other payables		
(i) Statutory remittances		
Professoinal Tax Payable	37,285	-
TDS Payable	1,546,533	1,560,376
Service Tax Payable	2,238,573	(167,046)
(ii) Others		
Gratuity payable	46,385	80,429
Provision for Expenses	16,074	-
Audit Fees Payable	55,000	55,618
Electricity Expenses Payable	17,105	32,520
Salary Payable	693,917	262,200
Total	188,137,071	4,748,785



ARIHANT ABODE LTD.
Notes forming part of the financial statements

Note 9: Fixed assets

A.	Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	(a) Site Equipment		258,750	-	258,750	-	8,620	-	8,620	250,130	-
	Container		-	-	-	-	-	-	-	-	-
	(b) Furniture and Fixtures	1,285,553	157,984	-	1,443,537	229,739	90,280	-	320,019	1,123,518	1,055,814
	Owned										
	(c) Vehicles	5,645,151	-	-	5,645,151	88,157	536,289	-	624,446	5,020,705	5,556,994
	Owned										
	Motor Car										
	(c) Computer	44,618	7,560	-	44,618	258	7,233	-	7,491	37,127	44,360
	Owned										
	Computer										
	Printer										
	(e) Office equipment	76,000	-	-	76,000	10,049	3,610	-	13,659	62,341	65,951
	Owned										
	Air Conditioner	36,219	-	-	36,219	4,903	1,720	-	6,623	29,596	31,316
	Camera	402,497	-	-	402,497	55,292	19,119	-	74,411	328,086	347,205
	Inverter	7,000	8,800	-	15,800	954	536	-	1,490	14,310	6,046
	Kitchen Appliances	4,150	-	-	4,150	581	197	-	778	3,372	3,569
	Microwave Oven	9,650	-	-	9,650	1,258	458	-	1,717	7,933	8,392
	Refrigerator										
	Total	7,510,838	433,094	-	7,943,932	391,190	668,818	-	1,060,009	6,883,923	7,119,648
	Previous year	1,821,069	5,689,769	-	7,510,838	195,962	195,228	-	391,190	7,119,648	1,625,107



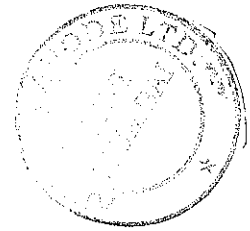
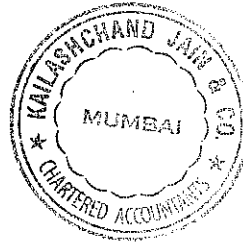
ARIHANT ABODE LTD.
Notes forming part of the financial statements

Note 10 Inventories

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Work in Progress	168,699,564	60,737,898
Total	168,699,564	60,737,898

Note 11 Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Cash in hand	687,639	862,396
(b) Balances with banks		
(i) In current accounts		
Federal Bank - 24373	381,092	103,625
(ii) In deposit accounts		
Fixed deposit with Federal Bank (Auto Sweep)	9,472,000	-
(matured within 3 months)		
Total	10,540,731	966,021



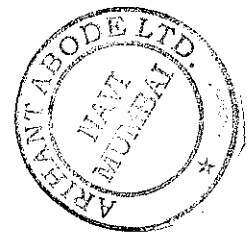
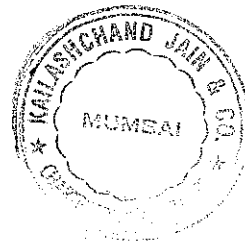
ARIHANT ABODE LTD.
Notes forming part of the financial statements

Note 12 Short-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans and advances to employees		
Sachin Sonawane	11,939	-
A. K. Shrivastav	1,660	-
	13,599	-
(b) Balance due with government authorities		
TDS Receivable (F.Y. 2012-13)	331,146	331,146
TDS Receivable (F.Y. 2013-14)	747,685	-
Income Tax Refund (F.Y. 2011-12)	-	302,403
	1,078,831	633,549
(c) Other advances		
Advance against land	10,000,000	10,000,000
	10,000,000	10,000,000
Total	11,092,430	10,633,549

Note 13 Other Assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Land		
Palaspe land	495,138,465	502,565,869
(b) Others		
Prepaid expenses	70,825	-
	495,209,290	502,565,869



ARIHANT ABODE LTD.

