Arihant
memorable spaces

Arihant Foundations & Housing Limited
New #3 Old #25
Ganapathy Colony, 3rd Street
Off Cenotaph Road, Teynampet
Chennai 600 018

08.09.2025

To,

BSE Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001.
BSE Scrip Code- **531381**

Dear Sir,

Sub: Intimation under Regulation 34 of SEBI (LODR) Regulations, 2015 - Annual Report for the Financial Year 2024-25.

This is to inform you that the 32nd Annual General Meeting ("AGM") of the Members of the Company will be held on Tuesday, September 30, 2025, at 09:00 A.M. (IST) through Video Conferencing ('VC'') /Other Audio-Visual Means ("OAVM''), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, the Annual Report for the Financial Year 2024-25, including the Notice of 32nd Annual General Meeting, being sent to the Members through electronic mode, is enclosed herewith and also available on the Company's website at https://www.arihantspaces.com/investors/.

Kindly acknowledge the receipt of the same and oblige.

Thanking you.

Yours Sincerely,

For ARIHANT FOUNDATIONS & HOUSING LIMITED

ARUN ABRAHAM RAJAN
Digitally signed by ARUN ABRAHAM RAJAN
Date: 2025.09.08 20:26:25 +05'30'

Arun Rajan
Chief Executive Officer

Encl: As above

Arihant
memorable spaces

Enduring Trust. Exponential Impact

Arihant Foundations & Housing Ltd
Annual Report **2024-25**

Enduring Trust. Exponential Impact

For over four decades, Arihant has stood as a symbol of enduring trust in Chennai's real estate landscape. This trust, built through an unwavering commitment to quality, transparency and timely delivery, has become our strongest currency, one that has empowered us to create homes, offices and communities that stand the test of time. It is the bond we share with our customers, partners, employees and stakeholders that forms the bedrock of our success.

From this foundation of trust, we have been able to create an exponential impact. Our projects are not just buildings; they are catalysts of transformation that redefine city skylines, foster vibrant communities and generate lasting value. Whether pioneering organised redevelopment, shaping Chennai's Grade-A commercial footprint or delivering thoughtful senior housing, we have consistently multiplied our contribution to urban growth.

Our design-first philosophy, asset-light joint development model and strong partnerships with Fortune 500 companies and leading corporates give us both the agility to adapt and the scale to expand. As Tamil Nadu cements its position as the fastest-growing state and Chennai continues to rise as a hub for real estate and infrastructure development, we are strategically positioned to harness this momentum.

"Enduring Trust, Exponential Impact" is our identity and our vision. It reflects our legacy of credibility and the transformative possibilities we are pursuing. As we look ahead, we remain deeply committed to enriching lives, reshaping skylines and creating value that grows multifold, for our customers, our partners and our city.

CONTENTS

FY25 Highlights

221.4
(₹ IN CRORE)
REVENUE

79.7
(₹ IN CRORE)
EBITDA

42.7
(₹ IN CRORE)
PROFIT AFTER TAX

401
(₹ IN CRORE)
SALES VALUE

3,30,378
(IN SQ. FT)
AREA SOLD

12,131
(IN D/SQ. FT)
REALISATION

2.9
(MN SQ. FT)
TOTAL ONGOING PROJECT

2,996
(₹ IN CRORE)
TOTAL GDV
(Arihant share 1,585 cr)

ABOUT US

An introduction to Arihant Foundations & Housing Limited

For over four decades, Arihant Foundations and Housing Ltd., founded by the visionary Mr. Navratan Lunawath, has profoundly shaped Chennai's urban landscapes, establishing itself as a premier name in the city's real estate sector. Synonymous with unwavering quality, trustworthiness and architectural excellence, we craft iconic residential, commercial and township developments that serve as timeless legacies, elevating everyday living and business environments.

Embracing a design-first philosophy, we champion customer-centricity, contextual creativity and delivery precision, while prioritising trust-based relationships with stakeholders, including Fortune 500 companies. With over 90% of projects pursued through joint ventures, we foster collaborative growth, pioneering design-led luxury and setting benchmarks in aesthetics, functionality and sustainability.

Committed to integrating technology, craftsmanship and visionary foresight, we pioneer organised redevelopment, expand our commercial presence and redefine Chennai's skyline. Through agile operations and enduring partnerships, we build beyond boundaries, creating memorable spaces that inspire generations.

Our size and scale

40
YEARS OF EXPERIENCE

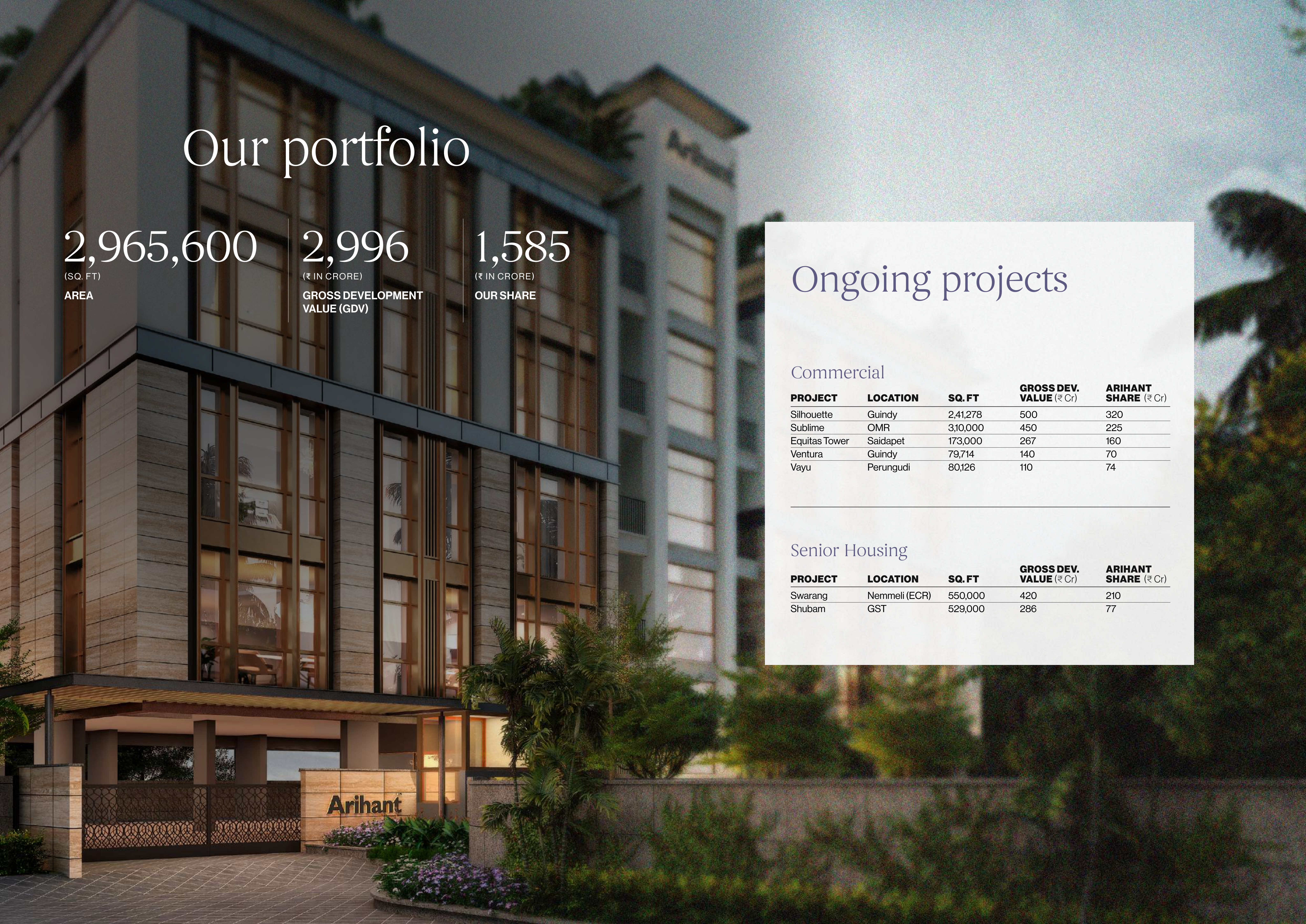
95%
JOINT VENTURES

4.5
(MILLION SQ. FT)
UNDER DEVELOPMENT

>20
(MILLION SQ. FT)
DEVELOPED

COMMITTED TO A

DESIGN-FIRST APPROACH



Our portfolio

2,965,600
(SQ. FT)
AREA

2,996
(₹ IN CRORE)
GROSS DEVELOPMENT VALUE (GDV)

1,585
(₹ IN CRORE)
OUR SHARE

Ongoing projects

Commercial

PROJECT	LOCATION	SQ. FT	GROSS DEV. VALUE (₹ Cr)	ARIHANT SHARE (₹ Cr)
Silhouette	Guindy	2,41,278	500	320
Sublime	OMR	3,10,000	450	225
Equitas Tower	Saidapet	173,000	267	160
Ventura	Guindy	79,714	140	70
Vayu	Perungudi	80,126	110	74

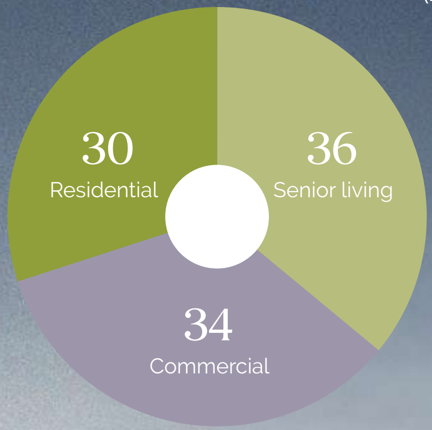
Senior Housing

PROJECT	LOCATION	SQ. FT	GROSS DEV. VALUE (₹ Cr)	ARIHANT SHARE (₹ Cr)
Swarang	Nemmeli (ECR)	550,000	420	210
Shubam	GST	529,000	286	77

Our portfolio

ONGOING PROJECT CATEGORIES

(In %)



Ongoing projects

Uber Luxury

PROJECT	LOCATION	SQ. FT	GROSS DEV. VALUE (₹ Cr)	ARIHANT SHARE (₹ Cr)
Chirla	Poes Garden	33,445	120	30
Miraya	Besant Nagar	60,693	125	50
Krsna	Abhirampuram	16,214	45	16
Aurelia	Harrington Road	8,000	20	20
Vipaasana	Sri Nagar	34,695	50	22

Luxury Residential

PROJECT	LOCATION	SQ. FT	GROSS DEV. VALUE (₹ Cr)	ARIHANT SHARE (₹ Cr)
Melange	Saligramam	1,61,080	192	100
Vivriti	Old Mahabalipuram Road (OMR)	24,365	28	14
Vanya Vilas	Purasawalkam	83,483	93	47

Plotted Layouts

PROJECT	LOCATION	SQ. FT	GROSS DEV. VALUE (₹ Cr)	ARIHANT SHARE (₹ Cr)
Reserve 16	Pattipulam (ECR)	470,000	150	150

Upcoming Projects

PROJECT

Velachery	Kilpauk
Perungudi	Alwarpet

Our journey

1984
First project in Kilpauk

1990
Completed Akash Ganga

1993
Completed Dev Darshan, one of Chennai's first community developments

1995
Went public

1998
Completed Sterling Towers, one of the landmarks of Chennai

2000
Launched Majestic Towers, Chennai's iconic residential high-rise

2003
Completed Viceroy and leased to Verizon

2005
Developed Technopolis, one of the earliest IT offices, in OMR and leased to HCL

2008
Partnered with JP Morgan

2010
Launched North Town, the single largest community development in Chennai

2014
Partnered Ashiana for the first senior housing development

2017
Entered into ultra-luxury residences

2024
Sold Equitas Towers

2025
Undertook strategic partnership with Prestige Estates

Board of Directors

Kamal Lunawath

MANAGING DIRECTOR

With over 27 years of dedicated leadership at Arihant Spaces, Kamal Lunawath epitomises excellence in the real estate industry. His proven expertise in developing IT parks, townships and luxury apartments, combined with sharp strategic vision in corporate and financial planning, has drawn substantial foreign investments. This has propelled the Company to unprecedented levels of innovation and sustainable growth.

Vimal Lunawath

CHIEF FINANCIAL OFFICER & WHOLE-TIME DIRECTOR

With over 24 years of industry expertise, Vimal Lunawath leads the design, execution and delivery of large-scale residential complexes. His dedication to creating high-quality living spaces has established Arihant Spaces as a preferred choice for discerning homeowners.

Bharatkumar Mangilal Jain

WHOLE-TIME DIRECTOR

With more than 22 years of experience in the construction industry, Bharat Jain plays a pivotal role at Arihant Spaces. His expertise in large-scale commercial projects and unwavering commitment to quality have helped position the company as a leader in commercial real estate development.

Ann Gonsalvez

NON-EXECUTIVE/ INDEPENDENT DIRECTOR

Mrs. Ann Gonsalvez brings a wealth of managerial expertise and a strong commitment to social causes to the Board. Over the course of her career, she has held senior leadership positions, serving as Chief and Senior Manager across eight branches in Chennai. Beyond her corporate accomplishments, she has played a pivotal role in community service as the Founder Member and Honorary Secretary of the Multiple Sclerosis Society of India, Chennai Chapter. She also contributes her expertise to governance and compliance as a member of the POSH Committees of the Accountant General's Office (Tamil Nadu Circle), Southern Railway Accounts General Office, Bosch Ltd. and Nippon Paints Ltd.

Gunalan Vivekanand

NON-EXECUTIVE/INDEPENDENT DIRECTOR

Mr. Gunalan Vivekanand brings extensive expertise in property due diligence, conveyancing, real estate documentation, RERA compliance, stamp duty, registration and litigation. He has successfully represented clients before the Madras High Court, Chennai City Civil Court, various tribunals and arbitral panels, securing landmark rulings including precedents on stamp duty limitations. Vivekanand has been recognized as a recommended lawyer for Real Estate and Construction by Legal500 Asia Pacific and has been ranked in the Chambers and Partners Asia Pacific Guide 2025 for Corporate & Commercial law in Chennai. In addition to his legal practice, he serves as an independent director in several public limited and listed companies based in Chennai. His profound legal acumen serves as a vital asset in navigating the regulatory, contractual and compliance complexities of the construction and real estate sector.

Shruti Suresh Kumar

NON-EXECUTIVE/INDEPENDENT DIRECTOR

Ms. Shruti Suresh Kumar is an accomplished architect with an MA in Interior Architecture and Design from Nottingham Trent University. She brings extensive expertise in architecture, space planning, and interior design, with proven ability to manage projects from concept development through construction documentation. Her proficiency in digital design tools, coupled with strong team leadership, enables Arihant Spaces to deliver innovative, efficient and design-driven projects.

BOARD OF DIRECTORS

Karan Bhasin

INDEPENDENT DIRECTOR

Mr. Karan Bhasin brings extensive leadership experience and strategic expertise to his role as an Independent Director. With a proven track record in business development, operational excellence, and corporate governance, he has consistently demonstrated strong analytical and decision-making capabilities across diverse business environments. His comprehensive understanding of financial oversight, compliance frameworks, and risk management enables him to provide valuable insights as a Chairman of the Audit Committee. As an Independent Director, Mr. Bhasin contributes his broad industry knowledge and expertise in financial governance to support effective board oversight and ensure robust internal controls.

Prateek Khicha

INDEPENDENT DIRECTOR

Mr. Prateek Khicha brings over twenty years of industry experience in marketing, strategy, and business development. He holds an MBA in Marketing and has demonstrated expertise in market development, strategic planning, and driving sustainable growth across organizations. His professional background includes successful business expansion initiatives and strategic alignment of corporate objectives with long-term value creation. Mr. Khicha's extensive industry knowledge and commitment to ethical governance make him well-positioned to provide independent oversight and strategic guidance to the Board.

Leadership

Arun Rajan

CHIEF EXECUTIVE OFFICER

Over the past decade, Arun has played a key role in streamlining processes, driving business development, and fostering organisational growth. Backed by more than 14 years of experience, including 11 in real estate, he brings deep industry expertise to Arihant Spaces.

Harish Marlecha

HEAD OF SALES

With more than 20 years of experience, Harish Marlecha leads the sales and marketing initiatives at Arihant Spaces. His strategic vision and innovative marketing approach have significantly strengthened the company's market presence and boosted sales performance.

Abhishek Gouthamchand

HEAD OF BUSINESS DEVELOPMENT

With 15 years of dedicated experience, Abhishek Gouthamchand drives business development at Arihant Spaces. His expertise in identifying new market opportunities and forging strategic partnerships has been instrumental in fuelling the Company's growth.

FROM THE MD'S DESK

From the MD's desk

Dear Shareholders,

It is my great pleasure to present the Annual Report of Arihant Foundations and Housing Limited for the financial year 2024-25. This year has been a testament to our unwavering commitment to excellence, innovation and sustainable growth in Chennai's dynamic real estate landscape. With a legacy of over four decades, we have continued to deliver high-quality projects that resonate with our customers' aspirations, while strengthening our financial position and operational efficiency.

> "In today's ever-evolving and complex macroeconomic environment, Arihant's enduring strengths have been instrumental in driving our sustained success. With a proud legacy spanning over four decades, we have built a foundation of trust and quality that is deeply embedded in Chennai's real estate landscape. "

221.4

(₹ IN CRORE)

Arihant has demonstrated remarkable resilience and robust growth in FY 2024-25, with revenue soaring to ₹221.4 Crore, nearly doubling from the previous year, and EBITDA reaching ₹79.7 Crore, more than twice last year's figure.

A DYNAMIC MACROECONOMIC LANDSCAPE

The global economy exhibited resilience in 2024, with steady GDP growth projected to continue into 2025 and 2026, albeit below historical averages. Inflation moderated meaningfully, supported by proactive central bank policies and easing supply chain pressures. Yet, escalating trade tensions, particularly U.S. tariffs and responses from key partners like China, alongside ongoing geopolitical conflicts in Ukraine and the Middle East, introduced volatility and sustained higher energy prices, underscoring the need for vigilant navigation.

India's economy maintained momentum in FY 2024-25, growing in line with long-term trends while inflation softened further through effective monetary measures. The banking sector's robust health, marked by multi-year lows in non-performing assets and strong capital adequacy, combined with ample foreign exchange reserves, provided a solid foundation. Despite external pressures from a stronger U.S. dollar, tariffs, and brief border tensions, the outlook for FY 2025-26 remains encouraging, fuelled by resilient domestic demand and sustained infrastructure investments.

A BOOMING REAL ESTATE

The Indian real estate sector demonstrates continued strength and growth through 2025. Post-pandemic momentum, robust end-user demand, regulatory frameworks such as RERA and increased institutional investment are key drivers.

Residential markets in Tier-1 cities have achieved multi-year high sales, particularly in the premium and high-end segments. Luxury transactions in Mumbai and Delhi-NCR reached record levels, reflecting increasing affluence. The commercial sector is also strong, with office leasing reaching a peak of approximately 89 million sq. ft. in 2024, driven by technology, BFSI and GCCs. Vacancy rates are stabilising, and rental values are rising in major metropolitan areas. Supportive policy initiatives are fostering long-term capital investment. These structural improvements position the sector for sustained expansion. Adding to this momentum, Tamil Nadu has emerged as the fastest-growing state in the country, posting a remarkable 11.19% real GSDP growth in FY 2024-25. It is the only state to record double-digit expansion. This stellar performance reinforces Tamil Nadu's position as a leading investment destination. These developments have created a strong platform for Arihant to expand its footprint and deliver sustained value.

Further, while global macroeconomic fluctuations persist, India's growing influence within the BRICS framework offers resilience through enhanced trade, capital flows and infrastructure partnerships. At Arihant, we are building on this regional momentum by collaborating with leading firms from India and Southeast Asia to bring in fresh expertise and innovative practices for our upcoming projects. Equally important is our focus on continuously elevating the customer journey, ensuring seamless engagement, transparent communication and superior experiences at every touchpoint. Together, these initiatives strengthen our ability to deliver enduring value and reinforce Arihant's leadership in Chennai's dynamic real estate market.

OUR ROBUST PERFORMANCE

Arihant has demonstrated remarkable resilience and robust growth in FY 2024-25, with revenue soaring to ₹221.4 Crore, nearly doubling from the previous year, and EBITDA reaching ₹79.7 Crore, more than twice last year's figure. Our disciplined financial management and strong creditworthiness have enabled us to achieve a PBT of ₹58.3 Crore and a PAT of ₹42.7 Crore, reflecting the efficacy of our strategic focus on joint developments and organised redevelopment projects. This performance underlines our commitment to quality, trust and sustainable value creation, positioning Arihant as a key driver in reshaping Chennai's skyline and expanding our commercial footprint with confidence and responsibility. We remain vigilant to market dynamics and continue to strengthen our risk management practices to ensure long-term stability and growth for all our stakeholders.

LEVERAGING OUR STRENGTHS

In today's ever-evolving and complex macroeconomic environment, Arihant's enduring strengths have been instrumental in driving our sustained success. With a proud legacy spanning over four decades, we have built a foundation of trust and quality that is deeply embedded in Chennai's real estate landscape. Our asset-light, partnership-driven model, where nearly 95% of projects are executed through joint developments, provides us the agility and scalability needed to adapt and thrive amid changing market dynamics. Strong relationships with Fortune 500 companies and leading Indian corporates empower us to confidently undertake large, complex projects that reshape the city's skyline. Our diversified presence across residential, commercial and senior housing segments gives us the resilience to navigate market cycles with stability. Coupled with a youthful, agile team and a design-first philosophy, we are uniquely positioned to capitalise on regulatory reforms and Chennai's robust infrastructure growth. These strengths fuel our confidence as we continue to create enduring value, fulfilling our commitment to stakeholders and driving sustainable growth for the years ahead.

OUR VISION TO TRANSFORMATIVE GROWTH

Looking ahead, Arihant is strategically poised to lead Chennai's real estate transformation with a clear and ambitious vision. We will pioneer redevelopment initiatives by fully capitalising on recent regulatory reforms, positioning ourselves as the dominant player in Chennai's burgeoning redevelopment market. Our commercial footprint will expand significantly, with focused growth in Grade-A office spaces, retail and GCCs, matching the city's evolving corporate landscape. Central to our success will be the strengthening of our joint venture partnerships, accelerating our mission to redefine Chennai's skyline with collaborative innovation and operational excellence. With a disciplined focus on maintaining our asset-light, multi-segment business model, we are committed to ambitious growth. We are aiming for a fivefold increase in revenue over the next five years while delivering sustained value to our stakeholders and setting new benchmarks in quality and trust.

In conclusion, I extend my heartfelt gratitude to our dedicated team, valued partners, customers and shareholders for their unwavering trust and support. Together, we have navigated challenges and seized opportunities, laying a strong foundation for a future filled with growth and innovation. I remain confident that with our collective commitment and shared vision, Arihant will continue to redefine excellence and create lasting value for all our stakeholders.

Best wishes,

Kamal Lunawath

Key performance indicators

REVENUE (In ₹ Crore)

221.4

FY 2024-25 221.4

FY 2023-24 135.63

EBITDA (In ₹ Crore)

79.7

FY 2024-25 79.7

FY 2023-24 37.49

PROFIT BEFORE TAX (In ₹ Crore)

58.3

FY 2024-25 58.3

FY 2023-24 20.38

PROFIT AFTER TAX (In ₹ Crore)

42.7

FY 2024-25 42.7

FY 2023-24 13.51

SALES VALUE (In ₹ Crore)

400.78

FY 2024-25 400.78

FY 2023-24 381

REALISATION (In ₹/sq. ft)

12,131

FY 2024-25 12,131

FY 2023-24 12,028

AREA SOLD (In sq. ft)

3,30,378

FY 2024-25 3,30,378

FY 2023-24 3,16,706

Strengths and opportunities

With its four-decade legacy, Arihant stands as a trusted name in Chennai's real estate landscape. Backed by strong fundamentals and a design-first approach, we continue to build on our strengths while being well-placed to capture emerging opportunities in a dynamic market.

REGULATORY REFORMS

Recent regulatory reforms in Tamil Nadu are creating strong tailwinds for developers like Arihant, especially in Chennai's redevelopment-driven market. The Tamil Nadu Apartment Ownership Act (2023) has reduced consent requirements for redevelopment projects to 75% and increased permissible FSI by up to 4X, enabling faster approvals, vertical growth, and more efficient land use. Our asset-light, partnership-driven model, backed by collaborations with corporates and Fortune 500 companies, positions us well to capitalise on these reforms by scaling joint developments and large-format projects, while meeting rising demand in Chennai's premium and mid-segment housing markets.