Notes forming part of the financial statements

Note 14 Other income

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Interest income		
Interest on income tax refund	19,657	-
Total	19,657	-

Note 15.a Cost of construction, land and development expenses

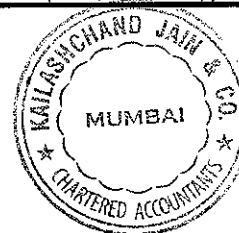
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Purchases (Refer note (i) below)	3,347,198	7,593,468
Direct Expenses (Refer note (ii) below)	24,317,867	3,040,725
Total	27,665,065	10,634,193

Notes :

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
i) Purchases		
Arihant Akansha	3,347,198	7,593,468
	3,347,198	7,593,468
ii) Direct Expenses		
Arihant Akansha	24,317,867	3,040,725
	24,317,867	3,040,725

Note 15.b Changes in inventories of WIP

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<u>Inventories at the end of the year:</u>		
Incomplete projects (WIP)		
Arihant Akansha	168,699,564	60,737,898
	168,699,564	60,737,898
<u>Inventories at the beginning of the year:</u>		
Incomplete projects (WIP)		
Arihant Akansha	60,737,898	45,179,502
	60,737,898	45,179,502
Net (increase) / decrease	(107,961,666)	(15,558,396)



ARIHANT ABODE LTD.
Notes forming part of the financial statements

Note 16 Employee benefits expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Salaries, wages and bonus	6,529,239	1,543,172
Staff welfare expenses	861,456	914
Gratuity expenses	-	80,429
Total	7,390,695	1,624,515

Note 17 Finance costs

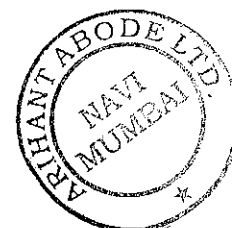
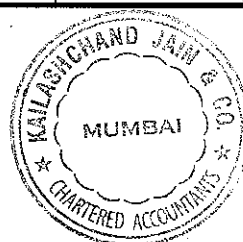
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(a) Interest expense on:		
(i) Unsecured Borrowings	63,920,478	-
(ii) Secured Borrowing (Car Loan)	380,380	66,753
Total	64,300,858	66,753

Note 18 Other expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Selling & Distribution (Refer note 18.i))	3,251,078	22,525
Legal and Professional Fees (Refer note 18.ii))	1,028,276	537,405
Rent, Rates & Taxes (Refer note 18.iii))	1,785,000	1,855,620
CSR Expenses	793,706	-
Donation	2,500	-
Compensation	275,000	-
Administrative Expenses (Refer note 18.iv))	788,113	554,305
Audit Fee	38,932	61,798
ROC Fee	2,000	5,700
Others (Refer note 18.v))	14,580	354
Total	7,979,185	3,037,707

Notes:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
Statutory Audit Fees	38,932	61,798
Total	38,932	61,798



ARIHANT ABODE LTD.

Notes forming part of the financial statements

Note 18.i) Selling and Distribution Expenses

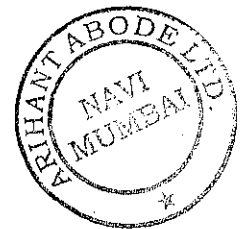
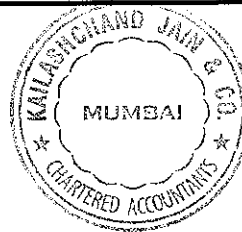
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Advertisement & Publicity Exp.	170,285	14,400
Branding	2,654,023	-
Business Promotion Exp	146,885	-
Customer Delight	5,700	-
Exhibition A/c	-	8,125
Selling & Distribution	250,185	-
Software Rent	24,000	-
Total	3,251,078	22,525

Note 18.ii) Legal and Professional Fees

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Consultancy Fees	537,500	-
Legal Fees	3,360	1,956
Professional Fee	432,056	481,944
Stamping, Franking & Registration Expenses	55,360	53,505
Total	1,028,276	537,405

Note 18.iii) Rent, Rates and Taxes

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Office Rent	1,785,000	1,855,620
Total	1,785,000	1,855,620



ARIHANT ABODE LTD.