URBANISATION AND HOUSING DEMAND

Rising urbanisation continues to drive strong housing demand in India, creating opportunities across the spectrum from affordable to ultra-luxury and senior living. For us, this structural trend is a key growth enabler, as its multi-segment expertise allows the company to address diverse housing needs, from mass housing for first-time buyers to premium and ultra-luxury formats for affluent urban customers. By tailoring our product offerings to the changing preferences of urban residents, we are strategically positioned to capitalise on sustained city population growth and the rising demand for lifestyle-focused, well-designed housing. With 77% of our ongoing projects in the residential segment, our diversified portfolio reflects evolving buyer priorities, including strong interest in 2–3 BHK homes and sustainable living solutions.

OFFICE AND GLOBAL CAPABILITY CENTRE (GCC) DEMAND

Chennai has emerged as one of India's top office markets, recording the third-highest absorption nationally in 2023. The city also led the country in GCC additions, with 60 new centres and a strong 24.5% YoY growth in FY 2023-24. With the Tamil Nadu government further incentivising GCCs through payroll subsidies, the demand for quality commercial and mixed-use developments is set to rise. With our proven expertise in large-scale commercial projects and strong partnerships, we are well-placed to capitalise on this momentum.

SCALING IN NEW MARKETS

Our potential to scale into new geographies such as Bangalore, coupled with expansion into emerging segments such as Senior Housing and Standalone Retail, provides a strong platform for diversification. These opportunities not only broaden our market reach but also position us to tap into high-growth sectors and new customer segments, ensuring sustained long-term growth.

Arihant – A strong investment proposition

Arihant Foundations & Housing Ltd. is one of the oldest and most reputed names in Chennai's real estate sector, with a strong legacy of trust and quality. We operate on an asset-light model, with nearly 95% of our projects executed through joint developments, enabling scalability while keeping fixed costs low. We have built deep relationships with Fortune 500 companies and leading Indian corporates, strengthening our ability to undertake large and complex projects across the city. Our multi-segment presence across residential, commercial and senior housing provides diversification and resilience through market cycles, while a young, agile talent pool ensures efficient execution and adaptability. Together, these attributes position Arihant as a trusted, flexible and well-capitalised developer poised to capture Chennai's evolving real estate opportunities.

REDEVELOPMENT REFORMS

The Tamil Nadu Apartment Ownership Act (2023), which reduces consent norms for redevelopment from 100% to 75%, has significantly improved the feasibility of large-scale projects in Chennai. This regulatory change opens up substantial opportunities for us to leverage our joint development expertise and strong local presence, positioning the Company to play a leading role in the city's next wave of redevelopment.

POSITIONED FOR SUSTAINED GROWTH

Our recent milestones underscore our ability to capture opportunities and strengthen future growth. The successful pre-leasing of 80,000 sq. ft. in Guindy even before the project launch highlights strong market confidence in our commercial offerings. Strategic partnerships with established players such as Ashiana Housing, Empee Hotels and Equitas reinforce our joint development model and unlock avenues across residential and commercial segments. Complementing this, timely land acquisitions for residential and senior living projects ensure a robust pipeline, positioning us to sustain momentum and expand across high-demand markets.

STRONG INFRASTRUCTURE DEVELOPMENT

Chennai's real estate market is experiencing a significant boost from major infrastructure developments, including Phase II of the Chennai Metro, improved road connectivity and the emergence of new suburban micro-markets in areas such as Pallavaram, Thoraipakkam and Sholinganallur. These enhancements are driving property value appreciation and strengthening demand in peripheral localities, precisely where Arihant holds strategically located land parcels and ongoing residential projects. By leveraging these infrastructure-led growth corridors, we are well-positioned to benefit from both rising market demand and long-term asset value appreciation.

Corporate governance

At Arihant, corporate governance is built on the pillars of fairness, transparency, accountability and ethics. We consistently ensure compliance with all laws, timely disclosures of material information and protection of the interests of customers, shareholders and stakeholders.

Guided by a philosophy of integrity and responsibility, we strive to achieve business excellence while creating long-term value. By embedding good governance practices into our culture, we reinforce trust, strengthen stakeholder confidence and sustain our reputation as a reliable and ethical organisation.

BOARD COMMITTEES

Our Board of Directors has constituted three committees to strengthen its decision-making process and ensure effective governance. These committees provide focused oversight in their respective areas, enabling the Board to make informed and timely decisions. By delegating specific responsibilities, the Board ensures transparency, accountability and efficiency in its operations, while aligning decisions with the interests of all stakeholders.

Audit Committee

Members	Designation
Mr. Karan Bhasin	Chairman
Mr. Prateek Khicha	Member
Mr. Kamal Lunawath	Member

Nomination and Remuneration Committee

Members	Designation
Mr. Karan Bhasin	Chairman
Mr. Prateek Khicha	Member
Mrs. Ann Gonsalvez	Member

Stakeholder Grievance Committee / Stakeholder Relationship Committee

Members	Designation
Mr. Karan Bhasin	Chairman
Mr. Prateek Khicha	Member
Mr. Kamal Lunawath	Member

CODE OF CONDUCT AND POLICIES

We have framed well-defined policies that guide our business conduct, ensuring fairness, transparency and accountability across all operations. These policies cover key areas such as ethical practices, compliance, risk management, stakeholder engagement and customer satisfaction. By adhering to structured systems and processes, we foster a culture of responsibility and trust, aligning our practices with long-term sustainability and stakeholder value creation.

CODE OF CONDUCT

We have established a Code of Conduct that sets the standards of ethical behaviour and professional integrity for all Board members and senior management. The Code, available on the Company's website, serves as a guiding framework to ensure transparency, accountability, and responsible decision-making. For the financial year ended March 31, 2025, all Board members and senior management affirmed compliance with the Code, which has also been certified by the Managing Director.

POLICIES

- CSR Policy
- Whistleblower Policy
- Policy for determining material subsidiaries
- Policy on materiality of related party transactions
- Nomination, remuneration and Board evaluation policy
- Sexual harassment policy
- Preservation of documents and archival policy
- Dividend distribution policy

Refer to Policies on the website for more information.

Management Discussion and Analysis

ECONOMIC OUTLOOK AND OVERVIEW

Global economy

In 2024, the global economy showed resilience despite persistent inflationary pressures, trade tensions and geopolitical uncertainties. According to the International Monetary Fund (IMF), global GDP grew by 3.2% in 2024, with growth projected to hold steady at 3.3% in both 2025 and 2026. This performance, while stable, still falls short of the long-term average growth rate of 3.7% achieved between 2000 and 2019.

A key factor supporting this growth was the moderation of inflation. After peaking in mid-2022 and remaining elevated in 2023, global headline inflation eased from 6.8% in 2023 to 5.9% in 2024, thanks to decisive central bank actions and a gradual easing of supply-side disruptions. The IMF further projects inflation to decline to 4.2% in 2025 and 3.5% in 2026, though certain economies continue to face elevated price pressures that necessitate cautious monetary policies. Despite these improvements, significant risks cloud the outlook. Escalating tariff tensions, particularly stemming from the United States and countermeasures from China and other trading partners, have heightened global trade uncertainties and threaten to dampen momentum. The IMF has warned that unresolved trade disputes could disrupt supply chains and weigh heavily on global growth in the coming years.

Geopolitical tensions also played a prominent role in shaping the global economy in 2024. Conflicts in Ukraine and the Middle East continued to strain energy and food markets, with Brent crude averaging around $85 per barrel in 2024, compared with $82 in 2023, according to the International Energy Agency. This volatility, alongside a strengthening U.S. dollar and tighter financial conditions, created additional headwinds for global trade and investment flows. The outlook for the next two years points to steady but below-trend growth, dependent on the resolution of trade disputes, stabilisation of geopolitical tensions and continued monetary discipline.

Sources

- International Monetary Fund, World Economic Outlook
- AP News

Indian economy

The Indian economy continued to demonstrate resilience through FY 2024–25, recording growth of around 6.4%, in line with the decadal average, though moderating from the strong 8.2% expansion in FY 2023–24. Retail inflation softened further, easing from 5.4% in FY 2023-24 to 4.9% in FY 2024-25, aided by proactive monetary policy measures and easing supply-side constraints.

The banking sector remained a pillar of strength during the year, supported by healthy balance sheets and improving asset quality. As of September 2024, the gross NPA ratio declined to 2.6%, the lowest level in twelve years, while the Capital to Risk-Weighted Assets Ratio stood at 16.7%, well above regulatory requirements. At the same time, foreign exchange reserves rose sharply from US$ 616.7 Billion in January 2024 to US$ 704.9 Billion in September 2024, before moderating to US$ 676.3 Billion by March 2025. These levels provided nearly a year of import cover and coverage for 90% of external debt, underscoring India's strong external buffers.

Global headwinds, however, weighed on markets. The strengthening of the U.S. dollar led to currency depreciation in line with other emerging economies, while selling pressure from foreign portfolio investors triggered volatility in equity indices. The imposition of new U.S. tariffs added uncertainty to India's trade outlook, although the economy's relatively low dependence on exports and ongoing discussions toward a bilateral deal with the U.S. provided some cushion. Geopolitical developments in May 2025, including a brief military escalation with Pakistan, led to short-term market disruptions.

Looking ahead, the outlook for FY 2025–26 remains positive, with growth projected at 6.5%, supported by strong domestic demand, continued government focus on infrastructure-led capital expenditure and improving external sector indicators. Policy initiatives in education, skill development and AI adoption are expected to enhance productivity and workforce readiness, creating a robust foundation for long-term growth. While global trade frictions and geopolitical risks pose challenges, India's large domestic economy and prudent policy framework position it favourably to navigate uncertainties and sustain its growth momentum.

Sources

- Times of India
- DD News
- Reuters
- Economic Times
- Press release, Ministry of Finance

INDUSTRY OVERVIEW AND OUTLOOK

Indian real estate industry

India's real estate sector sustained its post-pandemic momentum through 2024 and into early 2025, underpinned by strong end-user demand, regulatory formalisation, and steady institutional participation. Residential sales in Tier-1 cities remained at multi-year highs, supported by healthy launch activity, price appreciation, and affordability that remained within reach for most buyers. Sector trends point to shorter inventory cycles, resilient pricing, and stronger developer balance sheets, marking a structurally healthier phase compared to the 2013–19 cycle.

The policy framework, particularly RERA, combined with easier access to formal financing and targeted government schemes, has boosted buyer confidence and reduced execution risk. This has enabled larger developers to expand their presence in mid- and premium housing segments, where premiumisation has been a defining theme. Price growth has been most pronounced in Bengaluru, Mumbai and NCR, especially in higher ticket-size categories, driving up average transaction values and drawing increased private equity and REIT participation in both development and rental assets. While absorption remains robust, certain high-end submarkets show early signs of inventory build-up, highlighting the need to monitor supply-demand balance going forward.

Office leasing remained strong through late-2024 and early-2025, with vacancies stabilising and rents rising across Bengaluru, Mumbai Pune and Chennai. Demand was led by technology firms, BFSI and an expanding base of Global Capability Centres (GCCs). Quarterly trackers reported record or near-record leasing volumes in Q1 and H1 2025, alongside falling vacancy rates and steady rent growth in core micro-markets, suggesting broad-based occupier confidence and ongoing footprint expansion. The resurgence of third-party IT services and rising flex-space take-up further concentrated activity in hubs such as Bengaluru and Pune, while lifting demand across other metros.

Investor interest has mirrored this occupier momentum. Domestic and global capital, via direct acquisitions, platform deals and REITs, has flowed into Indian real estate, drawn by attractive yield spreads, resilient demand and rental growth prospects. Landmark leases and commitments in FY 2024–25, including major tech park transactions in Bengaluru, reinforced market confidence, even as investors remain mindful of risks from macro volatility, infrastructure bottlenecks and interest-rate shifts. Overall, strong end-user demand, supportive policy measures and deepening institutional capital have made the 2023–25 cycle structurally stronger than 2013–19, though select markets still face inventory and affordability pressures.

Sources:

- Indian real estate, Office and residential market by Knight Frank
- India office figures Q1 2025 by CBRE
- Office Market Soars: GCCs and domestic demand drive Q2,2025 growth by JLL
- Real estate – Heading into another stronger year by JM Financial

MANAGEMENT DISCUSSION AND ANALYSIS

Government initiatives to boost real estate

1 Pradhan Mantri Awas Yojana (PMAY) – Urban & Gramin

The Pradhan Mantri Awas Yojana (PMAY) remains the government's flagship housing programme, targeting "Housing for All." PMAY-Urban (PMAY-U) focuses on affordable housing in cities through credit-linked subsidies, in-situ slum redevelopment, and affordable housing partnerships, while PMAY-Gramin (PMAY-G) addresses rural housing needs. As of 2023, over 2.85 crore rural houses were sanctioned, with more than 2.15 crore completed, demonstrating strong implementation under PMAY-G. Budget 2024 further launched PMAY 2.0 with a ₹10 lakh crore outlay, aiming to build 1 crore additional houses for the urban poor and middle-income households over five years. The initiative not only supports end-user demand but also stimulates construction activity, employment, and allied industries, reinforcing the real estate sector's growth.

2 Smart Cities Mission and AMRUT

Launched in 2015, the Smart Cities Mission (SCM) and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) aim to modernise urban India. The SCM targeted 100 cities with projects in smart mobility, integrated command centres, energy efficiency, and green public spaces. As of early 2025, 7,479 of the 8,058 tendered projects were completed, marking substantial progress. AMRUT, meanwhile, has focused on enhancing basic infrastructure, such as water supply, sewerage networks, stormwater drains and parks, in 500 cities. Together, these missions have improved liveability and investor confidence in Indian urban centres, boosting demand for residential and commercial real estate by enhancing urban infrastructure and quality of life.

3 Digitisation of land records and unified RERA

The digitisation of land records and reforms under the Real Estate Regulatory Authority (RERA) are aimed at increasing transparency and reducing disputes in the property market. The government has committed to fully digitising land records across India by December 2025, which is expected to streamline property transactions, cut down on litigation and attract higher levels of foreign direct investment (FDI). Parallelly, a unified RERA portal, expected by March 2026, will integrate state RERA data into a single nationwide system, allowing buyers and regulators to track developers and projects seamlessly. These measures address a long-standing challenge of opacity in land titles and project monitoring, thereby strengthening buyer confidence and enabling faster project financing.

4 REITs, InvITs and Institutional Investment Reform

The Indian government and SEBI have undertaken reforms to deepen capital inflows into real estate through Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs). In August 2025, SEBI proposed widening the pool of strategic investors to include pension funds, insurance companies, and other institutional bodies. This move is designed to boost liquidity, improve fundraising for developers, and attract long-term patient capital into India's real estate and infrastructure sectors. By broadening participation, the reforms aim to make REITs and InvITs more robust and comparable to global standards, further institutionalising India's property markets and offering retail investors stable, income-generating instruments.

Residential market

End-user demand remained the primary engine of the housing market through 2024 and into early-2025, with buyers in Tier-1 cities continuing to buy despite price rises, driven by higher incomes, a strong preference for ownership and better-specified product offerings. New-launch activity and sales volumes were broadly resilient. 2024 recorded elevated launches across major cities even as overall unit volumes edged down slightly, while sales-value rose, signalling a shift toward higher-ticket (mid and premium) segments.

Developers have responded by selectively moving product mixes up the price curve to protect margins against land and construction inflation, which has reduced the share of entry-level units among new launches and increased mid-/premium supply in H1–2024 and beyond. At the same time, formal, credit-rated developers captured a larger slice of demand, reflecting stronger buyer preference for branded, RERA-compliant projects and the continued normalisation of institutional financing channels.

Inventory and absorption trends improved versus the pandemic years: launch-to-sales balances and months-of-inventory tightened for many core micro-markets, and absorption broadened across price bands. However, although affordability is noticeably tighter than in 2020–21 for first-time buyers in some metros. Premium and luxury segments outperformed in several markets, lifting aggregate sales value even where unit volumes were muted.

Sources:

- India's luxury homes dominate 2024 sales, crossing 50% mark by JLL
- Cushman & Wakefield
- Indian real estate, Office and residential market by Knight Frank

MANAGEMENT DISCUSSION AND ANALYSIS

Luxury housing demand

Premiumisation accelerated in 2024, with the luxury and ultra-luxury brackets gaining share in several top markets as affluent buyers sought larger formats, branded offerings and amenity-rich communities. Anarock's annual update shows the luxury and ultra-luxury segment's share rising to about 8% by 2024, underscoring a durable move upmarket by both consumers and developers. This skew is echoed by transaction evidence at the super-luxury end, where 2024 volumes in the ₹40-crore-plus bracket hit a new peak across Mumbai and Delhi-NCR, and by marquee pipeline launches signaling confidence in deep high-end demand.

Luxury housing demand in India is being fuelled by a mix of rising affluence, rapid growth in the ultra-high-net-worth population and shifting lifestyle aspirations. Affluent buyers are gravitating towards larger, branded and amenity-rich homes, with city-level data showing sharp price escalations and strong absorption in premium segments. Markets such as Delhi-NCR and Mumbai have led the surge, while Bengaluru, Hyderabad and other metros are also seeing intensified upmarket activity. Developers report a strong appetite not just from NRIs but also from millennials and Gen-Z buyers, who are increasingly driving high-ticket sales. This momentum has tilted the balance of the market, with luxury homes now outpacing affordable housing in several regions, and record ultra-luxury transactions reinforcing confidence in the depth of demand at the very top end.

The ultra-luxury segment, homes priced above ₹40 crore, also saw record sales. In 2024, India witnessed the sale of 59 ultra-luxury units, aggregating ₹4,754 crore. Mumbai led this trend, accounting for 52 of these transactions.

Sources:
- CNBC TV18
- IBEF
- The Economic Times
- Fortune India
- Mint

Commercial real estate market

India's office market exited 2024 with record activity and entered 2025 on strong footing. Gross leasing hit an all-time high of ~89 million sq. ft in 2024, and Q1 2025 alone saw 19.5 million sq. ft (a 28% YoY rise) with net absorption up 54%. The first half of 2025 set a new record at 48.9 million sq. ft, led by Bengaluru, which absorbed 18.2 million sq. ft, over half driven by Global Capability Centres (GCCs). Overall, GCCs accounted for about 42% of FY 2024-25 leasing, underscoring their structural role in the market.[4] Technology firms and BFSI remain key occupiers, while large deals (≥100,000 sq. ft) now dominate leasing volumes.

City-level dynamics are especially favourable in Chennai, where GCCs, backed by state payroll subsidies, are expected to lease 3–3.2 million sq. ft in 2025, pushing total stock beyond 100 million sq. ft by 2026. With vacancy at ~14% and rents rising in core micro-markets, India's office sector remains buoyed by robust occupier demand, institutional ownership and policy support, even as infrastructure and supply risks need monitoring.

Sources:
- Cushman & Wakefield
- Business Standard
- Fortune India
- Economic Times

Real estate trends in Chennai

Chennai's real estate market is undergoing a dynamic transformation, fueled by strong demand trends and major infrastructure upgrades. Office leasing has surged, with 5.5 million sq. ft. absorbed in H1 2025 (a 57% year-on-year increase) driven by Global Capability Centres (GCCs), IT/BFSI firms and multinational corporates. This growth in commercial activity is also stimulating residential demand in key corridors such as OMR, Radial Road, Tambaram and Ambattur.

On the residential side, ultra-luxury housing is reshaping the city's skyline. Demand for expansive, amenity-rich homes is accelerating. Over the next 2–3 years, more than 8,000 premium units are expected to be delivered, particularly in emerging hubs such as ECR and Perungudi. At the same time, suburban and plotted developments are gaining momentum. North Chennai pockets such as Red Hills, Puzhal and Karanodai are attracting large investments, supported by infrastructure such as the Outer Ring Road, metro expansion and proximity to healthcare and education hubs. Developers see these areas following growth patterns similar to established neighbourhoods like Anna Nagar and Besant Nagar.

The mid-market segment also remains resilient, with steady demand for 2–3 BHK homes offering a balance of affordability and functionality. Buyer behaviour is evolving, with greater scrutiny of Undivided Shares (UDS), a preference for RERA-compliant projects and rising demand for ready-to-move homes in integrated communities with lifestyle amenities. Underlying these trends is Chennai's infrastructure momentum, with projects such as Metro Phase 2, the upcoming greenfield airport at Parandur, the Chennai–Bangalore Expressway and light rail networks enhancing connectivity. Together, these developments are strengthening Chennai's position as one of India's most attractive real estate markets, supporting both end-user demand and long-term investor confidence.

Sources:
The Times of India

MANAGEMENT DISCUSSION AND ANALYSIS

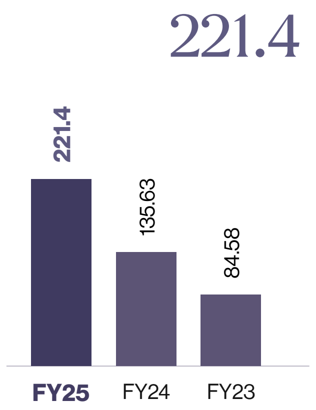
COMPANY OVERVIEW

With a legacy spanning over four decades, Arihant is one of Chennai's most respected real estate names, synonymous with quality and trust. Guided by promoters with extensive industry experience and hands-on involvement in daily operations, the Company consistently delivers efficiency and excellence. Over 90% of Arihant's projects are executed through joint developments, highlighting collaboration as a cornerstone of its success. Supported by strong creditworthiness with leading financial institutions and investors, Arihant enjoys robust financial backing, ensuring stability and reliability across all its ventures.

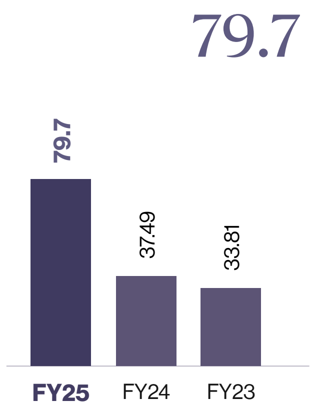
Financial performance

Figures in ₹ Crore

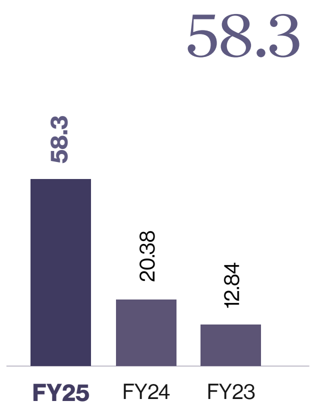
REVENUE



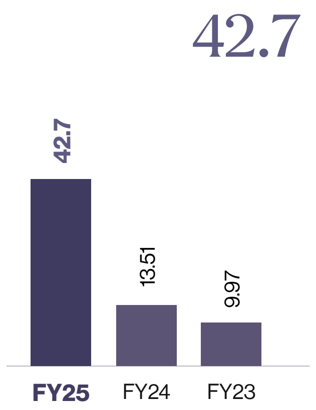
EBITDA



PBT



PAT



Ratios

Particulars	Numerator	Denominator	As at 31.03.2025	As at 31.03.2024
Current Ratio	Current Assets	Current Liabilities	3.48	1.76
Debt-Equity Ratio	Total Liabilities	Shareholder's Equity	0.80	1.16
Debt Service Coverage Ratio	Net Operating Income	Debt Service	2.56	1.24
Return on Equity Ratio	Profit for the period	Average Shareholders' Equity	11.48%	1.90%
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	0.66	0.71
Trade Receivables Turnover Ratio Net Credit Sales	Net Credit Sales	Average Trade Receivables	2.28	1.21
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	1.98	0.59
Net Capital Turnover Ratio	Net Sales	Average Working Capital	0.55	0.93
Net Profit Ratio	Net Profit	Net Sales	20.82%	4.21%
Return on Capital employed	EBIT	Capital Employed	12.74%	2.53%
Return on Investment	Return/Profit/Earnings	Investment	—	—

OUTLOOK

Our mission is to create meaningful, lasting value for our entire ecosystem, including team members, clients, partners, shareholders and the environment alike. We are committed to pursuing initiatives that are consistent, responsible and sustainable. Our long-term strategy centres on driving revenue and profitability growth by reshaping Chennai's skyline through strategic partnerships, leading organised redevelopment projects, and expanding our commercial footprint across the city.

RISK MANAGEMENT

Arihant operates in a dynamic real estate environment where multiple factors can influence performance. Rising construction costs, driven by higher prices of materials, labour and transportation, can pressure project margins. The Company addresses this through strong supplier relationships, bulk procurement and efficient project planning. Regulatory and policy changes also present potential risks to project timelines and feasibility, which Arihant mitigates through proactive compliance, close engagement with authorities and a dedicated legal team to ensure timely approvals and adherence to statutory requirements. Fluctuations in market demand can affect sales and revenue growth, and the Company responds by maintaining a diversified portfolio, focusing on high-demand property types and developing projects in strategically growing locations. Further, given the capital-intensive nature of real estate, financing and liquidity risks are inherent; Arihant's disciplined financial planning, robust creditworthiness with leading institutions and careful cash flow oversight help maintain a robust balance sheet.

CAUTIONARY STATEMENT

Statements in this report that describe the Company's objectives, projections, estimates and expectations may constitute forward-looking statements. These are based on current assumptions, expectations and information available to the Company and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied. The Company undertakes no obligation to update these statements publicly, except as required by law.

Statutory Reports

Corporate Structure

BOARD OF DIRECTORS

Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	Chief Financial Officer and Whole-time Director
Mr. Bharatkumar Mangilal Jain	Whole-time Director
Mr. Karan Basin	Independent Director^
Mr. Gunalan Vivekanand	Independent Director
Mrs. Shruti Suresh Kumar	Independent Director
Mr. Prateek Khicha	Independent Director
Mrs. Ann Gonsalvez	Independent Director#

Chief Executive Officer

Mr. Arun Rajan

Company Secretary

Ms. Mary Belinda Jyotsna,
Company Secretary/ Compliance Officer

BOARD COMMITTEES

Audit Committee

Mr. Karan Bhasin - Chairman^
Mr. Gunalan Vivekanand- Chairman
Mr. Kamal Lunawath - Member
Mr. Prateek Khicha - Member

Nomination & Remuneration Committee

Mr. Karan Bhasin - Chairman^
Mr. Gunalan Vivekanand - Chairman
Mrs. Ann Gonsalvez - Member#
Ms. Shruti Suresh Kumar - Member
Mr. Prateek Khicha - Member

Stakeholder Relationship Committee

Mr. Karan Bhasin - Chairman^
Mr. Gunalan Vivekanand - Chairman
Mr. Kamal Lunawath - Member
Mr. Prateek Khicha - Member

Statutory Auditors

M/s. B P Jain & Co, Chartered Accountants
No.2, Gee Gee Minar, No.23, College Road,
Chennai - 600 006

Legal Advisors

Indus Law Firm
No.11, Venkatraman Street, T. Nagar, Chennai - 600 017

Bankers

ICICI Bank Ltd
Kotak Mahindra Bank
Punjab National Bank
HDFC Bank

Registered Office

No. 3 (Old No. 25), Ganapathy Colony, 3rd lane, Off. Cenotaph road, Teynampet, Chennai - 600 018

Registrar and Share Transfer Agents

M/s. Cameo Corporate Services Limited
V Floor, Subramanian Building, No.1, Club House Road, Anna Salai, Chennai- 600 002

Internal Auditors

M/s. N S Shastri & Co., Chartered Accountants, Bangalore

Secretarial Auditors

M/s. V Suresh & Associates, Company Secretaries, Chennai

#Retired on 24th March 2025

^Retired on 01st July 2025

Notice of 32nd Annual General Meeting

Notice is hereby given that the 32nd Annual General Meeting of the Shareholders of Arihant Foundations & Housing Limited will be held on Tuesday the **30th day of September 2025** through Video Conferencing (VC)/Other Audio-Visual Means ("OAVM") at **09:00 AM** IST to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2025, comprising the Standalone and Consolidated Balance Sheets as at March 31, 2025, the Standalone and Consolidated Statements of Profit and Loss, Changes in Equity and the Cash Flows for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a director in place of Mr. Bharatkumar Mangilal Jain (DIN: 00083236) retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. TO CONSIDER AND APPROVE AUTHORIZING THE BOARD OF DIRECTORS TO ADVANCE ANY LOAN, GIVE ANY GUARANTEE, OR PROVIDE ANY SECURITY IN CONNECTION WITH A LOAN AVAILED BY ANY ENTITY IN WHOM ANY DIRECTOR OF THE COMPANY IS INTERESTED, PURSUANT TO SECTION 185 OF THE COMPANIES ACT, 2013.

To consider, and if thought fit, pass with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 185 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan(s) and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/ Loan taken/to be taken/availed/to be availed by any entity which is a Subsidiary/ Associate/Joint Venture or such other entity as specified under Section 185 of the Companies Act, 2013 and more specifically to such other entity as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested; provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to the Entities shall not at any time exceed the aggregate limit of Rs.1200 Crores (Rupees One Thousand Two Hundred Crores Only).

RESOLVED FURTHER THAT the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

RESOLVED FURTHER THAT any Directors(s) of the Company be and are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution."

4. TO MAKE INVESTMENTS, GIVE LOANS, GUARANTEES AND SECURITY IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modification or re-enactment thereof for the time being in force), and the rules framed thereunder the consent of the members on the Company be and is hereby accorded to the Board of Directors to, inter alia, (a) give any loan to any person(s) or other body corporate(s);(b)give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company however, that the aggregate of the loans and investments so far made, the amount for which guarantees or securities so far provided to or in all other body corporate along with the investments, loans, guarantees or securities proposed to be made or given by the Company, from time to time, shall not exceed, at any time ₹ 500 Crores (Rupees Five Hundred Crores Only) over and above the limit of sixty per cent of the paid-up share capital, free reserves and securities premium account of the Company or one hundred per cent of free reserves and securities premium account of the Company, whichever is more.

RESOLVED FURTHER THAT the Board is authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution, and to settle any question or doubt that may arise in relation thereto."

5. **APPROVAL OF REVISION IN REMUNERATION OF MR. KAMAL LUNAWATH (DIN: 00087324), MANAGING DIRECTOR**

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

RESOLVED THAT in partial modification to the Resolution No. 3 passed by the members at the 30th annual general meeting of the Company held on September 29, 2023, pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, and Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendments, modifications or reenactments thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of remuneration of Mr. Kamal Lunawath (DIN: 00087324), Chairman cum Managing Director of the Company, which is in excess of threshold limits, if any, as prescribed under SEBI(LODR) Regulations, 2015 and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Director may be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions, however, within the limits prescribed in the explanatory statement.

RESOLVED FURTHER THAT the terms and remuneration as set out in the explanatory statement of this resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits in any financial year during the tenure of the Chairman cum Managing Director, the remuneration as stated in the Explanatory Statement, and annual performance commission, excluding the perquisites mentioned under Section IV of Part II of the Schedule V of the Act shall be treated as minimum remuneration, subject to limits mentioned under Section II of Part II of Schedule V of the Act or such other limit as maybe prescribed by the Government from time to time shall be paid.

RESOLVED FURTHER THAT the Board of Directors and Company secretary of the of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

6. **APPROVAL OF REVISION IN REMUNERATION OF MR. VIMAL LUNAWATH (DIN: 00586269), WHOLE TIME DIRECTOR**

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

RESOLVED THAT in partial modification to the Resolution No. 4 passed by the members at the 30th annual general meeting of the Company held on September 29, 2023, pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, and Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendments, modifications or reenactments thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of remuneration of Mr. Vimal Lunawath (DIN: 00586269), Whole- Time Director of the Company, which is in excess of threshold limits, if any, as prescribed under SEBI(LODR) Regulations, 2015 and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Director may be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions, however, within the limits prescribed in the explanatory statement.

RESOLVED FURTHER THAT the terms and remuneration as set out in the explanatory statement of this resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits in any financial year during the tenure of the Whole-Time Director, the remuneration as stated in the Explanatory Statement, and annual performance commission, excluding the perquisites mentioned under Section IV of Part II of the Schedule V of the Act shall be treated as minimum remuneration, subject to limits mentioned under Section II of Part II of Schedule V of the Act or such other limit as maybe prescribed by the Government from time to time shall be paid.

RESOLVED FURTHER THAT the Board of Directors and Company secretary of the of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

7. **APPROVAL OF REVISION IN REMUNERATION OF MR. BHARATKUMAR MANGILAL JAIN (DIN: 00083236), WHOLE-TIME DIRECTOR**

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

RESOLVED THAT in partial modification to the Resolution No. 5 passed by the members at the 30th annual general meeting of the Company held on September 29, 2023, pursuant to Regulations of SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, and Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendments, modifications or reenactments thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of remuneration of Mr. Bharatkumar Mangilal Jain (DIN: 00083236), Whole-Time Director of the Company, which is in excess of threshold limits, if any, as prescribed under SEBI(LODR) Regulations, 2015 and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Director may be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions, however, within the limits prescribed in the explanatory statement.

RESOLVED FURTHER THAT the terms and remuneration as set out in the explanatory statement of this resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits in any financial year during the tenure of the Whole-Time Director, the remuneration as stated in the Explanatory Statement, and annual performance commission, excluding the perquisites mentioned under Section IV of Part II of the Schedule V of the Act shall be treated as minimum remuneration, subject to limits mentioned under Section II of Part II of Schedule V of the Act or such other limit as maybe prescribed by the Government from time to time shall be paid.

RESOLVED FURTHER THAT the Board of Directors and Company secretary of the of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

8. **APPOINTMENT OF M/S V SURESH ASSOCIATES, PRACTISING COMPANY SECRETARIES, AS SECRETARIAL AUDITOR OF THE COMPANY**

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

RESOLVED THAT pursuant to the provisions of Sections 179 and 204 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with circulars issued there under and in accordance with the recommendations of the Board of Directors, the approval of the members be and is hereby accorded for the appointment of M/s V Suresh Associates, Practising Company Secretaries, Chennai (Firm registration no: P2016TN053700), as Secretarial Auditors of the Company for a term of five consecutive years, to conduct the Secretarial Audit from the financial year ending March 31, 2026 till March 31, 2030 ('the Term') at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.

9. **APPROVAL OF REMUNERATION PAID TO COST AUDITOR UNDER SECTION 148 AND THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the remuneration payable to M/s. Ramachandran and Associates, Cost & Management Accountants, (Firm Registration No. 000799), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost accounting records of the Company for the financial year 2025-26, amounting to ₹ 1,50,000/- (Rupees One lakh Fifty Thousand Rupees only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby Approved."

10. APPROVAL OF RELATED PARTY TRANSACTIONS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Companies Act, 2013 and Rules made thereunder, including statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with parties as detailed in the table forming part of the Explanatory Statement annexed to this notice with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any office or place of profit in the Company or any other transactions of whatever nature, at arm's length basis and in the ordinary course of business, notwithstanding that such transactions may exceed thousand crore or 10% of the Annual Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions approved by Audit Committee from 32nd Annual General Meeting till the conclusion of the 33rd Annual General Meeting as specified in the Explanatory Statement annexed to this notice."

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorize any one of the directors of the Company to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

By Order of the Board
For Arihant Foundations & Housing Limited

Sd/-
ARUN RAJAN
Chief Executive Officer

Place: Chennai
Date: 30-05-2025

Notes:

1. Pursuant to General Circular No.14/2020 dated April 08, 2020, General Circular No.17/2020 dated April 13, 2020, Circular No.20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No.19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No.02/2022 dated May 05,2022, CircularNo.10/2022 dated December 28, 2022, Circular No. 09/2023 dated September 25, 2023 and Circular No. 09/2024 dated September 19, 2024 respectively issued by the Ministry of Corporate Aff airs ("MCA Circulars"), Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 General SEBI/HO/CFD/ CMD1/CIR/ P/2020 /79 dated May 12, 2020, Circular No. SEBI/HO/ CFD/CMD2/ CIR /P/2021/11 dated January 15, 2021, Circular SEBI/ HO/CFD/CMD2/ CIR/P/2022/62 dated May 13,2022, Circular No. SEBI/ HO/CFD/PoD- 2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI /HO/CFD/ CFD-POD2/P/ CIR/2023/167 dated October 07, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations/SEBI Listing Regulations"), the 32nd Annual General Meeting ('AGM') of the Company is being conducted through VC/OAVM Facility, without the physical presence of Members at a common venue. The deemed venue shall be the Registered Office of the Company.

2. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the meeting under item no.3 to 10 is annexed hereto.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. As the AGM is being held through VC / OAVM in accordance with the MCA circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company.

5. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report for this financial year 2024-25, is available on the website of the Company at https://www.arihantspaces.com/ on the website of Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL at www.evoting.india.com.

6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and all the documents referred to in the notice will be available for inspection in electronic mode during the AGM.

6. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

7. The Company has fixed September 23, 2025, as the 'Record Date' for determining the entitlement of members to final dividend for the financial year ended March 31, 2025, if approved at the AGM.

8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Cameo Corporate Service Limited for assistance in this regard.

9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar & Transferor agents in case the shares are held by them in physical form.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Registrar & Transferor agents in case the shares are held by them in physical form.

11. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for the financial year 2017-18 are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

12. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 32nd Annual General Meeting of the Company being conducted through Video Conferencing (VC) hereinafter called "e-AGM".

13. e-AGM: The Company has appointed M/s Cameo Corporate Services Limited, Registrars and Transfer Agents, to provide a Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on September 27, 2025, 09:00 AM and ends on September 29, 2025, 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2025 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting **to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab.
	2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below (Contd.)

Type of shareholders	Login Method
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-Voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any Company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant Arihant Foundations & Housing Limited on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should

be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@arihants.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for e-Voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops/iPad for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. 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.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (Company email id: investors@arihants.co.in). These queries will be replied to by the Company suitably by email.

8. The Board of Directors has appointed Mr. V. Suresh, Senior Partner, (Membership No. FCS 2969 and CP No.6032) and failing him Mr. Udaya Kumar K R,(Membership No. F11533 and CP No. 21973) partner of M/s. V. Suresh Associates, Practising Company Secretaries, First Floor, No.28, Ganapathy Colony, IIIrd Street, Teynampet, Chennai – 600 018 as the scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

10. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

11. If any Votes are cast by the shareholders through the e-Voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. **For Physical shareholders:** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**

2. **For Demat shareholders:** Please update your email id & mobile no. with your respective **Depository Participant (DP)**

3. **For Individual Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

Explanatory Statement

The explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to Special Business at the meeting is annexed hereto and shall be taken as forming part of this Notice.

ITEM NO. 3: AUTHORIZING THE BOARD OF DIRECTORS TO ADVANCE ANY LOAN, GIVE ANY GUARANTEE, OR PROVIDE ANY SECURITY IN CONNECTION WITH A LOAN AVAILED BY ANY ENTITY IN WHOM ANY DIRECTOR OF THE COMPANY IS INTERESTED, PURSUANT TO SECTION 185 OF THE COMPANIES ACT, 2013

Section 185 of the Companies Act, 2013, as amended, prohibits companies from advancing loans (including guarantees or securities in connection therewith) to directors or any other person/entity in whom directors are interested, except by way of approval of shareholders through a special resolution. The said provisions also allow a Company to grant such loans, guarantees, or securities to its subsidiaries, associates, joint ventures, or any other "persons in whom directors are interested", subject to the approval of members by way of a special resolution.

The Company, in the ordinary course of its business and to support the business of its subsidiary companies/associates/ joint ventures and such other entities falling under the ambit of Section 185 of the Act, may be required to advance loans, provide guarantees, and offer securities for borrowings. Such financial support will strengthen the operations of those entities and ultimately benefit the Company.

For efficient operation and growth requirements, the Board of Directors seeks approval from members to empower it to undertake such transactions, provided the aggregate limit shall not exceed ₹ 1200 Crores at any time.

The Board considers that the proposed authorization is in the best interest of the Company and therefore recommends the resolution for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except to the extent of their directorship/shareholding in entities receiving financial assistance, are deemed to be concerned or interested in this resolution.

ITEM: 4 APPROVAL TO MAKE INVESTMENTS, GIVE LOANS, GUARANTEES AND SECURITY IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

As per Section 186 of the Act read with the Rules framed thereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

While the existing loans and investments of the Company are well within the limits prescribed under law, the Board considered it prudent, in the interest of greater financial flexibility, optimal capital structuring, and maintaining adequate safeguards, to seek approval of the shareholders for enhancing the limits under Section 186 of the Companies Act, 2013, to ₹ 500 Crores (Rupees Five Hundred Crores Only).

The approval of the members is being sought by way of a Special Resolution pursuant to Section 186 of the Act read with the Rules made thereunder, to enable the Company to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher. It is proposed that the investment activities of the Company shall be carried on in accordance with the Investment Policy of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in passing of resolution.

The Board of Directors of you Company recommends the same to the shareholders for passing of Special Resolution

ITEM NO. 5, 6, AND 7: REVISION IN REMUNERATION OF MR. KAMAL LUNAWATH (MANAGING DIRECTOR), MR. VIMAL LUNAWATH (WHOLE-TIME DIRECTOR/CFO), AND MR. BHARATKUMAR MANGILAL JAIN (WHOLE-TIME DIRECTOR)

The members of the Company had approved the remuneration of the above Directors in the 30th Annual General Meeting held on September 29, 2023. Pursuant to Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015, as amended, where the remuneration payable to executive directors (promoter or member of promoter group) exceeds prescribed thresholds, the same requires approval of the shareholders by way of a special resolution.

Considering the scale of operations, responsibilities entrusted, and the role played by the said Directors in the growth and management of the Company, upon recommendation of the Nomination & Remuneration Committee and approval of the Board, it is proposed to revise their remuneration structure during their tenure.

The terms of remuneration are in line with the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013, subject to approval of shareholders. In case of loss or inadequacy of profits in any financial year during the tenure, the remuneration payable shall be treated as minimum remuneration in accordance with Schedule V.

The key terms of proposed remuneration and perquisites are detailed in Annexure of this Notice.

The Nomination and Remuneration Committee and the Board are of the view that the revision in remuneration is commensurate with industry standards and responsibilities held.

The concerned Directors (Mr. Kamal Lunawath, Mr. Vimal Lunawath, and Mr. Bharatkumar Mangilal Jain), being recipients of the remuneration, and their relatives, shall be deemed to be interested in the respective resolutions. No other Director, Key Managerial Personnel or their relatives are concerned or interested.

ITEM NO. 8: APPOINTMENT OF SECRETARIAL AUDITOR

In accordance with Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (LODR) Regulations, 2015, every listed Company is required to obtain an annual Secretarial Audit Report from a Practising Company Secretary.

Considering their expertise and experience in conducting secretarial audits of listed and large companies, the Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. V. Suresh Associates, Practicing Company Secretaries, Chennai (Firm Regn. No. P2016TN053700) as Secretarial Auditor of the Company for a period of five consecutive years starting from the financial year ending March 31, 2026 until March 31, 2030.

The remuneration and detailed terms and conditions of appointment will be fixed by the Board of Directors.

The Board recommends the resolution as an Ordinary Resolution for the approval of the Members.

None of the Directors, KMPs or their relatives are in any way concerned or interested in this resolution.

ITEM NO. 9: APPROVAL OF REMUNERATION OF COST AUDITOR

The Board of Directors, on recommendation of the Audit Committee, has Appointed M/s Ramachandran and Associates, Cost Accountants (FRN: 000799) as the Cost Auditor for the financial year 2025-26, to audit cost records maintained by the Company as required under Section 148 of the Companies Act, 2013.

The remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and out-of-pocket expenses has been fixed by the Board, subject to Approved by shareholders at the general meeting.

The Board recommends the resolution as an Ordinary Resolution for the approval of the Members.

None of the Directors, KMPs or their relatives are concerned or interested in this resolution.

ITEM NO. 10: APPROVAL OF RELATED PARTY TRANSACTIONS:

The Securities and Exchange Board of India ("SEBI"), vide its notification dated November 9, 2021, has notified the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 ("Amendments") introducing amendments to the provisions pertaining to the related party transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The aforesaid amendments inter-alia included replacing of current threshold i.e. 10% (ten percent) of the listed entity's consolidated turnover, for determination of material related party transactions requiring prior shareholders' approval with the threshold of lower of ₹ 1,000 crore (rupees one thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Accordingly, the threshold for determination of material related party transactions under regulation 23(1) of the SEBI Listing Regulations has been reduced with effect from April 1, 2022. No related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not. Further, SEBI vide its circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 has clarified and specified that the shareholders' approval of omnibus RPTs approved in an annual general meeting ("AGM") shall be valid upto the date of the next AGM for a period not exceeding fifteen months. Your Company Arihant Foundations & Housing Limited is engaged in the business of construction of residential, commercial complexes and IT parks. In order to facilitate such funding and to manage the business affairs of the Company smoothly, the Company needs to make some transactions with its related parties w.r.t. borrowing / granting of loans and advances etc. as more particularly mentioned in the proposed resolution. The particulars of the transaction(s) pursuant to the provisions of section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as in the Annexure to the Notice.

By Order of the Board
For Arihant Foundations & Housing Limited

Sd/-
ARUN RAJAN
Chief Executive Officer

Place: Chennai
Date: 30-05-2025

Annexure to the Notice

Director Remuneration Table

Particulars	Mr. Kamal Lunawath (MD)	Mr. Vimal Lunawath (WTD)	Mr. Bharatkumar Mangilal Jain (WTD)
Basic Salary (per month)	Rs.10,00,000	Rs.10,00,000	Rs.2,00,000
Allowances & Perquisites	NA	NA	NA
Performance/Annual Commission	NA	NA	NA
Retirement/PF/Gratuity	NA	NA	NA
Stock Options	Nil	Nil	Nil
Justification	Commensurate with responsibilities & market standards	Commensurate with responsibilities & market standards	Commensurate with responsibilities & market standards

S No	**Particulars**	**Details of proposed Related Party Transactions**									
1	Relationship with Company	Canopy Living LLP	Escapade Services LLP	Vilaya Properties LLP	Questiva Estates LLP	Kairav Developers Limited	Ivorylane Realty LLP	Veridion Realty LLP	Skyspan Projects LLP	Vrikodara Realtors Private Limited	Lusso Terra Infra Private Limited
2	Nature of Relationship	An Entity having common Directors/ Designated Partners	An Entity having common Directors/Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners	An Entity having common Directors/ Designated Partners
3	Nature and Material Terms of Contract	**Joint Development Agreements (JDAs)** – Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs)** – Agreements for residential/commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.	**Joint Development Agreements (JDAs) –** Agreements for residential/ commercial/ township projects with sharing of revenue, costs, and responsibilities on arm's length terms.
		Construction Contracts – Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.	**Construction Contracts –** Execution of construction and infrastructure projects on milestone-based consideration in the ordinary course of business.

S No	Particulars	Details of proposed Related Party Transactions									
		Sale/Purchase of Land/Flats/Development Rights – Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.	**Sale/Purchase of Land/Flats/Development Rights –** Transactions at prevailing market value and on arm's length basis.
		Project Management/Marketing/Support Services – Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.	**Project Management/Marketing/Support Services –** Provision or availing of project management, marketing, branding, administrative, and support services, including manpower sharing, on cost-plus/market terms.
		Reimbursement of Expenses – Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.	**Reimbursement of Expenses –** Recovery of actual expenses incurred towards projects, compliance, or administration, without markup.
		Loans/Guarantees/ICDs – Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.	**Loans/Guarantees/ICDs –** Granting or availing of loans, guarantees, or inter-corporate deposits at market-linked interest rates, repayable within agreed tenure.
4	Tenure	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year
5	Value of Approval being sought (in Crs	250	100	300	300	100	100	100	100	100	100

Directors' Report

The Board of Directors takes pleasure in presenting this comprehensive Directors' Report, accompanied by the Audited Financial Statements and Independent Auditors' Report, for the financial year concluded on March 31, 2025. The key financial performance indicators and results achieved during the year are summarized below:

FINANCIAL PERFORMANCE

OPERATIONAL PERFORMANCE

Standalone Financial Results

During the financial year under review, your Company delivered strong operational performance with sustained growth across key financial metrics:

Revenue Performance:

Revenue from operations increased to ₹ 12,225.98 Lakhs compared to ₹ 7,656.31 Lakhs in the previous year, recording a robust growth of 59.7%

Other Income grew to ₹ 1,600.73 Lakhs from ₹ 1,360.94 Lakhs in the previous year, representing an increase of 17.6%

Profitability:

The Company achieved an exceptional Profit Before Tax of ₹ 3,469.38 Lakhs, marking a substantial improvement of 701.9% from ₹ 432.74 Lakhs in the previous year

After accounting for interest, finance charges, and depreciation, the Company reported a strong Profit After Tax of ₹ 2,545.70 Lakhs compared to ₹ 322.50 Lakhs in the previous year, representing an impressive growth of 689.3%

This outstanding performance demonstrates the Company's effective business strategy, operational efficiency, and strong market positioning in the real estate sector.