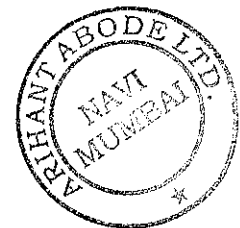
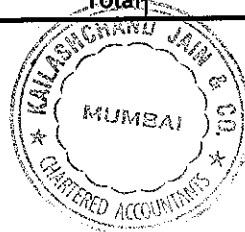
Notes forming part of the financial statements

Note 18.iv) Administrative Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Vehicle Maintenance	100,204	-
AMC Chgs	-	15,169
Travelling and Conveyance	24,660	9,547
General Expences	25,385	14,972
Misc. Office Expenses	70	-
Pest Control Expenses	4,000	4,000
Power and Fuel	550,772	467,080
Postage & Courier Exp.	1,810	50
Printing & Stationary Exp.	18,183	21,178
Repairs & Maintenance	-	3,000
Communication	4,000	-
Toll & Parking Charges	978	108
Training Fees	25,000	-
Bank Charges	4,146	19,201
Insurance expenses	17,669	-
Membership Fees	11,236	-
Total	788,113	554,305

Note 18.v) Others

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Interest on Service Tax	1,306	-
Interest on TDS	13,274	354
Total	14,580	354



Note 19 Disclosures under Accounting Standards 18

Related party transactions

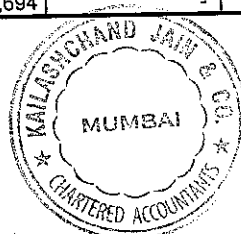
Details of related parties:

Description of relationship	Names of related parties
Holding	Arihant Superstructures Ltd.
Key Management Personnel (KMP)	1. Ashok B. Chhajjer, 2. Akshay Agarwal, 3. Sujata Agarwal
Relatives of KMP	-
Company in which KMP / Relatives of KMP can exercise significant influence	1. Arihant Universal Realty Pvt. Ltd., 2. Balar Fabrics Pvt. Ltd., 3. Jagprem Chemicals Pvt. Ltd., 4. Marnite Enterprises Pvt. Ltd., 5. Marnite Shoppe Pvt. Ltd., 6. Marnite Steel Pvt. Ltd., 7. Pragya Textiles Pvt. Ltd., 8. Tulsi Guru Textiles Pvt. Ltd., 9. Vivek Textech Pvt. Ltd.

Note: Related parties have been identified by the Management.

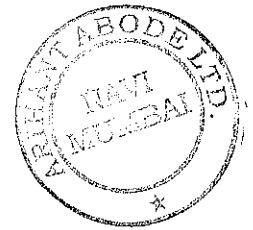
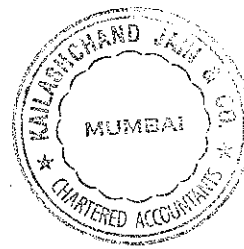
Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:

	Holding	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
I. Transactions during the year :					
Loan Taken :					
1. Arihant Superstructure Ltd.	88,200,000	-	-	-	88,200,000
2. Ashok B. Chhajjer	-	19,800,000	-	-	19,800,000
3. Arihant Universal Realty Pvt. Ltd.	-	-	-	300,900,000	300,900,000
4. Akshay Agarwal	-	17,500,000	-	-	17,500,000
5. Sujata Agarwal	-	63,100,000	-	-	63,100,000
Loan Repayment :					
1. Arihant Superstructure Ltd.	372,031,144	-	-	-	372,031,144
2. Ashok B. Chhajjer	-	52,800,000	-	-	52,800,000
3. Arihant Universal Realty Pvt. Ltd.	-	-	-	79,300,000	79,300,000
4. Balar Fabrics Pvt. Ltd.	-	-	-	4,649,375	4,649,375
5. Jagprem Chemicals Pvt. Ltd.	-	-	-	3,105,435	3,105,435
6. Marnite Shoppe Pvt. Ltd.	-	-	-	7,500,000	7,500,000
7. Marnite Steel Pvt. Ltd.	-	-	-	6,000,000	6,000,000
8. Pragya Textiles Pvt. Ltd.	-	-	-	1,631,277	1,631,277
9. Tulsi Guru Textiles Pvt. Ltd.	-	-	-	3,039,136	3,039,136
10. Vivek Textech Pvt. Ltd.	-	-	-	10,031,368	10,031,368
11. Akshay Agarwal	-	-	-	53,100,000	53,100,000
Interest Paid :					
1. Arihant Superstructure Ltd.	19,818,818	-	-	-	19,818,818
2. Ashok B. Chhajjer	-	2,015,438	-	-	2,015,438
3. Arihant Universal Realty Pvt. Ltd.	-	-	-	18,097,612	18,097,612
4. Balar Fabrics Pvt. Ltd.	-	-	-	96,450	96,450
5. Jagprem Chemicals Pvt. Ltd.	-	-	-	63,255	63,255
6. Marnite Enterprises Pvt. Ltd.	-	-	-	1,634,600	1,634,600
7. Marnite Shoppe Pvt. Ltd.	-	-	-	2,488,496	2,488,496
8. Marnite Steel Pvt. Ltd.	-	-	-	874,779	874,779
9. Pragya Textiles Pvt. Ltd.	-	-	-	38,826	38,826
10. Tulsi Guru Textiles Pvt. Ltd.	-	-	-	61,677	61,677
11. Vivek Textech Pvt. Ltd.	-	-	-	203,232	203,232
12. Akshay Agarwal	-	3,286,252	-	-	3,286,252
13. Sujata Agarwal	-	3,909,694	-	-	3,909,694



Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:

	Holding	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
II. Balance Outstanding at the year end :					
1. Arihant Superstructure Ltd.					
Closing Balance	45,294,117	-	-	-	45,294,117
Opening Balance	(311,289,546)	-	-	-	(311,289,546)
2. Ashok B. Chhajjer					
Closing Balance	-	4,566,388	-	-	4,566,388
Opening Balance	-	(35,752,494)	-	-	(35,752,494)
3. Arihant Universal Realty Pvt. Ltd.					
Closing Balance	-	-	-	237,887,851	237,887,851
Opening Balance	-	-	-	-	-
4. Balar Fabrics Pvt. Ltd.					
Closing Balance	-	-	-	-	-
Opening Balance	-	-	-	(4,562,570)	(4,562,570)
5. Jagprem Chemicals Pvt. Ltd.					
Closing Balance	-	-	-	-	-
Opening Balance	-	-	-	(3,048,506)	(3,048,506)
6. Marnite Enterprises Pvt. Ltd.					
Closing Balance	-	-	-	13,807,743	13,807,743
Opening Balance	-	-	-	(12,336,603)	(12,336,603)
7. Marnite Shoppe Pvt. Ltd.					
Closing Balance	-	-	-	16,657,735	16,657,735
Opening Balance	-	-	-	(21,918,089)	(21,918,089)
8. Marnite Steel Pvt. Ltd.					
Closing Balance	-	-	-	4,033,245	4,033,245
Opening Balance	-	-	-	(9,245,944)	(9,245,944)
9. Pragya Textiles Pvt. Ltd.					
Closing Balance	-	-	-	-	-
Opening Balance	-	-	-	(1,596,334)	(1,596,334)
10. Tulsi Guru Textiles Pvt. Ltd.					
Closing Balance	-	-	-	-	-
Opening Balance	-	-	-	(2,983,627)	(2,983,627)
11. Vivek Textech Pvt. Ltd.					
Closing Balance	-	-	-	-	-
Opening Balance	-	-	-	(9,848,459)	(9,848,459)
12. Akshay Agarwal.					
Closing Balance	-	7,433,773	-	-	7,433,773
Opening Balance	-	(40,076,146)	-	-	(40,076,146)
13. Sujata Agarwal.					
Closing Balance	-	66,618,724	-	-	66,618,724
Opening Balance	-	-	-	-	-



ARIHANT ABODE LTD.
Notes forming part of the financial statements

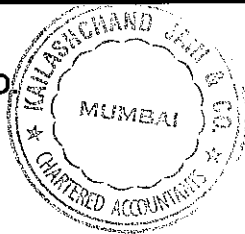
Note 20 Disclosures under Accounting Standards 20

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Earnings per share		
Basic		
Continuing operations		
Net profit / for the year from continuing operations attributable to the equity shareholders	(140,067)	(102,306)
Weighted average number of equity shares	50,000	50,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	(2.80)	(2.05)

Note 21 Disclosures under Accounting Standards 22

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	275,092	185,588
Tax effect of items constituting deferred tax liability	275,092	185,588
Tax effect of items constituting deferred tax assets		
Others	-	27,265
Tax effect of items constituting deferred tax assets	-	27,265
Net deferred tax (liability) / asset	(275,092)	(158,323)

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



Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 28/04/2014

For and on behalf of the Board of Directors



Ashok B. Chhajer
Director



Akshay A. Agarwal
Director