Consolidated Financial Results

On a consolidated basis, your Company continued its growth trajectory and delivered remarkable results across all business segments:

Revenue Growth:

Consolidated revenue from operations increased significantly to ₹ 20,643.59 Lakhs from ₹ 12,408.21 Lakhs in the previous year, recording a substantial growth of 66.4%

Other Income improved to ₹ 1,500.16 Lakhs from ₹ 1,164.66 Lakhs in the previous year, showing an increase of 28.8%

Strong Profitability:

Despite challenging market conditions during the year, the Company maintained its upward growth momentum Consolidated Profit After Tax reached ₹ 4,270.14 Lakhs compared to ₹ 1,350.14 Lakhs in the previous year, marking an outstanding growth of 216.3%

The consolidated results underscore the resilience of your Company's diversified real estate portfolio and the successful execution of strategic development projects across multiple markets.

Key Financial Highlights

Performance Analysis

The financial year 2024-25 has been transformational for your Company, characterized by:

Revenue Expansion: Significant growth in both standalone and consolidated revenue streams

Margin Improvement: Enhanced profitability ratios demonstrating operational efficiency

Strategic Resilience: Strong performance despite prevailing market challenges

Portfolio Strength: Diversified revenue base providing stability and growth opportunities

Your Directors are pleased to report that the Company has successfully capitalized on market opportunities while maintaining financial discipline, resulting in exceptional value creation for all stakeholders.

FINANCIAL HIGHLIGHTS

(₹ In Lakhs)

S. No.	Particulars	Standalone Financial Statement		Consolidated Financial Statement	
		Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2025	Year Ended 31.03.2024
I	**Total Revenue**	13,826.71	9017.25	22,143.74	13,572.87
II	**Total Expenses**	10,357.33	8584.51	16,353.63	11,615.67
III	**Profit before exceptional and extraordinary items and tax (I-II)**	3,469.38	432.74	5,824.67	2,037.53
IV	Exceptional items	-	-	-	-
V	**Profit before extraordinary items and tax (III -IV)**	3,469.38	432.74	5,824.67	2,037.53
VI	Tax expense:				
	(1) Current tax	(922.89)	(108.85)	(1,560.77)	(686.30)
	(2) Deferred tax	(0.79)	(1.38)	6.25	(1.09)
VII	**Profit (Loss) for the period**	2,545.70	322.50	4,270.14	1,350.14

DIVIDEND

Despite your Company's strong operating performance and healthy profits for the financial year, the Board of Directors, after careful consideration, has decided not to recommend any dividend for the year ended 31st March 2025. This decision has been taken keeping in mind the need to conserve resources, strengthen the balance sheet, and provide greater financial flexibility to fund future growth opportunities and strategic initiatives. The Board believes that retaining the profits will help the Company to invest in expansion plans, technology upgrades, working capital, repayment of debts, and other corporate needs, thereby enhancing long-term shareholder value.

SHARE CAPITAL

During the year under review, the Company increased its Authorised Share Capital from ₹ 10,00,00,000 (Rupees Ten Crore only) to ₹ 30,00,00,000 (Rupees Thirty Crore only), pursuant to the approval of the members by Postal Ballot held on 08th November 2024.

The Paid-up Share Capital of the Company also increased from ₹ 8,60,00,000 (86,00,000 equity shares of ₹ 10 each) to ₹ 9,96,56,240 (99,65,624 equity shares of ₹ 10 each), as a result of allotment of equity shares through Preferential Allotment.

Further, 8,96,873 share warrants were issued on a preferential basis to both promoter and non-promoter categories.

During the year, the Company has not issued any equity shares with differential rights as to dividend, voting, or otherwise, nor has it issued any sweat equity shares to its directors or employees.

RESERVES & SURPLUS

The Company not made any transfer of amounts to General Reserve for the financial year ending 31st March 2025.

SUBSIDIARIES & JOINT VENTURES/ ASSOCIATES

As on 31st March, 2025, your Company has eight (8) wholly owned subsidiaries and one (1) joint venture. The Company does not have any associates.

The wholly owned subsidiaries are:

1. M/s. Arihant Griha Limited
2. M/s. Vaikunt Housing Limited
3. M/s. Varenya Constructions Limited
4. M/s. Transparent Heights Real Estate Limited
5. M/s. Escapade Real Estates Private Limited (Step-down subsidiary)
6. M/s. Vihaana Realty Private Limited
7. M/s. Vinyasa Realty Private Limited
8. M/s. Verge Realty Private Limited

The joint venture entity is M/s. Kairav Developers Limited.

The financial highlights of the subsidiaries and the joint venture, as required under Section 129(3) of the Companies Act, 2013, are provided in Form AOC 1, annexed to this Report as **Annexure 1.**

RELATED PARTY TRANSACTIONS:

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the policy on related party transactions and the related party framework, formulated and adopted by the Company.

All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length. All transactions entered into with related parties were approved by the Audit Committee of the Company. During the year under review, the Company had not entered into any contract/ arrangement/transaction with related parties which could be considered material in accordance with the policy on related party transactions or which is required to be reported in Form No. AOC – 2 in terms of Section 134(3)(h) read with Section 188 of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014. Accordingly, there are no transactions that are required to be reported in Form No. AOC – 2. Transactions with related parties, as per requirements of Indian Accounting Standard 24 and Schedule V of SEBI Listing Regulations are disclosed in the notes of the financial statements respectively in the Annual Report. The form is enclosed as Annexure-2 to this report.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. https://www.arihantspaces.com/investors.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

In accordance with Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of the **Corporate Overview section** and may be referred to on **Page 24 of this Annual Report**.

PUBLIC DEPOSITS

The Company has not accepted any deposits falling within the meaning of Section 73 or 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year and as such, no amount on account of principal or interest on deposits from public was outstanding as on 31st March 2025.

REPORT ON CORPORATE GOVERNANCE

Your Company ensures good corporate governance by implementing and complying with the policies, standards set out by Securities and Exchange Board of India and other regulatory authorities. The requisite certificate issued by M/s. V Suresh Associates, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report as **Annexure 3.**

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year ended 31st March 2025 to which the Financial Statements relates and the date of signing of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company makes investments or extends loans/ guarantees to its Subsidiaries for their business purposes as and when required by them for its emergent business requirements. The details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 ('the Act') along with the purpose for which such loan or guarantee were utilised forms part of the Notes to standalone financial statements attached to this Annual report..

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR:

No application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2024-25.

DISCLOSURE UNDER RULE 8(5)(XII) OF THE COMPANIES (ACCOUNTS) RULES, 2014

There was no instance of one-time settlement with any bank or financial institution.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There was no amount required to be transferred to Investor Education and Protection Fund during the year.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR:

Not applicable during the financial year.

CHANGE IN NATURE OF BUSINESS:

During the year under review, there has been no change in the Company's nature of business.

DIRECTORS:

During the period the Composition of Directors the Company was in compliance with Section 149 of the Companies Act and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

A) Directors Retiring by Rotation

Pursuant to the requirements of the Act and Articles of Association of the Company, Mr. Bharatkumar Mangilal Jain (DIN: 00083236) is liable to retire by rotation and, being eligible, offers himself for re-appointment. The Board recommends the appointment of Mr. Bharatkumar Mangilal Jain (DIN: 00083236) as Director of the Company, retiring by rotation.

B) Key Managerial Personnel

Pursuant to Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company:

Sl. No.	Name of the Directors	Designation
1.	Mr. Kamal Lunawath	Chairman & Managing Director
2.	Mr. Vimal Lunawath	Whole-time Director & Chief Financial Officer
3.	Mr. Bharatkumar Mangilal Jain	Whole-time Director
4.	Mr. Arun Rajan	CEO^
5.	Ms. Mary Belinda Jyotsna	Company Secretary

^ Appointed on 30.05.2024

The remuneration and other details of these Key Managerial Personnel for Financial Year 2024-25 are provided in the Annual Return which is available on the website of the Company.

C) Committees:

(I) Audit Committee

The Audit Committee had a number of meetings, both formal and internal interactions, with the management team to review Accounts, Finances, Compliances and Risks, and in ensuring improved internal reporting, analyses and financial performances.

Given the increasing complexities presented by the new Companies Act and other Laws, the Audit Committee has also focused on Compliance and Governance to meet the needs of the present and the future. When necessary, external consultants have been brought in to support the Committee and the Management team.

We are happy to report to you that the governance of your Company is of a high order as a result. Further improvements are being implemented.

The Audit Committee composition under provisions of section 177 of the Act and as required under Reg. 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is depicted below:

Mr. Karan Bhasin, Chairman of the Committee –I & NE

Mr. Prateek Khicha, Member of the Committee – I & NE#

Mr. Kamal Lunawath, Managing Director, Member of the Committee – NI &E

Ms. Mary Belinda Jyotsna, Secretary of the Committee.

Note: I- Independent, NE- Non-Executive, E- Executive

(II) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been active in its role as stipulated in Section 178 of the Companies Act 2013. The policy of remuneration for the Directors, KMPs and employees are stated elsewhere in the report.

The Nomination & Remuneration Committee consists of Mr. Karan Bhasin, Chairman of the committee, Mrs. Ann Gonsalvez, Independent Director, Ms. Shruti Suresh Kumar, Independent Director and Mr. Prateek Khicha, Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

The Committee is formed in accordance with Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee has coined a Remuneration Policy as under Reg. 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of determining the Remuneration to the Directors.

(III) Stakeholder Grievance Committee/ Stakeholder Relationship Committee:

The Stakeholder Grievance committee comprises of, Mr. Karan Bhasin – Chairman of the committee, Mr. Kamal Lunawath, Managing Director and Mr. Prateek Khicha, Independent Director as the members of the committee. The Company Secretary of the Company acts as the Secretary to the Committee.

The Committee is formed in accordance with Section 178 of the Companies Act, 2013 to consider and resolve the grievances of security holders of the Company.

D) Changes in Directors and Key Managerial Personnel

During the period under review, the following are the changes in directors and Key Managerial Personnel

Sl No	Name	Designation	Appointment / Cessation	Date
1	Mr. Arun Rajan	Chief Executive Officer	Appointment	30.05.2024

Sl No	Name	Designation	Appointment / Cessation	Date
1	Mr. Gunalan Vivekanand	Independent Director	Appointment	06.09.2024
2.	Ms. Shruti Suresh Kumar	Independent Director	Appointment	08.10.2024
3.	Mrs. Ann Gonsalvez	Independent Director	Cessation	24.03.2025

After the closure of financial year

Sl No	Name	Designation	Appointment / Cessation	Date
1.	Mr. Karan Bhasin	Independent Director	Cessation	01.07.2025

E) Meetings of the Board and Committees:

During the Financial Year 2024-25, the Board of Directors met Ten (10) times and the details of the meetings of the Board and its Committees are given in the Corporate Governance Report **(Annexure 3)**. The gap intervening between two meetings was within the time prescribed under the Act and Listing Regulations.

Details of attendance of meetings of the Board, its Committees and the Annual General Meeting are included in the Report on Corporate Governance, which forms part of this Annual Report.

F) Declaration by Independent Directors

A declaration by the Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 was taken on record by the Board in their meeting held on May 04, 2024. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company https://www.arihantspaces.com/investors/code-of-conduct/

The Company has also disclosed the Directors' familiarization program on its website https://www.arihantspaces.com/investors/code-of-conduct/.

The independent directors have met on 24.03.2025 without the presence of non-independent directors and reviewed the performance of non-executive directors, chairman and executive directors and analyzed the flow of information to the Board. All the Independent directors were present at the meeting.

The Board also evaluated its own performance and that of its committees & Independent Directors.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Indian Accounting Standards (IND-AS) on consolidated financial statements read with Accounting Standard IND-AS-28 on investment in associates and on financial reporting of interest in Joint Venture, Auditors Report on the consolidated financial statements, audited consolidated Balance Sheet, Profit and Loss account and Cash flow statements are provided in the Annual Report.

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

The Company has taken necessary steps for conservation of energy and technology absorption.

There are no foreign – exchange earnings and outgo.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up by your Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year the Company has not received any complaint under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

REMUNERATION POLICY OF THE COMPANY:

The objective of the remuneration policy of the Company is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, including Secretarial Standard on Meetings of the Board of Directors (SS-1), Secretarial Standard on General Meetings (SS-2).

PROHIBITION OF INSIDER TRADING

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (PIT Regulations), the Company has adopted the revised "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" ("the Code"). The Code is applicable to all Directors, Designated persons and connected Persons and their immediate relatives, who have access to unpublished price sensitive information relating to the Company. The Company has also formulated a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations.

The aforesaid Codes are posted on the Company's website and can be accessed by using web link at: https://www.arihantspaces.com/investors/code-of-conduct.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

In the opinion of the Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity and are highly qualified, recognized and respected individuals in their respective fields. It's an optimum mix of expertise (including financial expertise), leadership and professionalism.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.

iii. the directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. the directors have prepared the annual accounts on a going concern basis.

v. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

vi. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Code of Conduct of the Company aims at ensuring consistent standards of conduct and ethical business practices across the Company. This Code is reviewed on an annual basis and the latest Code is available on the website of the Company at weblink https://www.arihantspaces.com/wp-content/uploads/2022/06/Code-of-Conduct-for-Directors-and-SM.pdf. Pursuant to the Listing Regulations, confirmation from the Managing Director and Chief Executive Officer regarding compliance with the Code by all the Directors and senior management of the Company is given in **Annexure I to the Corporate Governance.**

CEO/CFO CERTIFICATION

Appropriate certification as required under Reg. 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Arun Rajan, Chief Executive Officer and Mr. Vimal Lunawath, Chief Financial Officer have certified to the Board regarding Financial Statements for the year ended 31st March 2025 which is attached as **Annexure II to Corporate Governance Report.**

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

The Company has a vigil mechanism to deal with instances of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Companies Act, 2013, the provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Company for the financial year, as the prescribed thresholds for CSR applicability have not been met.

STATEMENT PURSUANT TO LISTING REGULATIONS:

Your Company's shares are listed with BSE Ltd. We have paid the respective annual listing fees and there are no arrears.

STATUTORY AUDITORS

The Company has appointed **M/s. B.P Jain & Co**, Chennai (Firm Regn. No. 007735S) in the 29th Annual General Meeting held on 30th September 2022 for a period of 5 years from the 29th annual general meeting until the conclusion of the 34th annual general meeting of the Company on such remuneration as may be fixed by the Board of Directors. In view of the amendment to the Companies Act, 2013 notified by the Ministry of Corporate Affairs dated 7th May 2018, no longer their appointment needs to be ratified by the Members of the Company.

COST AUDITOR

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the maintenance of cost records is applicable to the Company. The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Ramachandran and Associates, Cost Accountants (Firm Registration No. 000799), having their office at Chennai, as the Cost Auditors of the Company for the financial year 2025-2026 at a remuneration of ₹ 1,50,000, subject to Approval by the shareholders at the ensuing Annual General Meeting.

AUDITORS' REPORT

There are no qualifications or adverse remarks mentioned in the Auditors' report. The notes to accounts, forming part of financial statements, are self-explanatory and need no further clarification.

SECRETARIAL AUDITORS

The Board appointed M/s. V Suresh Associates, Practicing Company Secretaries, Chennai to conduct a Secretarial Audit for the Financial Year 2024-25. The Secretarial Audit Report for the Financial Year ended March 31, 2025, is attached to this Report as **Annexure 4**.

REPLY TO SECRETARIAL AUDIT REPORT:

The Board of Directors' explanation for the observations made in the Secretarial Audit report is annexed in **Annexure 5.**

ADEQUACY OF INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Audit and Internal Financial Controls with reference to the financial statements, which is evaluated by the Audit Committee as per Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Apart from Statutory Audit, your Company, in compliance with Section 138 of the Companies Act, 2013, had engaged **M/s N S Shastri & Co., Chartered Accountants, (Firm's Registration No.: 015093S)** Chartered Accountants, Chennai as the Internal Auditors of the Company for the financial year 2024-25. Findings and observations of the Internal Auditors are discussed, and suitable corrective actions are taken as per the directions of the Audit Committee on an on-going basis to improve efficiency in operations.

The Company's internal control systems are well established and commensurate with the nature of its business and the size and complexities of operations and adequate with reference to the financial statements as envisaged under the Companies Act, 2013.

PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to the provisions of the Act and Listing Regulations and as per Guidance Note on Board Evaluation issued by SEBI on 5th January 2017, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its committees at its meeting held on 08th October 2024. The Nomination and Remuneration Committee has defined the evaluation criteria for the performance evaluation of individual Directors, the Board and its Committees. The performance of the Board, its committees and individual Directors was evaluated by the Nomination and Remuneration Committee and Board after seeking input from all the respective Committee members and Directors.

RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, The Company has a risk policy defining risk management governance model, risk assessment and prioritization process. The Risk Management Committee adopted a follow-up risk management framework to review and monitor the key risks and their mitigation measures periodically and provide an update to the Board on the Company's risks. The Audit Committee has additional oversight on financial risks and controls.

ANNUAL RETURN

The annual return of the Company has been uploaded in the web site and the same can be accessed through web site link https://www.arihantspaces.com/investors.

REPORTING OF FRAUD

The Auditors of the Company, Cost Auditors or the Secretarial Auditors have not reported any fraud as specified under Section 143 (12) of the Companies Act, 2013.

PERSONNEL

The Board wishes to place on record its appreciation for all employees of the Company, for their wholehearted efforts and contribution to the performance and growth of the Company.

CAUTIONARY STATEMENT

The Annual Report including those which relate to the Directors' Report, Management Discussion and Analysis Report may contain certain statements on the Company's intent expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company bears no obligations to update any such forward-looking statement. Some of the factors that could affect the Company's performance could be the demand and supply for Company's product and services, changes in Government regulations, tax laws, forex volatility etc.

ACKNOWLEDGEMENTS

Your directors place on records their gratitude for the support and co-operation received from CMDA, Corporation of Chennai, various statutory bodies of the Government of India, Banks and Financial Institutions, Customers, Suppliers and Shareholders and for their continued support. The Board also wishes to place its sincere appreciation to the dedicated and committed team of employees.

Annexures forming part of this Directors' Report

The following annexures referred in this report and other information which are required to be disclosed are attached and forms an Integral part of this Directors' report

i) Annexure 1 - Form AOC - 1

ii) Annexure 2 - Form AOC – 2

iii) Annexure 3 - Report on Corporate Governance

iv) Annexure 4 - Secretarial Auditor Report

v) Annexure 5 - Reply to Secretarial Report

vi) Annexure 6 - Information required under Section 197 of the Companies Act, 2013 and rules made there-under in respect of Employees of the Company

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

KAMAL LUNAWATH
Managing Director
DIN: 00087324

VIMAL LUNAWATH
Whole-time Director/CFO
DIN: 00586269

Place: Chennai
Date: 30-05-2025

Annexure - 1

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 INR)

		Subsidiaries								Joint Controlled Entity
Sl No	**Particulars**	**Details**								
	Name of the Subsidiary	**Arihant Griha Ltd**	**Varenya Constructions Ltd**	**Vaikunt Housing Ltd**	**Transparent Heights Real Estate Ltd**	**Verge Realty Private Ltd**	**Escapade Real Estate Private Ltd**	**Vihaana Realty Private Limited**	**Vinyasa Realty Private Limited**	**Kairav Developers Ltd.**
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR
3	Share capital	5,00,000	5,00,000	5,00,000	5,00,000	1,00,000	1,65,00,000	1,00,000	1,00,000	5,00,000
4	.Reserves & surplus	1,19,92,063	(20,91,38,002)	(7,04,810)	(9,07,066)	11,29,63,925	43,96,38,008	(50,07,336)	(51,86,136)	6,73,37,995
5	Total assets	8,35,73,735	14,27,43,707	1,63,99,656	1,32,49,339	21,95,52,037	59,43,00,649	1,10,00,000	97,00,000	84,60,02,919
6	Total Liabilities	8,26,69,914	48,38,81,708	1,66,04,467	1,36,56,406	10,64,88,104	37,61,62,638	60,07,336	48,86,136	77,81,64,924
7	Investments	1,15,88,242	13,20,00,000	-	-	-	23,80,00,000	-	-	-
8	Turnover	1,14,26,549	1,25,50,583	6,00,006	11,66,696	63,89,66,434	21,65,24,502	-	-	7,73,076
9	Profit before taxation	39,76,307	9,89,515	3,83,487	6,81,701	13,79,53,380	10,83,36,594	(28,86,136)	(31,86,136)	(31,76,030)
10	Provision for taxation	2,33,985	-	(59,824)	(1,77,242)	(3,48,43,021)	(2,91,44,818)	-	-	14,09,032
11	Profit after taxation	37,42,322	9,89,515	3,23,663	5,04,458	10,31,10,359	7,91,91,776	(28,86,136)	(31,86,136)	(17,66,998)
12	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
13	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	Arihant 50% & Ashiana Housing Ltd 50%

Note:

1. Names of subsidiaries which are yet to commence operations - Vihaana Realty Private Limited & Vinyasa Realty Private Limited

PART "B": ASSOCIATES AND JOINT VENTURES

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

Name of associates/Joint Ventures	
1. Latest audited Balance Sheet Date	-
2. Shares of Associate/Joint Ventures held by the Company on the year end	-
No. of shares	-
Amount of Investment in Associates/Joint Venture	-
Extend of Holding%	-
3. Description of how there is significant influence	-
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	-
6. Profit/Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

Note:

1. Names of associates or joint ventures which are yet to commence operations. **NIL**
2. Names of associates or joint ventures which have been liquidated or sold during the year. **NIL**

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

	KAMAL LUNAWATH	**VIMAL LUNAWATH**
Place: Chennai	Managing Director	Whole-time Director/CFO
Date: 30.05.2025	DIN: 00087324	DIN: 00586269

Annexure 2

AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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

A. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

Arihant Foundations & Housing Limited (the Company) has not entered into any contact/ arrangement/ transaction with its related parties which is not in ordinary course of business or at arm's length during financial year 2024-25. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act 2013 (Act) and the corresponding Rules. In addition, the same is reviewed by the Audit Committee.

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts / arrangements / transactions: Not Applicable

(c) Duration of the contracts / arrangements / transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

(f) Date(s) of approval by the Board: Not Applicable

(g) Amount paid as advances, if any: Not Applicable

(h) Date on which the special resolution was passed in general meeting as required under the first proviso to Section 188: Not Applicable

B. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

II. Details of Material Contracts or Arrangements or Transactions at Arm's Length Basis

SNo	Name of Related Party & Nature of Relationship	Nature of Contracts / Arrangements / Transactions	Duration	Salient Terms (Including Value)	Date of Board Approval	Amount Paid as Advances
			Not Applicable			

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

KAMAL LUNAWATH
Managing Director
DIN: 00087324

VIMAL LUNAWATH
Whole-time Director/CFO
DIN: 00586269

Place: Chennai
Date: 30.05.2025

Annexure 3

REPORT ON CORPORATE GOVERNANCE

(As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company has always focused on the highest levels of fairness, transparency, accountability, ethics and values in all facets of its operations and always adhered to the law in force in the Country. Your Company ensures timely and accurate disclosure on all material matters including the financial situation, performance and regulatory requirements. At Arihant, we constantly promote and enhance the customers' satisfaction and stakeholders' legitimate interests.

The elements of Corporate Governance are transparency, accountability, responsibility, compliance, ethics, values, and trust. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in mind the needs and interests of all its Stakeholders. We are committed to meet the aspirations of all our Stakeholders. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency, and fairness in all transactions in the widest sense. The objective is to meet Stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization.

At Arihant, we believe that delivering on promises through a foundation of honesty, built on transparency, finished with integrity is essential for achieving long-term corporate goals of the Company and for meeting the needs and aspirations of its stakeholders, including shareholder.

2. BOARD OF DIRECTORS

(I) Composition of Board

The Directors of the Company possess the highest personal and professional ethics, integrity and values and are committed to representing the long-term interests of the Stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs, exercising its reasonable business judgment on behalf of the Company.

The Board has an optimum combination of Executive, Non-Executive and Independent Directors including Women Director, which ensures proper governance and management.

The Chairman of the Board, who is also the Promoter & Managing Director, holds this position as on March 31, 2025

The Company's Board of Directors was composed of seven members as on March 31, 2025, comprising three Executive Directors and four Non-Executive Directors.

The Board reviews and approves strategy and oversees the performance to ensure that the long-term objective of enhancing Stakeholders' value is achieved.

The breakup of the total composition of the Board as on 31.03.2025 is as follows:

Sl. No.	Name of the Directors	Designation	Executive/non-executive/Independent
1.	Mr. Kamal Lunawath*	Chairman & Managing Director	Executive
2.	Mr. Vimal Lunawath*	Whole time Director & Chief Financial Officer	Executive
3.	Mr. Bharatkumar Mangilal Jain	Whole time Director	Executive
4.	Mr. Prateek Khicha	Director	Non-Executive & Independent
5.	Mr. Karan Bhasin	Director	Non-Executive & Independent
6.	Mrs. Ann Gonsalvez#	Director	Non-Executive & Independent
7.	Mr. Gunalan Vivekanand (Appointed on 06/09/2024)	Director	Non-Executive & Independent
8.	Ms. Shruti Suresh Kumar (Appointed on 08/10/2024)	Director	Non-Executive & Independent

*Represents Promoter

Disclosure of relationship between directors inter-se:

Mr. Kamal Lunawath and Mr. Vimal Lunawath are siblings.

#Resigned On 24th March 2025

(II) Attendance of each Director at the Board Meetings and the Last AGM and Details of Other Directorships as on 31.03.2025.

The details of attendance of each Director at the Board Meetings held during the Year under review and the last Annual General Meeting (AGM) along with the number of Companies and Committees where she/he is a director/Member/Chairman and the relationship between the Directors inter-se, as on March 31, 2025, are given below:

Sl. No.	Name of the Directors	Attendance at			Whether Attended last A.G.M	No. of Directorship held in other Public Limited Companies	Mandatory Committee Details including the Company*	
		Board Meetings	Audit Committee Meetings	Nomination & Remuneration Committee			Membership	Chairmanship
1.	Mr. Kamal Lunawath	10	4	--	Yes	5	2	--
2.	Mr. Vimal Lunawath	10	--	--	Yes	4	--	--
3.	Mr. Bharatkumar Mangilal Jain	10	--	--	Yes	2	--	--
4.	Mr. Prateek Khicha	10	4	1	Yes	--	--	--
5.	Mr. Karan Bhasin^	10	4	1	Yes	--	2	--
6.	Mrs. Ann Gonsalvez	10	--	1	Yes	--	--	2
7.	Mr. Gunalan Vivekanand	6	--	--	Yes	--	--	--
8.	Ms. Shruti Suresh Kumar	5	--	--	NA	--	--	--

*Covers only the membership/chairmanship in Audit Committee and Stakeholders Relationship Committee.

^Retired on 01st July 2025

Name of other listed companies in which Director of the Company is Director and their category:

None of the Directors are Directors in any other listed Company.

Disclosure of Director's Interests in transaction with the Company:

None of the Non-executive Directors had any pecuniary relationship or transaction with the Company pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 other than that of sitting fees.

Except sitting fees, no Director has been paid any remuneration as the Director of the Company except the Executive Directors who were being paid remuneration for acting as Managing Director or Whole-time Director of the Company.

Confirmation of Independence of Independent Directors:

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and that they are independent of the management.

Minimum Information to be placed before the Board

All the minimum information under Part A of Schedule II pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) to the extent applicable to the Company were placed before the Board.

(III) Number of Board Meetings Held, Dates on Which Held

During the Financial Year 2024 to 2025 (from 01.04.2024 to 31.03.2025), 10 (Ten) Board meetings were held on 04.05.2024, 30.05.2024, 12.08.2024, 06.09.2024, 08.10.2024, 11.11.2024, 16.11.2024, 27.01.2025, 12.02.2025, 24.03.2025.

(IV) Remuneration of Directors

The remuneration paid to the Managing Director/Whole-time Directors is within the ceiling as per the resolution approved by the shareholders/prescribed under the Schedule V to the Companies Act, 2013 and their terms of appointment are displayed at the Company's website https://www.arihantspaces.com/investors/code-of-conduct/

Details of remuneration paid to the Managing Director/Whole-time Directors during the year ended 31/03/2025 are:

Name	Position	Salary ₹ (Annual)	Commission ₹	Contribution to P.F. and other Fund ₹	Perquisites ₹	Incentives & Bonus In ₹
Kamal Lunawath	Managing Director	60,00,000	Nil	Nil	Nil	Nil
Vimal Lunawath	Whole Time Director	60,00,000	Nil	Nil	Nil	Nil
Bharatkumar Mangilal Jain	Whole Time Director	18,00,000	Nil	Nil	Nil	Nil
Mary Belinda Jyotsna	Company Secretary	3,60,000	Nil	Nil	Nil	Nil

Sitting fees is payable to the Non-Executive Directors for attending Board/eligible Committee meetings. The sitting fees paid to the Non-Executive Directors are as under:

Name of the Director	Sitting Fees Paid (₹)
Mr. Prateek Khicha	77,500
Mr. Karan Bhasin	77,500
Mrs. Ann Gonsalvez	60,000
Mr. Gunalan Vivekanand	30,000
Ms. Shruti Suresh Kumar	25,000

No remuneration was paid to Non – executive and Independent Directors except sitting fees. Notes: (i) There are no stock options and severance fees.

3. AUDIT COMMITTEE

(I) Composition:

The Audit Committee composition under provisions of section 177 of the Act and as required under Reg. 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is depicted below:

Mr. Karan Bhasin, Chairman of the Committee –I & NE

Mr. Prateek Khicha, Member of the Committee – I & NE

Mr. Kamal Lunawath, Managing Director, Member of the Committee – NI & E

Note: I- Independent, NE- Non-Executive, E- Executive

The Company secretary of the Company acts as the Secretary to the Committee.

(II) No. of meetings and attendance:

There were four (4) meetings held during the year 2024-25 (from 01.04.2024 to 31.03.2025) on 30.05.2024, 12.08.2024, 11.11.2024, 12.02.2025.

(III) Brief description of terms of reference:

The Audit committee acts in accordance with the duties specified under section 177(4) of the Act and as required under Reg. 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit committee reviews information as per the role stated in the Listing Regulations and the broad role of the said Committee is to review:

i. financial reporting process;
ii. adequacy of internal control systems;
iii. the financial statements for approval of the Board;
iv. the performance of statutory and internal auditors;
v. review as per mandatory requirement stated in the Listing Regulations.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee consists of Mr. Karan Bhasin, Chairman of the committee, Mrs. Ann Gonsalvez, Independent Director and Mr. Prateek Khicha, Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

During the financial year 2024-25 (from 01.04.2024 to 31.03.2025), 3 (Three) meetings of Nomination and Remuneration Committee was held on 30.05.2024, 06.09.2024, 08.10.2024. The said meeting was attended by all the members.

The Committee is formed in accordance with Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee has coined a Remuneration Policy as under Reg. 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of determining the Remuneration to the Directors. The Committee assists the

Board in establishing remuneration policies and practices broadly relating to:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

ii. Formulation of criteria for evaluation of Independent Directors and the Board;

iii. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.

iv. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

v. To perform such other functions as may be necessary or appropriate for the performance of its duties.

5. STAKEHOLDER GRIEVANCE COMMITTEE/STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Grievance committee comprises of, Mr. Karan Bhasin – Chairman of the committee, Mr. Kamal Lunawath, Managing Director and Mr. Prateek Khicha, Independent Director as the members of the committee. The Company Secretary of the Company acts as the Secretary to the Committee.

The Committee is formed in accordance with Section 178 of the Companies Act, 2013 to consider and resolve the grievances of security holders of the Company. The Committee's main focus is on the basic rights of the shareholders including transmission/transposition of shares, issue of duplicate/split certificates, sub division/consolidation of shares, consolidation of folios, dematerialization/rematerialization of shares, change of address, non-receipt of the dividend, non-receipt of the share certificates and such other issues relating to investor relations.

During the financial year 2024-25 (from 01.04.2024 to 31.03.2025), 3 (Three) meeting of Share transfer and Shareholders/Investors Grievance Committee were held on 21.06.2024, 06.09.2024, 11.11.2024. The said meeting was attended by all the members.

a) Ms. Mary Belinda Jyotsna, Company Secretary, is the Compliance Officer.

b) No. of shareholders' complaints received during the period 01.04.2024 to 31.03.2025: **Nil**

c) No. of complaints not solved to the satisfaction of the Shareholders: **Nil**

d) No. of pending complaints as on 31.03.2025: **Nil**

6. SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year. – There is no such instance during the year

7. FAMILIARIZATION PROGRAMS FOR DIRECTORS

A familiarization program is made available to Directors through various reports, codes and internal policies with a view to update them on the Company's policies and procedures on a regular basis. The details of the familiarization program carried out for the financial year 2024-25 have been hosted on the website https://www.arihantspaces.com/investors/code-of-conduct/

8. POLICY ON MATERIAL SUBSIDIARY

The details of the policy have been disclosed on the Company's website https://www.arihantspaces.com/investors/code-of-conduct/

9. POLICY ON RELATED PARTY TRANSACTIONS& POLICY ON DETERMINATION OF MATERIALITY OF AN EVENT

The policies have been disclosed on the Company's website https://www.arihantspaces.com/investors/code-of-conduct/

10. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Managing Director and their remuneration. This Policy is accordingly derived from the said Charter. https://www.arihantspaces.com/investors/code-of-conduct/

11. VIGIL MECHANISM/WHISTLE BLOWER MECHANISM

Employees are asked to report any practices or actions believed to be inappropriate and against the interests of the Company or its code of conduct adopted or any other illegal acts to their immediate Manager. Report of violation may also be made directly to the Chief Executive Officer. Where appropriate, complaints may be made on a confidential basis to the Chairman of the Audit Committee/Board. The contact details are made available on the Company's website/Notice Board. All complaints received will be properly investigated by the recipients and report the outcome to the Audit Committee in sealed cover for appropriate action. The Company prohibits retaliation against any employee for such complaints made in good faith, while it also protects the rights of the incriminated person. No complaint has been registered during 2024-25. No personnel have been denied access to the Committee/Mechanism. The policy of the Company can be found at the web link https://www.arihantspaces.com/investors/code-of-conduct/

12. KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

In accordance with Clause C (h)(i) and (ii) of Schedule V read with Regulations 34(3) and 53 (f) of SEBI (LODR) Regulations 2015, the Board of Directors have identified the following Core Skills/Expertise/Competencies, required for Board Members in the context of Company's business and sectors, to function effectively.

The Board of the Company comprises qualified members who bring in the required skills, expertise and competence that allows them to make effective contribution to the Board and its Committees. The members of the Board are committed to ensure that the Board is in compliance with the highest standards of corporate governance.

The below table summarizes the key qualifications, skills, expertise and attributes considered while nominating a candidate to serve on the Board:

Board Qualification Indicators	
Real Estate	Being a director in a Real Estate based Company, proficiency in complex Real Estate laws, negotiation, Customer development etc., are key to develop a team.
Business Operations	Vast experience in driving business success across the country with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks and have a broad perspective on market opportunities.
Leadership	Leadership experience in a significant enterprise with a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, succession planning and driving change and long-term growth.
Technology	A significant background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
Board Governance	Service on the Board of the public Company to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance Company reputation.
Finance	Being a Director in Real Estate Company, proficiency in complex financial management, capital allocation and financial reporting processes are must.

The list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board.

	Kamal Lunawath	**Vimal Lunawath**	**Bharatkumar Magilal Jain**	**Prateek Khicha**	**Karan Bhasin**	**Gunalan Vivekanandan**	**Shruti Suresh Kumar**
Designation	Promotor, Executive Director and Managing Director	Promotor, executive Director	Executive Director	Non-executive Independent Director	Non-executive Independent Director	Non- executive Independent Director	Non-executive Independent Director
Industry Experience	✓	✓	✓	✓	✓	✓	✓
General Management skills	✓	✓	✓	✓	✓	✓	✓
Leadership Skills	✓	✓	✓	✓	✓	✓	✓
Problem Solving/Decision Making	✓	✓	✓	✓	✓	✓	✓
Relationship Building	✓	✓	✓	✓	✓	✓	✓
Communication Skills	✓	✓	✓	✓	✓	✓	✓
Planning & Strategy Development	✓	✓	✓	✓	✓	✓	✓
Legal & Compliances	✓	✓	✓	✓	✓	✓	✓
Human Resource Management	✓	✓	✓	✓	✓	✓	✓

13. PREVENTION OF TRADING CODE:

The Company has adopted the revised Code of Conduct for Prevention of Insider Trading, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and the same has been uploaded in the website of the Company.

All the Promoters, Directors, designated employees, connected persons who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window shall be closed from the end of every quarter till 48 hours after the declaration of financial results & in case of any other events.

14. GENERAL BODY MEETINGS

a) Location and time where last three Annual General Meeting (AGMs) were held:

A.G.M	Date	Time	Venue
29th AGM	30.09.2022	11.00 AM	Through Video Conferencing (VC)/Other Audio-Visual Means ("OAVM").
30th AGM	29.09.2023	09.00 AM	Through Video Conferencing (VC)/Other Audio-Visual Means ("OAVM").
31st AGM	30.09.2024	10.00 AM	Through Video Conferencing (VC)/Other Audio-Visual Means ("OAVM").

b) Whether any special resolutions passed in the previous 3 AGMs: **Yes**

c) Whether any special resolutions passed last year through postal ballot: **Yes**

d) Number of Resolutions is proposed to be conducted through postal ballot: **2**

15. DISCLOSURES

a) The Company's internal Audit is done by a firm of Chartered Accountants. The reports submitted by the Internal Auditors on the operations and financial transactions and the Action Taken Report on the same are placed before the Audit Committee, apart from the Statutory Auditors and the Senior Management of the Company. The Board has the policy of reviewing the non-compliance reported, if any.

b) During the year, the material significant transactions with the Directors or their relatives or the other related parties did not have any potential conflict with the interests of the Company. All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

c) There were no instances of material non-compliance and no penalties or structures on the Company imposed by Stock Exchanges, SEBI or statutory authorities on any matter related to Capital Market during last three years/period. - Except as mentioned in the Secretarial audit report.

d) The Company has devised Whistle Blower mechanism and the same is available in the Company's website. It is hereby affirmed that, that no personnel have been denied access to the audit committee.

16. MEANS OF COMMUNICATION

The Company has promptly reported all material information including quarterly, Half yearly and Annual financial results and press releases to the Stock Exchanges where the Company's securities are listed. The quarterly results were communicated to the shareholders by way of advertisement in an English National Newspaper, normally in The Business Standard or Financial Express and in a vernacular language newspaper, normally in the Maalaisudar or Makkal Kural, Tamil edition. The results and other updates are displayed on the Company's website https://www.arihantspaces.com.

17. CODE OF CONDUCT:

The Company has laid down the Code of Conduct for all Board members and senior management of the Company, which is available on the Company's Website https://www.arihantspaces.com/investors/code-of-conduct/

All Board members and Senior Management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2025. The Managing Director & Chief Executive Officer has also confirmed and certified the same. The certification is annexed as **Annexure I to Corporate Governance** at the end of this Report.

18. RISK MANAGEMENT:

The Company has adopted well laid down procedures to inform Board members about the risk assessment and adopted suitable forex policy including hedging to contain foreign exchange risk.

19. CEO/CFO CERTIFICATION:

Appropriate certification as required under Reg. 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Arun Rajan, Chief Executive Officer and Mr. Vimal Lunawath, Chief Financial Officer have certified to the Board regarding Financial Statements for the year ended 31st March 2025 which is attached as **Annexure II to Corporate Governance**.

20. DETAILS OF TRANSFER OF UNPAID DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Financial Year	Date of declaration of dividend	Unpaid dividend Amount as on 31.03.2018	Due date for transfer to IEPF
2010-11	30-03-2012	65,606.00	28-04-2019

21. AFFIRMATION:

The provisions of Reg. 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Reg. 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable to the Company, are fully complied with. All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are disclosed in this report.

Further the Company adopted the following discretionary requirements under Reg. 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. The Board

No separate office is maintained by the present Chairman - cum - Managing Director.

B. Modified opinion(s) in audit report

There are no modified opinions in the consolidated audit report is annexed along with the financial statements.

C. Reporting of internal auditor

The Internal Auditors directly report to the Audit Committee

22. GENERAL SHAREHOLDER INFORMATION

I.	Number of Annual General Meeting Venue Date & Time	:	32nd e-Annual General Meeting 30th September 2025, 09:00 AM IST The MCA vide its relevant circulars, has permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC / OAVM. (For details please refer to the AGM Notice.)			
II.	Financial Calendar		Financial Year ending 31st March			
	Tentative Financial Reporting Calendar:		Financial reporting 2025-26	From	To	Date
			1st quarter	April	June	On or before August 14, 2025
			2nd quarter	July	September	On or before November 14, 2025
			3rd quarter	October	December	On or before February 14, 2026
			4th quarter	January	March	On or before May 30, 2026
			Annual General Meeting	April 2025	March 2026	On or before September 30, 2026
III.	Book Closure date	:	24.09.2025 to 30.09.2025 (both the days inclusive)			
IV.	Dividend Payment Date	:	NA			
V.	Listing on Stock Exchanges	:	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001. Website:-www.bseindia.com			
VI.	Listing Fees	:	Paid as per the Listing agreement.			
VII.	Stock code/Symbol	:	531381			
VIII.	Name as per BSE Limited:		Arihant Foundations & Housing Limited			
IX.	ISIN for dematerialised shares	:	INE413D01011			
X.	Registrar & Share Transfer Agent	:	Cameo Corporate Services Ltd "Subramanian Building", No. 1 Club House Road, Chennai- 600 002			

XI.	Compliance Officer	Ms. Mary Belinda Jyotsna, Company Secretary Arihant Foundations & Housing Limited No. 3 Ganapathy Colony, 3rd Street, Teynampet Chennai- 600 018
XII.	Share Transfer System	The Company's shares are traded in the Stock Exchanges which are compulsorily in demat mode. Shares sent for physical transfer are registered promptly within 15 days from the date of receipt of completed and validly executed documents.
XIII.	Dematerialisation of Shares and liquidity	The dematerialization facility exists with both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the convenience of shareholders. As on 31.03.2025, 96,07,047 shares have been dematerialized, representing 96.40 % of the Subscribed capital. The Company's shares are actively traded shares on BSE
XIV.	Plant Location	Since the nature of business of the Company is construction. The Company has sites and projects at various places in urban and sub-urban areas.

ii. Distribution of Shareholding as on 31.03.2025

Share or Debenture holding			Share holders		Share Holders amount	
Amount(₹)			**Number**	**% of total**	**₹**	**% of total**
10	-	5000	2871	86.2162	1897310	1.9039
5001	-	10000	146	4.3844	1136660	1.1406
10001	-	20000	92	2.7628	1404910	1.4098
20001	-	30000	56	1.6817	1426900	1.4318
30001	-	40000	18	0.5405	642500	0.6447
40001	-	50000	28	0.8408	1294110	1.2986
50001	-	100000	46	1.3814	3491500	3.5035
100001	and	Above	73	2.1922	88362350	88.6672
Total			**3330**	**100.0000**	**99656240**	**100 .0000**

iii. Reconciliation of Share Capital Audit Report

As stipulated by the Securities and Exchange Board of India, a qualified Practicing Company Secretary carries out the share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, interalia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL, CDSL and total number of shares in physical form.

iv. Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity

Outstanding Warrants

Particulars	Details
No. of warrants issued	8,96,873
Date of allotment	November 16, 2024
Exercise price per warrant	₹ 480
Amount received upfront (25%)	₹ 10,76,24,760
Balance receivable on conversion	₹ 32,28,74,280
Conversion period	Within 18 months from date of allotment
Last date for conversion	May 15, 2026

Likely Impact on Equity

Upon full conversion of all outstanding warrants:

Particulars	Details
Additional equity shares to be issued:	8,96,873 shares
Total funds to be received:	₹ 43,04,99,040
Potential dilution:	Subject to existing share capital at the time of conversion

Note: The Company has no outstanding GDRs, ADRs, or other convertible instruments apart from the above warrants.

23. REMUNERATION PAID TO STATUTORY AUDITORS

Total fees for all services paid by the Company 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.

The details of total fees paid to M/s. B.P Jain & Co, Chartered Accountants, Statutory Auditors during the financial year 2024-25 for all services rendered by them is given below:

Particulars	Amount (in lakhs)
Audit fees	6.00
Taxation matters	NIL
Other services	0.50
Total	**6.50**

24. COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CORPORATE GOVERNANCE

A compliance certificate regarding compliance of Corporate Governance has been obtained from M/s. V Suresh Associates, Practising Company Secretaries and the Certificate is annexed as "**Annexure III to Corporate Governance"**

25. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

The certificate from M/s. V Suresh Associates, Practising Company Secretaries has been obtained by the Company stating 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 Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Certification of Secretatial Auditor is annexed as **"Annexure IV to Corporate Governance "**

26. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

a. Number of complaints filed during the financial year: Nil

b. Number of complaints disposed of during the financial year: Nil

c. Number of complaints pending as on end of the financial year: Nil

27. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY; INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES

S. no	Name of the Material Subsidiaries	Date of Incorporation	Place of Incorporation	Appointment of the statutory auditors of such subsidiaries
1	Escapade Real Estate Private Limited	23rd December, 2019	Chennai	30/11/2021
2	Verge Realty Private Limited	03rd February, 2007	Chennai	30/11/2021

Address for correspondence

For matters relating to Company's shares:

Cameo Corporate Services Limited.
Subramanian Building, No.1, Club House Road,
Anna Salai, Chennai - 600 002
Ph: 28460390.

For other matters:

Registered & Corporate Office:

New No.3 (Old No.25), Ganapathy Colony, 3rd Street,
Off. Cenotaph Road, Teynampet, Chennai- 600018
Email: investors@arihants.co.in

Equity Shares in Suspense Account

As per Regulation 39(4) read with Schedule VI of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of Equity Shares lying in the "Unclaimed Suspense Account" and Suspense Escrow Demat Account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and shares at start of the year	-	-
Number of shareholders who approached for transfer during the year	-	-
Number of shareholders to whom shares were transferred during the year	-	-
Shares transferred to IEPF Authority during the year	-	-
Aggregate number of shareholders and shares at end of the year	-	-

Note: The voting rights on the shares in suspense account shall remain frozen till the rightful owner claims the shares.

Credit Rating

During the financial year, the Company has not obtained any credit ratings from accredited credit rating agencies. Accordingly, there are no credit ratings, revisions, or related rationales to disclose in compliance with the Securities and Exchange Board of India (SEBI) Listing Regulations.

The Company will ensure appropriate disclosure of any credit ratings obtained from recognized credit rating agencies in future periods, along with details of any subsequent revisions and their underlying rationale, as mandated under the applicable SEBI Listing Regulations.

Details of Utilization of Funds Raised Through Preferential Allotment

Details of utilization of funds raised through preferential allotment (and/or qualified institutions placement, if applicable) as specified under Regulation 32(7A) of the SEBI Listing Regulations are given below. The proceeds have been utilized for the purposes stated in the respective notice to shareholders through Postal Ballot.

Details Wherein Recommendation of the Committee is Not Accepted by the Board

There were no instances during the year where recommendations of any committee of the Board, which are mandatorily required, were not accepted by the Board. Where such recommendation is required, it will be disclosed along with reasons for non-acceptance.

Loans and Advances to Entities Where Directors Are Interested

Pursuant to regulatory requirements, disclosures are made with respect to loans and advances in the nature of loans to companies or firms in which directors are interested. Affirmation is provided that such transactions are in the economic interest of the Company and in line with applicable law. Disclosures exclude exempted categories as per the Companies Act, 2013 and SEBI circulars

Other Disclosures

- All requirements of Regulation 17 to Regulation 27 and clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, to the extent applicable to the Company, have been duly complied with and disclosed in this Report.

- The Company has complied with all applicable mandatory requirements under SEBI Listing Regulations. A compliance report on applicable laws is placed before the Board every quarter for review.

- Disclosure of Accounting Treatment: The Company has not adopted any alternative accounting treatment different from the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.

- Disclosure of Certain Agreements: There are no agreements impacting the management or control of the Company, nor any that impose restrictions or create liabilities on the Company.

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

KAMAL LUNAWATH
Managing Director
DIN: 00087324

(VIMAL LUNAWATH)
Whole-time Director/CFO
DIN: 00586269

Place: Chennai
Date: 30-05-2025

Annexure I to Corporate Governance

DECLARATION BY THE MANAGING DIRECTOR/CEO UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Reg. 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2025.

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

KAMAL LUNAWATH
Managing Director
DIN: 00087324

ARUN RAJAN
Chief Executive Officer

Place: Chennai
Date: 30-05-2025

Annexure II to Corporate Governance

DECLARATION BY THE CEO/ CFO UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

Certification by Chief Executive Officer and Chief Financial Officer

To,
The Board of Directors
Arihant Foundations & Housing Limited
No. 3 (Old No. 25), Ganapathy Colony,
3rdLane, Off. Cenotaph Road, Teynampet,
Chennai – 600018.

We, Chief Executive Officer (Arun Rajan) and Chief Financial Officer (Vimal Lunawath) of **Arihant Foundations & Housing Limited**, certify that:

A. We have reviewed the financial statements and the cash flow statement for the period ended 31.03.2025 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors and reports significant issues to the Audit Committee of the Board. The Statutory Auditors and Audit Committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.

D. We have indicated to the Auditors, the Audit Committee and to the Practicing Company Secretary:

(1) that there are no significant changes in internal control over financial reporting during the year;

(2) that there are no significant changes in accounting policies during the year;

(3) that there are no instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over financial reporting.

For ARIHANT FOUNDATIONS & HOUSING LIMITED

ARUN RAJAN
Chief Executive Officer

VIMAL LUNAWATH
Whole-time Director/CFO
DIN: 00586269

Place: Chennai
Date: 30-05-2025

Annexure III to Corporate Governance

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SECURITIES AND EXCHANGE BOARD OF INDIA

(Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
ARIHANT FOUNDATIONS & HOUSING LIMITED

We have examined the compliance of Corporate Governance by **Arihant Foundations & Housing Limited**, for the year ended 31st March 2025, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it.

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 V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001097915

Place: Chennai
Date: 28.08.2025

Annexure IV to Corporate Governance

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 of
Arihant Foundations & Housing Limited
No. 3 (Old No. 25), Ganapathy Colony,
3rd Lane, Off. Cenotaph Road, Teynampet,
Chennai – 600018.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Arihant Foundations & Housing Limited** having registered office at No. 3 (Old No. 25), Ganapathy Colony, 3rd Lane, Off. Cenotaph Road, Teynampet, Chennai – 600 018(hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2025 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Kamal Lunawath	00087324	04.11.2005
2	Mr. Vimal Lunawath	00586269	04.11.2005
3	Mr. Bharatkumar Mangilal Jain	00083236	30.12.2005
4	Mr. Karan Bhasin	02168581	01.02.2012
5	Mr. Prateek Khicha	01210581	30.09.2020
6	Mr. Gunalan Vivekanandan	09406205	06.09.2024
7	Mrs. Shruti Suresh Kumar	10801547	08.10.2024

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

For V Suresh Associates
Practising Company Secretaries

UDAYA KUMAR K R
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001097805

Place: Chennai
Date: 28.08.2025

Annexure 4

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year 2024-25

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. ARIHANT FOUNDATIONS & HOUSING LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. ARIHANT FOUNDATIONS & HOUSING LIMITED** (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 **M/s. ARIHANT FOUNDATIONS & HOUSING LIMITED** 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, the explanations and clarifications given to us and the representations made by the Management. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2025, 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 examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. ARIHANT FOUNDATIONS & HOUSING LIMITED** ("the Company") for the financial year ended on 31st March 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the audit period)**

(v) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not Applicable to the Company during the audit period)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014; **(Not applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the audit period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the audit period)**

Other Laws specifically applicable to this Company is as follows:

(i) Transfer of Property Act, 1882.

(ii) Building and Other Construction Workers' (Regulation of Employment and conditions of Services) Act, 1996.

(iii) Real Estate (Regulation and Development) Act, 2016.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 and amendments from time to time.

Our observations/remarks are as under:

1. The Company has filed the Voting Results of Annual General Meeting for the Financial Year ended 31.03.2024 beyond the prescribed time limit under regulation 44(3) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The BSE imposed a penalty and the same has been paid by the Company.

2. The Company has delayed in filing of Certificate under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018 by RTA and STA beyond 15 days during the financial year 2024-2025.

3. The Company has a Structured Digital Database Software and the same is being updated by the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period 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 sent to 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.

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.

We further report that the Company has issued 13,65,624 (thirteen lakh sixty-five thousand six hundred and twenty-four) equity shares, at an issue price of ₹ 480/- (Rupees Four Hundred and Eighty) per equity share of face value of Rs.10/- (Rupee Ten only) each to Non-Promoter Category and 8,96,873 (eight lakh ninety-six thousand eight hundred and seventy-three) warrants each convertible into, or exchangeable into equivalent number of fully paid-up Equity Shares of the Company of face value of ₹ 10/- (Rupees Ten) each at an issue price of ₹ 480/- (Rupees Four Hundred and Eighty) each to Promoter and Non-Promoter Category on a preferential basis by way of preferential issue cum private placement basis ("Preferential Issue").

For V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001097882

Place: Chennai
Date: 28.08.2025

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
ARIHANT FOUNDATIONS & HOUSING LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records 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. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

7. 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 V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001097882

Place: Chennai
Date: 28.08.2025

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year 2024-25

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. ESCAPADE REAL ESTATE PRIVATE LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **M/s. ESCAPADE REAL ESTATE PRIVATE LIMITED** (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 **M/s. ESCAPADE REAL ESTATE PRIVATE LIMITED** 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, the explanations and clarifications given to us, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2025, 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 examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. ESCAPADE REAL ESTATE PRIVATE LIMITED** ("the Company") for the financial year ended on 31st March 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(NOT APPLICABLE)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(NOT APPLICABLE)**

(v) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(NOT APPLICABLE)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(NOT APPLICABLE)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(NOT APPLICABLE)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(NOT APPLICABLE)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(NOT APPLICABLE)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(NOT APPLICABLE)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(NOT APPLICABLE)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(NOT APPLICABLE)**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company. **(NOT APPLICABLE)**

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There is no change in the composition of the Board of Directors during the period under review.

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.

We further report that during the audit period, the Company has no specific events/actions having a major bearing in the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to the above.

For V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001098003

Place: Chennai
Date: 28.08.2025

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
M/s. ESCAPADE REAL ESTATE PRIVATE LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records 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. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

7. 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 V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001098003

Place: Chennai
Date: 28.08.2025

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year 2024-25

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. VERGE REALTY PRIVATE LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **M/s. VERGE REALTY PRIVATE LIMITED** (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 **M/s. VERGE REALTY PRIVATE LIMITED** 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, the explanations and clarifications given to us, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31stMarch 2025, 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 examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. VERGE REALTY PRIVATE LIMITED** ("the Company") for the financial year ended on 31st March 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(NOT APPLICABLE)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(NOT APPLICABLE)**

(v) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(NOT APPLICABLE)**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(NOT APPLICABLE)**

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(NOT APPLICABLE)**

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(NOT APPLICABLE)**

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE)**

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(NOT APPLICABLE)**

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(NOT APPLICABLE)**

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(NOT APPLICABLE)**

   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(NOT APPLICABLE)**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company. **(NOT APPLICABLE)**

We further report that the Board of Directors of the Company is duly constituted with proper balance of

Executive Directors and Non-Executive Directors. There is no change in the composition of the Board of Directors during the period under review.

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.

We further report that during the audit period, the Company has no specific events/actions having a major bearing in the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to the above.

For V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001097970

Place: Chennai
Date: 28.08.2025

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
M/s. VERGE REALTY PRIVATE LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records 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. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

7. 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 V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
FCS No. 11533
C.P. No. 21973
Peer Review Cert. No: 6366/2025
UDIN: F011533G001097970

Place: Chennai
Date: 28.08.2025

Annexure 5

REPLY TO SECRETARIAL REPORT

(Annexure to Director's Report)

Board of Director's Explanation for the observations Made in the Secretarial Audit Report

Refer Observations in the Secretarial Auditor's Report regarding each of these points are listed below:

1. Delay in filing of Voting Results under Regulation 44(3) of SEBI (LODR) Regulations, 2015

The delay in filing of the Voting Results of the Annual General Meeting was inadvertent and occurred due to procedural reasons. The Company has since paid the penalty imposed by BSE and has strengthened its internal compliance monitoring mechanism to ensure timely submission of disclosures in future.

2. Delay in filing of Certificate under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018

The delay in filing the certificate under Regulation 74(5) was an one-time lapse on account of technological issues. The Company has taken note of the same and has put in place the system to ensure strict adherence to prescribed timelines.

3. Updation of Structured Digital Database (SDD) Software

The Company has put in place the required Structured Digital Database Software in accordance with SEBI regulations. However, certain fields in the database required updation. The Company has initiated corrective measures and the updation is in progress. The Company will continue to monitor and conduct regular audits to maintain the database in an updated manner at all times.

For and on behalf of the Board of Directors
ARIHANT FOUNDATIONS & HOUSING LIMITED

KAMAL LUNAWATH
Managing Director
DIN: 00087324

VIMAL LUNAWATH
Whole-time Director/CFO
DIN: 00586269

Place: Chennai
Date: 28.08.2025

Annexure 6

INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER IN RESPECT OF EMPLOYEES OF THE COMPANY

(Pursuant to Section 197(12) of the Companies Act, 2013 and the relevant Rules)

a) Ratio of remuneration of each Director to median employee remuneration for the financial year ended March 31, 2025

S. No.	Name of the Director	Ratio of Remuneration of Director to Median Remuneration of Employees
1	Mr. Kamal Lunawath (Managing Director)	11.72
2	Mr. Vimal Lunawath (Whole-Time Director/CFO)	11.72
3	Mr. Bharatkumar Mangilal Jain	3.52

b) Median remuneration of employees for the financial year ended March 31, 2025:

Rs. 512,004/-

c) Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, and Manager, if any, for the financial year ended March 31, 2025

Name	Designation	Percentage Increase in Remuneration
Mr. Kamal Lunawath	Managing Director	100
Mr. Vimal Lunawath	Whole-Time Director/CFO	100
Ms. Mary Belinda Jyotsna	Company Secretary	-

d) Number of permanent employees on the rolls of the company as on March 31, 2025:

75

e) Affirmation that remuneration is as per the remuneration policy of the company:

Yes

Financial Statements

Independent Auditor's Report

To the Members of Arihant Foundations and Housing Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Arihant Foundations and Housing Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	Recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with customers"	**Key audit matter description** The application of new revenue standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Refer Note No: 2(g) to Standalone financial statements. **Principal Audit Procedures** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach is as follows: • Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness. • Testing the relevant information technology system's access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new accounting standard. • Testing a sample of contracts for appropriate identification of performance obligations; • Engaging technical experts to review estimates of costs to complete for sample contracts and • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

KEY AUDIT MATTERS (Contd.)

Sr. No	Key Audit Matter	Auditor's Response
2	Evaluation of uncertain tax positions	**Key audit matter description** The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes Refer Note no: 2(o) & (p) to Standalone Financial Statements. **Principal Audit Procedures** Our procedures included the following: • Obtained understanding of key uncertain tax positions. • Obtained details of completed tax assessments and demands for the year ended March 31, 2025 from the management; • We along with our internal tax experts discussed with appropriated senior management and evaluated the Management's underlying key assumptions in estimating the tax provision. • Additionally, we considered the effect of new information in respect to uncertain tax positions as at March 31, 2025 to evaluate whether any change was required to management's position on these uncertainties.
3	Balance Confirmations from Vendors and Customers	The Company neither follows the practice of obtaining balance confirmation from Vendors and Customers on a period basis nor on Annual Basis. The absence of direct balance confirmation constitute departure from SA-505 External Confirmations. We have performed subsequent audit procedures on test check basis however we are unable to comment on the balances carried forward in the financial statements.
4	Compliance under Micro, Small and Medium Enterprises Development Act (MSME), 2006	The Company is in process of identifying the Sundry Creditors under MSME Act, 2006. In absence of adequate documents and reports, we are unable to verify and provide for Interest liability if any under MSME Act, 2006.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 system 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

    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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

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

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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:

1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

3. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company,

4. I) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   III) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

5. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

6. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31,

2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/S B.P.JAIN AND Co.
Chartered Accountants
Firm's Registration No.050105S

DEVENDRA KUMAR BHANDARI
Partner
Membership No: 208862
UDIN: 25208862BMJUYL7587

Place: Chennai
Date: 30-05-2025

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 Foundations and Housing 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")

We have audited the internal financial controls over financial reporting of **ARIHANT FOUNDATIONS AND HOUSING LIMITED** ("the Company") as of March 31, 2025 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". 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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

i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii. 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

iii. 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 WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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, to the best of our information and according to the explanations given to us, 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, 2025, 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 M/S B.P.JAIN AND Co.
Chartered Accountants
Firm's Registration No.050105S

DEVENDRA KUMAR BHANDARI
Partner
Membership No: 208862
UDIN: 25208862BMJUYL7587

Place: Chennai
Date: 30-05-2025

"Annexure 'B'

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Arihant Foundations and Housing Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/conveyance deed provided to us, we report that, there is no agreement for lease of land on which self constructed asset is constructed, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has provided loans during the year, and details of which are given below:

Particulars	Amount (INR in Lakhs)
Aggregate Amount granted during the year:	
Subsidiaries	5,962.37
Balance outstanding as at balance sheet date in respect of above cases:	
Subsidiaries	909.00
Aggregate Amount granted during the year:	
Other Parties	748.86
Balance outstanding as at balance sheet date in respect of above cases:	
Other Parties	3046.06

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, there is no stipulation of schedule of repayment of principal and payment of interest and hence we are unable to make specific comment on the regularity of repayment of principal & payment of interest.

(d) Since, there was no repayment schedules, we are unable to comment whether the amount was overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. In our opinion and according to the information and explanations to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable, except under Income tax as specified in (vii)(b).

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of the statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹)
The Income Tax Act,1961	Income Tax	Appellate Authority upto Commissioner's level	A.Y. 2011-12	71,83,310
The Income Tax Act,1961	Income Tax	High Court of Madras	A.Y. 2004-05	13,71,638
The Income Tax Act,1961	Income Tax	High Court of Madras	A.Y. 2005-06	53,23,956
The Income Tax Act,1961	Income Tax	High Court of Madras	A.Y. 2005-06	95,58,275
The Income Tax Act,1961	Income Tax	High Court of Madras	A.Y. 2007-08	5,57,61,612
The Central Goods and Service Tax Act, 2017 and The Tamilnadu Goods and Service tax Act, 2017	GST	First Appellate Authority	FY 2018-19	90,47,065
The Central Goods and Service Tax Act, 2017 and The Tamilnadu Goods and Service tax Act, 2017	GST	First Appellate Authority	July 2017 to March 2018	92,15,509

viii. In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

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 other borrowings or in the payment of interest thereon to any lender; hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans are obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) In our opinion and according to the information and explanations given to us, 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) During the year, the Company has made preferential allotment of 1365624 shares at Rs.480/ share having face value of Rs.10, the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised. There was no specific purpose specified in the preferential allotment issue.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(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) As auditor, we did not receive any whistle- blower complaint during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable 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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. 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), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation 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 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. There is not liability of the Company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

For M/S B.P.JAIN AND Co.
Chartered Accountants
Firm's Registration No.050105S

DEVENDRA KUMAR BHANDARI
Partner
Membership No: 208862
UDIN: 25208862BMJUYL7587

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Standalone Balance Sheet

As at 31 March 2025

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	589.08	815.64
Intangible assets	3		0.05
Financial assets			
- Investments	4	4,085.95	4,093.60
- Trade receivables	5	1,538.11	1,576.88
- Loans	6	2,988.97	3,012.40
- Other financial assets	7	8,368.83	7,676.36
Deferred tax assets (net)	8	391.16	597.37
Total - Non-current assets (A)		**17,962.11**	**17,772.32**
Current assets			
Inventories	9	13,833.38	7,768.86
Financial assets			
- Investments	4	80.61	54.61
- Trade receivables	5	3,539.90	4,083.23
- Cash and cash equivalents	10	520.89	180.90
- Bank balances other than those mentioned in cash and cash equivalents	10	5,078.18	341.07
- Loans	11	3,395.25	2,708.19
- Other financial assets	7	76.34	211.50
Current tax asset (Net)	12	-	331.32
Other current assets	13	4,433.26	3,547.39
Total - Current assets (B)		**30,957.80**	**19,227.09**
Total assets [(A)+(B)]		**48,919.92**	**36,999.40**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	996.56	860.00
Other equity	15	26,229.12	16,276.35
Total equity (A)		**27,225.68**	**17,136.35**
Non-current liabilities			
Financial liabilities			
- Borrowings	16	12,722.69	8,843.19
Provisions	17	70.95	64.88
Total - Non-current Liabilities (B)		**12,793.64**	**8,908.07**
Current liabilities			
Financial liabilities			
- Trade payables	18	5,549.28	7,739.36
- Other financial liabilities	19	1,361.15	1,618.59
Other current liabilities	20	1,874.41	1,597.02
Current tax liabilities (net)	21	115.76	-
Total - Current Liabilities (C)		**8,900.60**	**10,954.97**
Total liabilities [(B)+(C)]		**21,694.24**	**19,863.05**
Total equity and liabilities [(A)+(B)+(C)]		**48,919.92**	**36,999.40**

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYL7587

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Standalone Statement of Profit and Loss

For the year ended 31 March 2025

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	22	12,225.98	7,656.31
Other income	23	1,600.73	1,360.94
Total revenue		**13,826.71**	**9,017.25**
Expenses			
Construction and project expenses	24	13,145.00	4,677.42
Changes in inventories of finished goods, work in progress and stock-in-trade	25	(6,064.52)	1,257.75
Employee benefits expense	26	712.87	529.02
Finance costs	27	1,639.82	1,420.29
Depreciation and amortization expense	28	13.13	12.26
Other expenses	29	911.02	687.76
Total expenses		**10,357.33**	**8,584.51**
Profit before tax		**3,469.38**	**432.74**
Tax expense			
Current tax		(922.89)	(108.85)
Deferred tax		(0.79)	(1.38)
Profit for the year		**2,545.70**	**322.50**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Re-measurement (losses) on defined benefit plans		(2.24)	(2.55)
- Income tax relating to items that will not be reclassified to profit and loss		0.62	0.71
Other comprehensive income for the year, net of tax		**(1.62)**	**(1.84)**
Total comprehensive income for the year		**2,544.08**	**320.66**
Earnings per equity share	**29**		
Basic (in ₹)		27.95	3.54
Diluted (in ₹)		27.95	3.54

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYL7587

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Standalone Statement of Cash Flows

For the year ended 31 March 2025

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities	**3,469.38**	**432.74**
Profit before tax		
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	13.13	12.26
(Gain)/loss on sale of investments	-	-
Interest expenses	1,639.82	1,420.29
(Gain)/Loss on sale of fixed assets	-	-
Profit on Sale of Fixed Assets	(94.79)	
Other non operating income	(85.06)	(8.10)
Interest and Dividend Income	(1,420.89)	(1,352.84)
Other Adjustments in Reserves	(1.62)	1.84
Operating profit before working capital changes	**3,519.98**	**506.19**
Changes in assets and liabilities		
Adjustments for working capital changes		
(Increase)/Decrease in inventories	(6,064.52)	1,257.75
(Increase) in trade receivables	582.10	1,293.37
Decrease in Other financial assets	(557.31)	3,104.89
Decrease in Other current assets	(5,622.97)	(66.02)
(Decrease)/Increase in Trade Payables	(2,190.08)	(491.88)
Increase in Long Term Provisions	6.07	22.02
Increase/(Decrease) in Other financial liabilities	(257.44)	(1,634.42)
Increase/(Decrease) in Other current liabilities	277.38	(3,251.97)
Cash generated from operating activities	**(10,306.78)**	**739.92**
Direct taxes paid, net	(271.00)	(225.44)
Net cash generated from operating activities	**(10,577.78)**	**514.49**
B. Cash flow from investing activities		
Purchase of fixed assets	(11.12)	(7.79)
Sale of fixed assets	320.00	2.6
Interest/Dividend received	1,420.89	1352.84
Other non - operating income	85.06	5.50
Purchase of investment	(18.35)	(53.0)
Net cash generated from investing activities	**1,796.48**	**1,300.11**
C. Cash flow from financing activities		
(Loans repaid)/Fresh loans taken	(663.62)	(487.72)
Loans received back/(given)	3,879.49	(1,709.12)
Interest & finance charges	(1,639.82)	(1,420.29)
Share Capital	136.56	
Share Premium	6,418.43	-
Monery Received Agst Share Warrants	1,076.25	-
Dividend Paid	(86.00)	-
Net cash (used) in financing activities	**9,121.29**	**(3,617.14)**
D. Net change in cash and cash equivalents	**339.99**	**(1,802.54)**
E. Cash and cash equivalents at the beginning	**180.90**	**1,983.43**
F. Cash and cash equivalents at the end	**520.89**	**180.90**

(All amounts in INR Lakhs, unless otherwise stated)

Standalone Statement of Cash Flows

For the year ended 31 March 2025

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash and cash equivalents include		
Cash on hand	52.32	38.74
Balances with banks		
- in current accounts	468.57	142.17
Cash and cash equivalents as per note 10	**520.89**	**180.90**

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYL7587

Kamal Lunawath
Managing Director
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Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Standalone Statement of Changes in Equity

For the period ended 31 March 2025

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 31 March 2024	**860.00**
Changes in equity share capital during the year	136.56
Balance as at 31 March 2025	**996.56**

B. OTHER EQUITY

Particulars	Reserves and surplus				Total	Accumulated other comprehensive income	Total
	General reserve	Securities premium	Share Warrants	Retained earnings			
Balances at March 31, 2024	**883.09**	**5,706.50**		**9,656.62**	**16,246.20**	**30.14**	**16,276.35**
Transfer from statement of profit and loss	-	-		2,545.70	**2,545.70**	-	**2,545.70**
Other comprehensive income for the year (net of tax)	-	-		-	**-**	(1.62)	**(1.62)**
Other Adjustments	-	-			**-**	-	**-**
Share Premium		6,418.43			**6,418.43**		**6,418.43**
Money received against share warrants			1,076.25		**1,076.25**		**1,076.25**
Dividends				(86.00)	**(86.00)**		**(86.00)**
Balances at March 31, 2025	**883.09**	**12,124.93**	**1,076.25**	**12,116.32**	**26,200.58**	**28.52**	**26,229.12**

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYL7587

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Notes to Standalone Financial Statements

1. BACKGROUND

Arihant Foundations & Housing Limited ("the Company") was incorporated on 6th March, 1992 as a limited Company. The Company is engaged in the business of constructions of residential,commercial complexes and IT parks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation and presentation of financial statements

i) Accounting convention

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

All amounts included in the financial statements are reported in Indian Rupees (₹).

ii) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Property, plant and equipment [other than freehold land and lease hold land (perpetual lease)] are depreciated under straight line method ("SLM method") over the estimated useful lives of the assets, which are prescribed under Schedule II to the Companies Act, 2013.

Useful life adopted by the Company for various class of assets is as follows:

Assets	Useful Lives
Vehicles	
Motor cycle/Two Wheelers	8 Years
Motor cars	10 Years
On Furniture and fixtures	10 Years
On Office equipments	5 Years
On Computers & Accessories	3 years

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013, the management has not identified any significant component having different useful lives.

Depreciation methods, useful lives and residual values are reviewed periodically and updated at each financial year end.

e) Intangible assets

The Company has elected to continue with the carrying value for all of its intangible assets as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment. Advances paid towards the acquisition of intangible assets outstanding at each balance sheet date are disclosed as other non-current assets and the cost of intangible assets not ready for their intended use before such date are disclosed as intangible assets under development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Impairment of property, plant and equipment and intangible assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

g) Revenue recognition

Revenue from projects

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance.

Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

Revenue from construction/project related activity is recognised as follows:

1. **Cost plus contracts:** Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.

2. **Fixed price contracts:** Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Rental income

Income from rentals are recognized as an income in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

Interest income

Interest income is reported on an accrual basis using the effective interest method and is included under the head "other income" in the statement of profit and loss.

Dividend income

Income from dividends are recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

flow to the Company, and the amount of the dividend can be measured reliably.

h) Inventories

Raw materials

Inventory includes raw materials used for the construction activity of the Company. Raw materials are valued at the lower of cost and net realizable value with the cost being determined on a 'First In First Out' basis.

Properties under development

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure, borrowing costs and other net costs incurred during the period of development.

Properties held for sale

"Completed properties held for sale are stated at the lower of cost and net realizable value. Cost includes cost of land, construction related overhead expenditure, borrowing costs and other costs incurred during the period of development. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Properties held for development

Properties held for development represents land acquired for future development and construction, and is stated at cost including the cost of land, the related costs of acquisition and other costs incurred to get the properties ready for their intended use.

i) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of project under development, as the case may be. The Company's contributions towards provident fund are deposited with a government administered fund, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Defined benefit plan

(i) Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs.

Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

j) Leases

"The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016 (date of transition to Ind AS), the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Finance Lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at fair value of the leased property or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease period.

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

k) Foreign currency transactions

Functional and presentation currency

The functional currency of the Company is the Indian Rupee (₹). These financial statements are presented in Indian Rupees (₹).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit or Loss.

- Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

- Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Investments in subsidiaries

The Company's investment in equity instruments in subsidiaries are accounted for at cost. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

n) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is adjusted against the cost of the depreciable asset, to which the grant relates to, on receipt of such subsidy.

o) Income taxes

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

"Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

p) Provisions and contingencies

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

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 not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised."

q) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets (other than trade receivables) are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through statement of profit and loss which are measured initially at fair value. Subsequent measurement of financial assets is described below. Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost

b. Fair Value Through Other Comprehensive Income (FVTOCI) or

c. Fair Value Through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset at amortised cost

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading.

These elections are made on an instrument-by instrument (i.e. share-by-share) basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in the statement of profit and loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's standalone balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Company tracks credit risk and changes thereon for each customer. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

Trade receivables

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

s) Fair value measurement

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 the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset 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 by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is primarily engaged in the business of real estate development and related activities including construction which constitutes its single reportable segment.

v) Earnings/(Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

w) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short- term deposits with original maturities of 3 months or less, as applicable.

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Property, plant and equipment								Intangible assets
	Land	Freehold Buildings	Leasehold Buildings	Furnitures and Fixtures	Plant and Equipment	Office Equipment	Vehicles	Total	Computer software
Balance as at 31 March 2024	**156.80**	**697.87**	**57.95**	**258.94**	**107.09**	**100.43**	**77.69**	**1456.78**	**44.14**
Additions				3.76		7.97		11.74	
Disposals		217.86		5.53		4.71		228.09	
Balance as at 31 March 2025	**156.80**	**480.02**	**57.95**	**257.17**	**107.09**	**103.70**	**77.69**	**1240.42**	**44.14**
Accumulated depreciation/ amortization									
Balance as at 31 March 2024		**122.15**	**18.23**	**231.69**	**103.57**	**93.81**	**71.68**	**641.14**	**44.09**
Depreciation/amortization charge during the year		2.34	0.93	4.05	0.43	3.88	2.22	13.85	.04
Reversal on disposal of assets				1.35		2.28		3.64	
Balance as at 31 March 2025		**124.49**	**19.16**	**234.39**	**104.00**	**95.41**	**73.90**	**651.35**	**44.13**
Net block									
Balance as at 31 March 2025	**156.80**	**355.53**	**38.80**	**22.79**	**3.09**	**8.29**	**3.78**	**589.07**	**.01**
Balance as at 31 March 2024	**156.80**	**575.72**	**39.72**	**27.25**	**3.52**	**6.62**	**6.01**	**815.64**	**.05**

Financials assets

4. NON - CURRENT INVESTMENT

Particulars	As at 31-Mar-25	As at 31-Mar-24
Investment in equity instruments(fully paid-up)		
Unquoted		
i) Wholly Owned Subsidiaries		
Arihant Griha Limited (50,000 Equity shares of ₹ 10/- Each fully paid)	5.00	5.00
Varenya Construction Limited (50,000 Equity shares of ₹ 10/- Each fully paid)	5.00	5.00
Transperent Heights Real Estate Limited (50,000 Equity shares of ₹ 10/- Each fully paid)	5.00	5.00
Vaikunt Housing Limited (5,00,000 Equity shares of ₹ 1/- Each fully paid)	5.00	5.00
Verge Realty Pvt Ltd (1000 Equity shares of ₹ 100/- Each fully paid)	1.00	1.00
Vihaana Realty Pvt Ltd (10000 Equity shares of ₹ 10/- Each fully paid)	1.00	1.00
Vinyasa Realty Pvt Ltd (10000 Equity shares of ₹ 10/- Each fully paid)	1.00	1.00
ii) Joint Controlled Entity		
Kairav Developers Ltd (25,000 Equity shares of ₹ 10/- Each Fully Paid Up)	2.50	2.50
	25.50	**25.50**
Investment in Debentures		
Mangalagiri Realty Projects Pvt Ltd (1,77,394 Optionally Redeemable Convertible Debentures of ₹ 100/- Each)	177.39	177.39

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

4. NON - CURRENT INVESTMENT (Contd.)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Kairav Developers Ltd (1170, 10% Unsecured Non Convertible Debentures of ₹ 100000/- each redeemable in trenches or full at the option of the Company any time after one year from the date of allotment but compulsorily redeemable in full within 8th December, 2031 - held by a related party)	1,170.00	1,170.00
Varenya Constructions Ltd (19,78,609, 11.6% unsecured Compulsory Convertible Debentures of ₹ 100/- each are convertible on or before 31st March, 2032.)	1,978.61	1,978.61
Super Chennai Marketing Pvt Ltd (125000 Compulsory Convertible Debentures of ₹ 10/- each (Previous Year: Nil))	12.50	-
Investment in Partnership Firms		
Arihant Heirloom	623.36	656.49
Investment in LLP		
KR Wind Energy LLP	0.03	0.03
Ivorylane Realty LLP	0.99	-
Veridion Realty LLP	0.99	-
Vilaya Properties LLP	4.00	-
Escapade Services LLP	5.00	-
Questiva Estates LLP	0.86	-
	3,999.23	**4,008.02**
Investments carried at fair value through other comprehensive income		
Investments in other companies (fully paid-up)		
Quoted- Non Trade		
Happy Homes Profin Ltd (44,800 Equity shares of ₹ 10/- each Fully Paid Up)	0.00001	0.00001
Hindustan Construction Company Ltd (500 Shares of ₹ 45.53 Each Fully Paid Up)	0.23	0.23
IDBI Bank Ltd (500 Shares of ₹ 156.20 Each Fully Paid Up)	0.78	0.78
Indotech Transformers (691 Equity Shares of ₹ 130.19 Each Fully Paid up)	-	0.90
TVS Shriram Growth Fund 3	5.26	5.26
	6.26	**7.16**
Unquoted- Non Trade		
National Savings Certificate	0.05	0.05
Mangalagiri Realty Projects Pvt Ltd (2,72,210 Equity shares of ₹ 10/- Each Fully Paid Up)	27.22	27.22
North Town Estates Pvt Ltd (11,500 Equity shares of ₹ 10/- Each Fully Paid Up)	1.15	1.15
Arihant Unitech Realty Projects Ltd. (5,00,000 Equity shares of ₹ 10/- Each Fully Paid Up)	50.00	50.00
Snazzy Megawatts Pvt Ltd (1000 Equity shares of ₹ 204/- Each Fully Paid Up)	2.04	-
	86.73	**85.58**
Grand Total (A+B)	**4,085.95**	**4,093.60**
Aggregate amount of:		
- Quoted investments and market value thereof;	6.26	7.16
- Unquoted investments	4,026.50	4,035.29
- Provision for diminution in value of investments other than temporary	-	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Financials assets

4. CURRENT INVESTMENT

Particulars	As at 31-Mar-25	As at 31-Mar-24
Investments carried at fair value through other comprehensive income		
Investments in other companies (fully paid-up)		
Quoted-Non Trade		
Aditya Birla Sun Life	80.61	54.61
	80.61	**54.61**

5. TRADE RECEIVABLES

Particulars	As at 31-Mar-25	As at 31-Mar-24
(Unsecured considered good, unless stated otherwise)		
Non-current		
Trade receivables	1,538.11	1,576.88
	1,538.11	**1,576.88**
Current		
Trade receivables		
- exceeding six months	1,750.89	1,772.09
- less than six months	1,490.31	2,015.46
Debts due by related parties	298.70	295.67
	3,539.90	**4,083.23**

The carrying amount of the current trade receivable is considered a reasonable approximation of fair value as is expected to be collected within twelve months, such that the effect of any difference between the effective interest rate applied and the estimated current market rate is not significant.

Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management, pursuant to which outstanding customer receivables are regularly monitored by the management. Outstanding customer receivables are regularly monitored by the management to ensure the risk of credit loss is minimal. Credit quality of a customer is assessed based on historical information in relation to pattern of collections, defaults and credit worthiness of the customer.

Trade Receivables ageing schedule as at 31st March, 2025

Particulars	Outstanding for the following periods from the due dates					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,490.31	2,049.58	769.06	538.34	230.72	5,078.01
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Trade Receivables ageing schedule as at 31st March,2024

Particulars	Outstanding for the following periods from the due dates					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	2,015.46	1,772.09	936.27	655.39	280.89	5,660.11
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-

6. LOAN

Particulars	As at 31-Mar-25	As at 31-Mar-24
Non Current		
(Unsecured, considered good)		
Loans to related parties (refer note 34)	2,788.94	2,812.36
Others	200.04	200.04
	2,988.97	**3,012.40**

7. OTHER FINANCIAL ASSETS

Particulars	As at 31-Mar-25	As at 31-Mar-24
Fair Value through Profit and Loss		
(Unsecured, considered good)		
Non-current		
Security deposits	7,316.90	5,856.37
Prepaid Finance Cost	1,051.94	1,819.99
	8,368.83	**7,676.36**
Current		
Other deposits	76.34	207.85
Reimbursement Receivable	-	3.65
	76.34	**211.50**

There are no other financial assets due from directors or other officers of the Company. The carrying amount of the other financial assets are considered as a reasonable approximation of fair value.

8. DEFERRED TAX ASSETS (NET)

The breakup of net deferred tax asset is as follows:

Particulars		As at 31-Mar-25	As at 31-Mar-24
Opening Balance		597.37	598.76
Deferred tax asset arising on account of:			
- Adjustments on account of fair valuation of Security Deposits		-	-
- Adjustments on account of recognition of premium in the guruantees given by the Company			
- Others		(0.79)	(1.38)
Total deferred tax asset	**A**	**596.58**	**597.37**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

8. DEFERRED TAX ASSETS (NET) (Contd.)

Particulars		As at 31-Mar-25	As at 31-Mar-24
Less: Deferred tax liability arising on account of:			
- Adjustments on account of fair valuation of Security Deposits		(205.42)	-
- Adjustments on account of fair valuation of Investments		-	-
Total deferred tax liability	**B**	**(205.42)**	**-**
Net deferred tax assets	**(A-B)**	**391.16**	**597.37**

In assessing the recoverability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

All deferred tax assets have been recognized in the balance sheet.

9. INVENTORIES

Particulars	As at 31-Mar-25	As at 31-Mar-24
(valued at lower of cost and net realizable value)		
Work in progress	13,833.38	7,768.86
	13,833.38	**7,768.86**

10. CASH AND BANK BALANCES

Particulars		As at 31-Mar-25	As at 31-Mar-24
Cash and cash equivalents			
Cash on hand		52.32	38.74
Balances with banks in current accounts		468.57	142.17
	(A)	**520.89**	**180.90**
Bank balances other than mentioned in cash and cash equivalents			
Deposit accounts		5,078.18	341.07
	(B)	**5,078.18**	**341.07**
Total	**(A+B)**	**5,599.07**	**521.97**

11. LOAN

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current		
Other loans	3,395.25	2,708.19
	3,395.25	**2,708.19**

12. CURRENT TAX ASSET (NET)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Income Tax Assets (Net)		331.32
	-	**331.32**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

13. OTHER CURRENT ASSETS

Particulars	As at 31-Mar-25	As at 31-Mar-24
(Unsecured, considered good)		
Advance for Land	829.66	329.66
Balances with government authorities	126.74	15.67
Advance given to suppliers and others	2,547.41	2,383.85
Staff Advance	53.62	55.41
Prepaid expenses	9.87	12.25
TDS Recoverable (against loans)	77.79	78.36
Interest Receivable but not due	788.18	672.20
	4,433.26	**3,547.39**

14. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorized (beginning of the year)				
1,00,00,000 equity shares of ₹ 10/- each			1,00,00,000	1,000.00
Authorized (end of the year) 3,00,00,000 equity shares of ₹ 10/- each	3,00,00,000	3,000.00	-	-
	3,00,00,000	**3,000.00**	**1,00,00,000**	**1,000.00**
Issued, subscribed and fully paid up (beginning of the year)				
86,00,000 equity shares of ₹ 10/- each fully paid up	86,00,000	860.00	86,00,000	860.00
Issued, subscribed and fully paid up (during the the year)				
13,65,624 equity shares of ₹ 10/- each fully paid up	13,65,624	136.56	-	-
	99,65,624	**996.56**	**86,00,000**	**860.00**

a) Issue of Equity Shares on Preferential Basis:

During the year, the Company issued 13,65,624 equity shares of face value ₹ 10 each at a premium of ₹ 470 per share on a preferential basis, as per the approval of the shareholders and in compliance with SEBI (ICDR) Regulations, 2018.

b) Terms/right attached to equity shares

The Company has issued only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Issue of Share Warrants on Preferential Basis

The Company has also issued share warrants convertible into equity shares:

Particulars	Details
No. of warrants issued	8,96,873
Date of allotment	16-11-2024
Exercise price per warrant	₹ 480
Amount received upfront (25%)	₹ 10,76,24,760
Balance receivable on conversion	₹ 32,28,74,280
Conversion period	Within 18 months from date of allotment

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

d) Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Nos.	% holding	Nos.	% holding
Equity Shares of ₹ 10 each				
Smt. S. Jayalakshmi	-	-	7,96,202	9.26%
Mr. Kamal Lunawath	14,52,600	14.58%	14,52,600	16.89%
Mr. Vimal Lunawath	13,99,900	14.05%	13,99,900	16.28%
Taj Foundations Private Limited	6,90,000	6.92%	6,90,000	8.02%
Siddartha Sacheti	6,89,467	6.92%	-	-
Mithun Padam Sacheti	6,89,466	6.92%	-	-
Barclays Wealth Trustees India Pvt Ltd	6,82,812	6.85%	-	-
Victory Financial Services Pvt Ltd	6,82,307	6.85%	6,82,307	7.93%

e) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and buy back of shares during the last 5 years immediately preceding 31 March 2025.

f) Capital management policies and procedures

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders plus its borrowings and cash credit facility, if any, less cash and cash equivalents as presented on the face of the balance sheet.

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. The amounts managed as capital by the Company for the reporting periods under review are summarized as follows:

Particulars	As at 31-Mar-25	As at 31-Mar-24
Borrowings	12,722.69	8,843.19
Cash and bank balances	5,599.07	521.97
Net debt (A)	**7,123.62**	**8,321.22**
Total equity (B)	**27,225.68**	**17,136.35**
Overall financing (A+B)	**34,349.30**	**25,457.57**
Gearing ratio	**21%**	**33%**

g) Shareholding of promoters

Particulars	As on 31.03.2025		As on 31.03.2024		% of Change during the year
	Number of Shares	% of total shares	Number of Shares	% of total shares	
Kamal Lunawath	14,52,600.00	14.58	14,52,600	16.89	(2.31)
Vimal Lunawath	13,99,900.00	14.05	13,99,900	16.28	(2.23)
Madhu Lunawath	2,50,000.00	2.51	2,50,000	2.91	(0.40)
Mangi Lal Lunawath	2,50,000.00	2.51	2,50,000	2.91	(0.40)
Kavita Lunawath	86,800.00	0.87	86,800	1.01	(0.14)
Preethi Lunawath	61,700.00	0.62	61,700	0.72	(0.10)
Esha Lunawath	56,000.00	0.56	56,000	0.65	(0.09)
Meghna Lunawath	53,400.00	0.54	53,400	0.62	(0.08)
Paresh Jagdish Bhatt	31,100.00	0.31	31,100	0.36	(0.05)
Narendra Kumar Lunawath	20,100.00	0.20	20,100	0.23	(0.03)
Jagadish Bhat	0.00	0.00	25,100	0.29	(0.29)
Piyush Bhatt	25,100.00	0.25	-	-	-
Total	**36,86,700.00**	**36.99**	**36,86,700.00**	**42.87**	

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

15. OTHER EQUITY

Particulars	As at 31-Mar-25	As at 31-Mar-24
Securities premium account		
Balance at the beginning of the year	5,706.50	5,706.50
Add: Share Premium	6,418.43	-
Balance at the end of the year	**12,124.93**	**5,706.50**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General reserve	**883.09**	**883.09**
Retained earnings		
Balance at the beginning of the year	9,656.61	9,334.11
Add: Transfer from statement of profit and loss	2,545.70	322.50
Adjustments on accounts of Fair Value	-	-
Dividends	(86.00)	-
Balance at the end of the year	**12,116.31**	**9,656.61**
Accumulated other comprehensive income		
Balance at the beginning of the year	30.14	31.98
Add: Movement during the year	(1.6)	(1.84)
Balance at the end of the year	**28.53**	**30.14**
Money Received Agst Share Warrants	1,076	-
Total Other Equity	**26,229.12**	**16,276.35**

16. BORROWINGS

Particulars		As at 31-Mar-25	As at 31-Mar-24
Non-current			
Secured			
Term Loan			
- from bank		52.83	155.06
- from others		10,260.61	6,991.55
		10,313.44	**7,146.61**
Less: Current maturities of long-term debt (Also, refer note 19)		(484.39)	(418.59)
	(A)	**9,829.05**	**6,728.01**
Unsecured			
From others			
Loans from related parties		3,256.48	2,846.07
Deposits		70.75	70.75
Other Loan		236.01	236.26
Deferred Income on Loans		207.15	162.10
		3,770.40	**3,315.18**
Less: Current maturities of long-term debt (Also, refer note 19)		(876.76)	(1,200.00)
	(B)	**2,893.64**	**2,115.18**
TOTAL	**(A+B)**	**12,722.69**	**8,843.19**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Information regarding Borrowings

A. From Banks - Term Loans

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
PUNJAB NATIONAL BANK **Sanctioned Amount:** ₹ 9,30,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** One hundred and twenty monthly instalments of ₹ 16,87,145/- each.		52.83	155.20
Total	**(A)**	**52.83**	**155.20**

B. Others - Term Loans

from others

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
BAJAJ FINANCE LIMITED **Loan 1** **Loan Amount:** ₹ 15.75 Crores **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company. Further, the loan has been guaranteed by way of personal guarantee of the directors of the Company. **Repayment Terms:** 152 instalments of varying EMI starting from 02-08-2015. 37 instalments are outstanding as on the balance sheet date.	15.10%	30.13	37.66
Loan 2 **Loan Amount:** ₹ 1.25 Crores **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company. Further, the loan has been guaranteed by way of personal guarantee of the directors of the Company. **Repayment Terms:** One hundred and forty-eight EMIs of ₹ 1,66,075/- each, starting from 02-09-2015. 33 instalments are outstanding as on the balance sheet date."	15.10%	45.11	57.40
TATA CAPITAL HOUSING FINANCE LIMITED **Loan 1:** **Sanctioned Amount:** ₹ 45,00,00,000/- **Withdrawn Amount:** ₹ 29,50,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Twenty-four monthly instalments of ₹ 1,87,50,000/-	12.00%	792.20	798.80

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

from others (Contd.)

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
Loan 2: **Sanctioned Amount:** ₹ 15,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Twelve monthly instalments of ₹ 1,25,00,000/-"	13.20%	800.00	300.00
Loan 3: **Sanctioned Amount:** ₹ 10,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Twenty-four instalments of ₹ 41,66,667/-	13.20%	-	999.88
ADITYA BIRLA FINANCE LIMITED **Term Loan** **Sanctioned Amount:** ₹ 35,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Forty-eight monthly instalments of ₹ 72,91,651/-	13.75%	-	1,049.72
Project Vayu, Perungudi **Sanctioned Amount:** ₹ 25,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Vayu, Perungudi and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 48 months with moratorium of 30 months and repayable in 18 equal instalments.	12.20%	1,525.00	900.00
Project Vanya Vilas, Hunters Road **Sanctioned Amount:** ₹ 22,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Vanya Vilas, Hunters Road and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 36 months with moratorium of 18 months and repayable in 18 equal instalments.	12.00%	750.99	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

from others (Contd.)

Particulars	Interest Rate	Amount Outstanding As at 31-Mar-25	Amount Outstanding As at 31-Mar-24
Project Vipassana, Srinagar Colony: **Sanctioned Amount:** ₹ 15,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Vipassana, Srinagar Colony and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 36 months with moratorium of 18 months and repayable in 18 equal instalments.	12.00%	1,064.14	-
Project Reserve 16, Pattipulam **Sanctioned Amount:** ₹ 55,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Reserve 16, Pattipulam and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 48 months with moratorium of 36 months and repayable in 12 equal instalments.	13.75%	3,693.75	-
Term Loan 1: **Sanctioned Amount:** ₹ 3,42,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Repayable in one hundred and eighty monthly variable EMIs.	10.00%	-	341.23
Term Loan 2: **Sanctioned Amount:** ₹ 6,32,00,000/- **Interest Rate:** 10.00% **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Repayable in one hundred and eighty monthly variable EMIs.	10.00%	-	628.58
BAJAJ HOUSING FINANCE LIMITED **Term Loan with Drop Line OD Facility 1:** **Security:** Mortgage against certain immovable properties. OD sanctioned limit is ₹ 1.65 crores. **Repayment Terms:** Total loan repayable in 180 equated monthly instalments with balance EMI payable: 103	14.95%	81.01	-
Term Loan with Drop Line OD Facility 2: **Security:** Mortgage against certain immovable properties. **Repayment Terms:** Total loan repayable in 159 equated monthly instalments.	15.00%	169.00	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

from others (Contd.)

Particulars	Interest Rate	Amount Outstanding As at 31-Mar-25	Amount Outstanding As at 31-Mar-24
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED **Sanctioned Amount:** ₹ 2,57,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** One hundred and eighty monthly instalments of ₹ 2,76,174/-	10.00%	-	247.83
SUNDARAM HOME FINANCE LIMITED **Sanctioned Amount:** ₹ 1,99,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** One hundred and ninety-five monthly instalments of ₹ 2,24,935/-	11.45%	187.21	192.26
HINDUJA LEYLAND FINANCE LIMITED **Sanctioned Amount:** ₹ 7,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** One hundred and twenty equated monthly instalments.	11.50%	700.00	-
Others: **Security:** Secured against the asset/property for which the loan has been obtained.	9% to 15%	422.07	1,438.18
Total	**(B)**	**10,260.61**	**6,991.54**
Grand Total	**(A+B)**	**10,313.44**	**7,146.74**

17. PROVISIONS

Particulars	As at 31-Mar-25	As at 31-Mar-24
Non-current		
Provisions for employee benefits		
Gratuity	70.95	64.88
	70.95	**64.88**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

a) Provision for employee benefits

i) Gratuity

Gratuity is payable to all the members at the rate of 15 days salary for each year of service. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement:

Particulars	As at 31-Mar-25	As at 31-Mar-24
Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	64.88	42.86
Interest cost	3.87	3.23
Current service cost	20.00	16.24
Past service cost		
Benefit payments from employer	(20.03)	-
Acquisitions/Divestures/Transfer out	-	-
Actuarial (gain)/loss	2.24	2.55
Projected benefit obligation at the end of the year	**70.95**	**64.88**
Thereof		
Unfunded	70.95	64.88
Principal actuarial assumptions used:		
a) Discount rate	7.22%	7.05%
b) Long-term rate of compensation increase	12%	12%
c) Attrition rate	1%	1%
d) Mortality table	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2025.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement:

Particulars	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2025						
> Sensitivity Level	-7.44%	8.77%	-14.75%	18.36%	16.57%	-14.32%
> Impact on defined benefit obligation	(5.28)	6.22	(10.47)	13.03	11.76	(10.16)
31 March 2024						
> Sensitivity Level	-6.97%	8.18%	-15.10%	18.74%	14.40%	-13.00%
> Impact on defined benefit obligation	(4.52)	5.31	(9.80)	12.16	9.34	(8.44)

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

18. TRADE PAYABLES

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current		
Dues to micro and small enterprises*	-	-
Dues to others	5,549.28	7,739.36
	5,549.28	**7,739.36**

* There are no micro and small enterprises, as defined under the provisions of Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues as at the reporting date. The micro and small enterprises have been identified by the management on the basis of information available with the Company and have been relied upon by the auditors.

Trade Payables ageing schedule: As at 31st March 2025

Particulars	Outstanding for the following periods from the due dates				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	4,439.42	1,109.86			5,549.28
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March 2024

Particulars	Outstanding for the following periods from the due dates				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	6,191.49	1,547.87			7,739.36
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

19. OTHER FINANCIAL LIABILITIES

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current		
Current maturities of long-term debt (Also, refer note 16)	1,361.15	1,618.59
	1,361.15	**1,618.59**

20. OTHER CURRENT LIABILITIES

Particulars	As at 31-Mar-25	As at 31-Mar-24
Statutory dues	105.61	66.97
Advance from customers and for projects	950.11	702.49
Revenue received in advance	1.01	1.01
Other Payables	817.68	826.56
	1,874.41	**1,597.02**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

21. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Provision for taxation (net of advance tax)	115.76	-
	115.76	**-**

22. REVENUE FROM OPERATIONS

Particulars		Year ended 31-Mar-25	Year ended 31-Mar-24
Sales		11,612.09	5,807.21
Marketing fees received		11.57	-
Project management fees received		-	1,150.00
	(A)	**11,623.65**	**6,957.21**
Other Operating Revenues			
Lease rentals		198.68	236.99
Maintenance charges received		403.64	342.11
Contractual Charges Income		-	120.00
	(B)	**602.32**	**699.10**
TOTAL	**(A+B)**	**12,225.98**	**7,656.31**

23. OTHER INCOME

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Interest on Fixed Deposit	57.16	16.86
Interest on NCD, Loan or others	533.28	424.06
Interest - INDAS	830.45	911.92
Profit on Sale of Fixed Asset	94.79	5.62
Profit on Sale of Investment	76.29	
Share of Profit firms	8.45	-
Miscellaneous income	0.32	2.48
	1,600.73	**1,360.94**

24. CONSTRUCTION AND PROJECT EXPENSES

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Cost of land	5,475.73	10.74
Materials	1,157.14	777.90
Labour & sub-contract expenses	4,787.31	1,398.87
Legal expenses	77.42	393.85
Marketing Expenses	210.71	11.67
Consultancy charges	41.21	78.62
Interest charges and other finance costs related to projects	1,077.87	743.19
Other Project Expenses	317.61	1,262.58
	13,145.00	**4,677.42**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

25. CHANGES IN INVENTORIES OF MATERIALS, WORK-IN-PROGESS AND FINISHED GOODS

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
a. Inventories at the beginning of the year		
ii. Work-in-progress	7,768.86	9,026.62
	7,768.86	**9,026.62**
b. Inventories at the end of the year		
ii. Work-in-progress	13,833.38	7,768.86
	13,833.38	**7,768.86**
Net (increase)/decrease	**(6,064.52)**	**1,257.75**

26. EMPLOYEES BENEFIT EXPENSES

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Salaries & Wages	651.47	473.33
Contribution to provident and other funds	45.99	42.10
Staff Welfare	15.41	13.59
	712.87	**529.02**

27. FINANCE COSTS

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Interest on Term & Unsecured loan	579.77	491.10
Interest expenses - INDAS	1,015.87	916.13
Bank Charges	0.64	1.24
Processing Charges - Admin	43.54	11.82
	1,639.82	**1,420.29**

28. DEPRECIATION AND AMORTIZATION

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Depreciation of assets (Also, refer note 3)	13.13	12.26
	13.13	**12.26**

29. OTHER EXPENSES

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Power & Fuel	29.85	19.09
Rent	113.24	57.87
Rates & Taxes	35.63	15.68
Advertisement & Business Promotion	116.84	77.78
Legal, Professional & Consultancy Charges	117.98	47.88
Travelling & Conveyance	10.40	13.24

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

29. OTHER EXPENSES (Contd.)

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Repairs and maintenance:		
- Repairs & Office Maintenance	441.83	414.39
- Vehicle Maintenance	1.64	2.34
Telephone, Postage, Printing & Stationery	10.83	9.59
Audit Fees		
- For Statutory Audit (Also, refer note 32)	6.00	6.00
Miscellaneous expense	26.78	23.83
Share of Loss	-	0.07
	911.02	**687.76**

30. EARNINGS PER EQUITY SHARE (EPS)

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
For profit for the year		
Nominal value of equity shares	10	10
Profit attributable to equity shareholders (A)	2,546	323
Weighted average number of equity shares outstanding during the year (B)	91,08,835	91,08,835
Basic earnings per equity share (A/B) (in ₹)	**27.95**	**3.54**
Diluted earnings per equity share (A/B) (in ₹)	**27.95**	**3.54**
For total comprehensive income		
Nominal value of equity shares	10	10
Total comprehensive income attributable to equity shareholders (A)	2,544.08	320.66
Weighted average number of equity shares outstanding during the year (B)	91,08,835	91,08,835
Basic earnings per equity share (A/B) (in ₹)	**27.93**	**3.52**
Diluted earnings per equity share (A/B) (in ₹)	**27.93**	**3.52**

31 (A) FINANCIAL ASSETS AND LIABILITIES

Categories of financial assets and financial liabilities

As at 31 March 2025

Particulars	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
Financial assets				
Investments		210.88	660.77	871.65
Loans	6,384.22			6,384.22
Trade receivables			5,078.01	5,078.01
Cash and bank balances			520.89	520.89
Other bank balances			5,078.18	5,078.18
Other financial assets	8,368.83		76.34	8,445.17
	14,753.06	**210.88**	**11,414.19**	**26,378.13**

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Particulars	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Financial liabilities at amortised cost	Total
Financial liabilities				
Trade payables			5,549.28	5,549.28
Borrowings	3,327.23		10,756.60	14,083.84
Other financial liabilities			1,361.15	1,361.15
	3,327.23	**-**	**17,667.04**	**20,994.27**

As at 31 March 2024

Particulars	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
Financial assets				
Investments		211.78	682.07	893.85
Loans	5,720.60			5,720.60
Trade receivables			5,660.11	5,660.11
Cash and bank balances			180.90	180.90
Other bank balances			341.07	341.07
Other financial assets	7,676.36		211.50	7,887.87
	13,396.96	**211.78**	**7,075.65**	**20,684.39**

Particulars	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Financial liabilities at amortised cost	Total
Financial liabilities				
Trade payables			7,739.36	7,739.36
Borrowings	2,916.82		5,926.38	8,843.19
Other financial liabilities			1,618.59	1,618.59
	2,916.82	**-**	**15,284.33**	**18,201.15**

31(B) RATIOS

The ratios for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	Numerator	Denominator	As at 31.03.2025	As at 31.03.2024
Current Ratio	Current Assets	Current Liabilities	3.48	1.76
Debt-Equity Ratio	Total Liabilities	Shareholder's Equity	0.80	1.16
Debt Service Coverage Ratio	Net Operating Income	Debt Service	2.56	1.24
Return on Equity Ratio	Profit for the period	Avg. Shareholders Equity	11.48%	1.90%
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	0.66	0.71
Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivables	2.28	1.21
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	1.98	0.59
Net Capital Turnover Ratio	Net Sales	Average Working Capital	0.55	0.93
Net Profit Ratio	Net Profit	Net Sales	20.82%	4.21%
Return on Capital employed	EBIT	Capital Employed	12.74%	2.53%
Return on Investment	Return/Profit/ Earnings	Investment	-	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

32. LEASES

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Operating lease commitments - as lessee		
Total lease payments charged off to the statement of profit and loss	113.24	57.87
Operating lease commitments - as lessor		
Total lease receipts charged off to the statement of profit and loss	198.68	236.99

33. REMUNERATION TO AUDITORS

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
As auditor		
Statutory audit	6.00	6.00
Total	**6.00**	**6.00**

34. RELATED PARTIES

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

a) Significant influenced enties

Name of Wholly owned Subsidiary	Country	Holding as at [in %]	
		31-03-2025	31-03-2024
Vaikunt Housing Limited	India	100	100
Arihant Griha Limited	India	100	100
Trasperent Heights Real Estate Limited	India	100	100
Varenya Constructions Limited	India	100	100
Verge Realty Private Limited	India	100	100
Escapade Real Estates Private Limited	India	100	100
Vihaana Realty Private Limited	India	100	100
Vinyasa Realty Private Limited	India	100	100

b) List of Joint Ventures

	Country
Kairav Developers Limited	India

Other related parties

a) Partnership Firms

	Country
Arihant Foundations	India
Arihant Foundations & Housing	India
Arihant Heirloom	India

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

b) Limited Liability Partnership

	Country
Ivorylane Realty LLP	India
Veridion Realty LLP	India
Vilaya Properties LLP	India
Escapade Services LLP	India
Questiva Estates LLP	India

c) Key Management Personnel

Key Management Personnel and their relatives	**Relationship**
Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	Whole time Director/Chief Financial Officer
Mr. Bharat Kumar Mangilal Jain	Whole time Director
Mr. Karan Bhasin	Non-Executive - Independent Director
Mr. Prateek Khicha	Non-Executive - Independent Director
Mr. Gunalan Vivekanandan	Non-Executive - Independent Director
Mrs. Shruti Suresh Kumar	Non-Executive - Independent Director
Mr. Arun Rajan	Chief Executive Officer
CS Mary Belinda Jyotsna	Company Secretary & Compliance Officer

Nature of Transactions	**For the year ended March 31, 2025**			**For the year ended March 31, 2024**		
	Significant influence entities	**Joint Ventures**	**Other related parties**	**Significant influence entities**	**Joint Ventures**	**Other related parties**
Income						
Sale of Goods or Services	**-**	**-**	**-**	**1,360**	**-**	**-**
Verge Realty Pvt Ltd	-	-	-	1,360	-	
Interest income	**313.18**	**183.4**	**-**	**229.52**	**152**	**-**
Verge Realty Pvt Ltd	301.30	-	-	-	-	-
Varenya Constructions Ltd	11.87	-	-	229.52	-	-
Kairav Developers Pvt Ltd	-	183.4	-	-	152	-
Expenses						
Remuneration	**-**	**-**	**138.00**	**-**	**-**	**78.00**
Kamal Lunawath	-	-	60.00	-	-	30.00
Vimal Lunawath	-	-	60.00	-	-	30.00
Bharat Jain	-	-	18.00	-	-	18.00
Interest Expenses	**-**	**-**	**163.82**	**-**	**-**	**187.31**
Kamal Lunawath	-	-	142.35	-	-	146.60
Vimal Lunawath	-	-	21.47	-	-	40.71
Other Transactions						
Loan Received	**3,148.72**	**-**	**2,241.00**	**2,488.40**	**-**	**2,928.27**
Varenya Constructions Ltd	5.63	-	-	101.27	-	-
Escapade Real Estate P Ltd	2,737.42	-	-	2,387.13	-	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Significant influence entities	Joint Ventures	Other related parties	Significant influence entities	Joint Ventures	Other related parties
Verge Realty Pvt Ltd	405.67	-	-	-	-	-
Kamal Lunawath	-	-	1,987.36	-	-	2,812.01
Vimal Lunawath	-	-	163.35	-	-	116.26
Escapade Services LLP	-	-	90.29	-	-	-
Loan Repaid	**4,960.53**	**-**	**2,383.69**	**2,955.60**	**-**	**3,367.84**
Varenya Constructions Ltd	144.59	-	-	279.45	-	-
Escapade Real Estate P Ltd	4,815.94	-	-	2,676.15	-	-
Kamal Lunawath	-	-	1,916.10	-	-	3,070.99
Vimal Lunawath	-	-	467.59	-	-	296.85
Loan Given	**5,959.13**	**-**	**62.91**	**6,214.96**	**-**	**-**
Arihant Griha Ltd	300.41	-	-	0.03	-	-
Vaikunt Housing Limited	0.36	-	-	0.13	-	-
Verge Realty Pvt Ltd	5,658.36	-	-	6,214.80	-	-
Vilaya Properties LLP	-	-	62.91			
Advances Given	**3.03**	**-**	**-**	**2.99**	**-**	**-**
Transperent Heights Real Estate Ltd	3.03	-	-	2.99	-	-
Year End Receivable						
Loan Receivable	**2,225.48**	**498.82**	**62.91**	**2,371.58**	**439.06**	**-**
Vaikunt Housing Limited	138.47	-	-	138.11	-	-
Varenya Constructions Ltd	1,435.49	-	-	1,296.53	-	-
Verge Realty Pvt Ltd	-	-	-	285.83	-	-
Arihant Griha Limited	651.52	-	-	651.11	-	-
Kairav Developers Pvt Ltd		498.82		-	439.06	-
Vilaya Properties LLP			62.91			
Trade Receivable	**298.70**	**-**	**-**	**412.67**	**-**	**-**
Arihant Griha Limited	180.10	-	-	180.10	-	-
Transperent Heights Real Estate Ltd	118.60	-	-	115.57	-	-
Verge Realty Pvt Ltd	-	-	-	117.00	-	-
Investment in Debentures	**1,978.61**	**1,170.00**	**-**	**1,978.61**	**1,170.00**	**-**
Varenya Constructions Ltd	1,978.61	-	-	1,978.61	-	-
Kairav Developers Pvt Ltd		1,170.00		-	1,170.00	-
Year End Payable	-	-	-			
Loan Payable	**3,488.98**	**-**	**1,650.81**	**5,161.82**	**-**	**1,646.06**
Escapade Real Estate P Ltd	3,083.31	-	-	5,161.82	-	-
Verge Realty Pvt Ltd	405.67	-	-	-	-	-
Directors - Kamal Lunawath & Vimal Lunawath	-	-	1,247.83	-	-	1,333.38
Arihant Foundations & Housing	-	-	93.88	-	-	93.88
Arihant Foundations	-	-	218.81	-	-	218.81
Escapade Services LLP	-	-	90.29	-	-	-

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

35. FAIR VALUE MEASUREMENT

Fair value measurement hierarchy

The Company records certain financial assets and financial liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income investments and other financial assets such as loans, deposits etc. which must be measured using the fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of fair value hierarchy. These levels are based on the observability of significant inputs to the measurement, as follows:

> **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

> **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

> **Level 3:** Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy of financial and non-financial assets and liabilities measured at fair value on a recurring basis at 31 March 2025, 31 March 2024.:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
i) Assets measured at fair value:					
Fair value through other comprehensive income					
Investments					
2025	31 March 2025	210.88	6.26	204.62	-
2024	31 March 2024	211.78	7.16	204.62	-
Investment in mutual funds are valued based on the Net Asset Value (NAV) of the funds as at the year end. The NAV of the funds are provided by the fund management Company at the end of each reporting year.					
ii) Liabilities measured at fair value:					
Financial guarantees					
2025	31 March 2025	-	-	-	-
2024	31 March 2024	-	-	-	-
The fair value of the financial guarantees are based on the credit risk associated with the guarantees extended and the maximum exposure that is expected to have on the event of default by the debtor.					
There have been no transfers between Level 1 and Level 2 during the year.					

ii) Liabilities measured at amortised cost:

a) Interest-bearing loans and borrowings:

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Floating rate borrowings	Nil	Nil
Fixed rate borrowings	10,549.46	7,382.87

The fair values of the Company's interest-bearing borrowings and loans are determined under amortised cost method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. These rates are considered to reflect the market rate of interest and hence the carrying value are considered to be at fair value.

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

36. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS AND RESPECTIVE FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its and group companies operations. The Company's principal financial assets include loans, trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Group treasury team that advises on financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by Group Treasury Team that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

a) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

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. The Company's exposure to the risk of changes in market interest rates are managed by borrowing at fixed interest rates. During the year Company did not have any floating rate borrowings.

c) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment in mutual funds etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at 31 March 2018, as summarised below:

Particulars	31 March 2025	31 March 2024
Classes of financial assets		
Investments	4,085.95	4,093.60
Trade receivables	5,078.01	5,660.11
Loan	6,384.22	5,720.60
Cash and bank balances	5,599.07	521.97
Other financial assets	8,445.17	7,887.87

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprises of security deposits which are given to land owners or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continous basis.

d) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods.

Notes forming part of Standalone Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within six months except for retention and long term trade receivables which are governed by the relevant contract conditions.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and short-term borrowings. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

36. EVENTS AFTER THE REPORTING PERIOD

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2025) and the date of authorization.

37. CONTINGENT LIABILITIES, COMMITMENTS AND GUARANTEES

Contingent liabilities

Particulars	As at 31-Mar-25	As at 31-Mar-24
i) The cases pending before the CIT Appeals of Income tax are as follows		
AY 2011-2012	71.83	71.83
ii) The cases pending before the High Court of Madras are as follows		
AY 2005-2006	53.24	53.24
AY 2007-2008	557.62	557.62
AY 2004-2005	13.72	13.72
AY 2005-2006	95.58	95.58
The cases pending before the GST First Appellate Authority		
FY- 2017-2018	92.16	-
FY- 2018-2019	90.47	-

iii) In continuation to inspection made u/s. 209A of the Companies Act, 1956; the proceedings filed u/s. 58A, 299 and 295 are under process. The Company has applied for compounding application for the same on 19.01.2015

38. SEGMENT REPORTING

The Company is primarily in the business of real estate development and related activities including construction. Major exposure is to residential and commercial construction and development of IT parks. Further majority of the business conducted is within the geographic boundaries of India.

In view of the above, in the opinion of the Management and based on the organizational and internal reporting structure, the Company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the Company are within India, in the opinion of the Management, the environment in India is considered to have similar risks and returns. Consequently the Company's business activities primarily represent a single business segment. Similarly, this business operations in India represent a single geographical segment.

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYL7587

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

Independent Auditor's Report

To the Members of Arihant Foundations and Housing Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **Arihant Foundations and Housing Limited** ("hereinafter referred to as the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint controlled entity, which comprise the Consolidated Balance Sheet as at March 31, 2025, 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 and notes to the Consolidated Financial Statements 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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2025, the consolidated profit and loss and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing 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, and of its joint controlled entity in accordance with the Code of Ethics issued by the (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	Recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with customers"	**Key audit matter description** The application of new revenue standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Refer Note No: 2(g) to Consolidated financial statements. **Principal Audit Procedures** We assessed the Group's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach is as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness. • Testing the relevant information technology system's access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new accounting standard.

KEY AUDIT MATTERS (Contd.)

Sr.No	Key Audit Matter	Auditor's Response
		• Testing a sample of contracts for appropriate identification of performance obligations; • Engaging technical experts to review estimates of costs to complete for sample contracts and • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
2	Evaluation of uncertain tax positions	**Key audit matter description** The Group has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes Refer Note no: 2(o) & (n) to Consolidated Financial Statements. **Principal Audit Procedures** Our procedures included the following: • Obtained understanding of key uncertain tax positions. • Obtained details of completed tax assessments and demands for the year ended March 31, 2025 from the management; • We along with our internal tax experts discussed with appropriated senior management and evaluated the Management's underlying key assumptions in estimating the tax provision. • Additionally, we considered the effect of new information in respect to uncertain tax positions as at March 31, 2025 to evaluate whether any change was required to management's position on these uncertainties.
3	Balance Confirmations From Vendors and Customers	The Company neither follows the practice of obtaining balance confirmation from Vendors and Customers on a period basis nor on Annual Basis. The absence of direct balance confirmation constitute departure from SA-505 External Confirmations. We have performed subsequent audit procedures on test check basis however we are unable to comment on the balances carried forward in the financial statements.
4.	Compliance under Micro, Small and Medium Enterprises Development Act (MSME), 2006	The Company is in process of identifying the Sundry Creditors under MSME Act, 2006. In absence of adequate documents we are unable to Verify and provide for Interest liability if any under MSME Act, 2006.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint controlled entity, is traced from their financial statements approved by the management and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint controlled entity, in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group, and its joint controlled entity.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are incorporated in India, has adequate internal financial controls system 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, its joint controlled entity 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 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 auditor's 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

OTHER MATTERS

The Statement includes audited financial statement of a subsidiaries, whose financial statements reflect Group's share of total assets of ₹ 16495 lakhs as at 31st March, 2025, Group's share of total revenues of ₹ 2400 Lakhs and Group's share of total net profit including other comprehensive income of ₹ 838.09 lakhs for year ended on that date, respectively as considered in the Statement, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the Management, and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the such auditors and the procedures performed by us as stated in section Basis of Opinion above.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.

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 Flow 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 Group as on March 31, 2025 taken on record by the Board of Directors of the Group and its joint controlled entity, none of the directors is disqualified as on March 31, 2025 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 of the Group and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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 has disclosed the impact of pending litigations on its consolidated financial position of its Group and joint controlled entity.

ii. Provision has been made in consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. While there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company, the related shares could not be transferred due to technical issues. We were informed that the Company is taking necessary steps in this regard.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. Based on our examination which included test checks, performed by us on the Company and its subsidiaries incorporated in India, except for the instances mentioned below, have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent Company and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

For M/S B.P.JAIN AND Co.
Chartered Accountants
Firm's Registration No.050105S

DEVENDRA KUMAR BHANDARI
Partner
Membership No: 208862
UDIN: 25208862BMJUYM4399

Place: Chennai
Date: 30-05-2025

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 Foundations and Housing 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, 2025, we have audited the internal financial controls over financial reporting of **ARIHANT FOUNDATIONS AND HOUSING LIMITED** ("the Company") and its subsidiary companies and joint controlled entity, 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.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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

i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii. 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

iii. 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.

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, to the best of our information and according to the explanations given to us, 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, 2025, 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 M/S B.P.JAIN AND Co.
Chartered Accountants
Firm's Registration No.050105S

DEVENDRA KUMAR BHANDARI
Partner
Membership No: 208862
UDIN: 25208862BMJUYM4399

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Consolidated Balance sheet

As at 31 March 2025

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	853.95	905.92
Intangible assets	3	0.01	0.05
Leased Assets	3.1	238.63	-
Goodwill	3.2	1,155.00	1,155.00
Financial assets			
- Investments	4	2,091.84	3,304.50
- Trade receivables	5	2,335.41	2,613.18
- Loans	6	1,273.94	2,332.81
- Other financial assets	7	11,068.50	7,733.24
Deferred tax assets (net)	8	436.22	634.79
Total - Non-current assets (A)		**19,453.49**	**18,679.48**
Current assets			
Inventories	9	17,637.74	12,198.71
Financial assets			
- Investments	4	196.49	132.34
- Trade receivables	5	3,872.67	4,397.36
- Cash and cash equivalents	10	2,021.59	571.51
- Bank balances other than those mentioned in cash and cash equivalents	10	5,078.30	341.07
- Loans	11	3,342.62	2,709.05
- Other financial assets	7	979.99	282.28
Current tax asset (Net)	12	383.15	-
Other current assets	13	5,152.26	4,929.37
Total - Current assets (B)		**38,664.80**	**25,561.69**
Total assets [(A)+(B)]		**58,118.30**	**44,241.18**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	996.56	860.00
Other equity	15	30,098.23	18,289.10
Non - Controlling interests		**-**	**-**
Total equity (A)		**31,094.79**	**19,149.10**
Non-current liabilities			
Financial liabilities			
- Borrowings	16	11,963.45	11,131.66
- Lease Liabilities	16.1	150.66	-
Provisions	17.1	70.95	161.04
- Other Non Current Liabilities	18	113.44	297.20
Total - Non-current Liabilities (B)		**12,298.50**	**11,589.89**
Current liabilities			
Financial liabilities			
- Borrowings	16	1,129.71	657.59
- Lease Liabilities	16.1	66.14	-
- Trade payables	19	4,574.17	4,945.02
- Other financial liabilities	20	2,349.51	3,039.17
Other current liabilities	21	6,113.35	4,765.47
Provisions	17	37.49	6.51
Current tax liabilities (net)	21A	454.64	88.41
Total - Current Liabilities (C)		**14,725.01**	**13,502.18**
Total liabilities [(B)+(C)]		**27,023.51**	**25,092.07**
Total equity and liabilities [(A)+(B)+(C)]		**58,118.30**	**44,241.18**

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYM4399

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Consolidated Statement of Profit and Loss
for the year ended 31 March 2025

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	22	20,643.59	12,408.21
Other income	23	1,500.16	1,164.67
Total revenue		**22,143.74**	**13,572.87**
Expenses			
Construction and project expenses	24	17,206.26	6,806.17
Changes in inventories of finished goods, work in progress and stock-in-trade	25	(5,406.13)	1,294.06
Employee benefits expense	26	885.94	702.64
Finance costs	27	2,095.27	1,677.32
Depreciation and amortization expense	28	51.11	34.42
Other expenses	29	1,521.17	1,101.06
Total expenses		**16,353.63**	**11,615.67**
Share of profit/(loss) from equity accounted investments		**34.56**	**80.32**
Profit/(Loss) before tax		**5,824.67**	**2,037.53**
Tax expense			
Current tax		(1,560.77)	(686.30)
Deferred tax		6.25	(1.09)
Profit/(Loss) for the year		**4,270.14**	**1,350.14**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Re-measurement (losses) on defined benefit plans		(2.24)	(2.55)
- Income tax relating to items that will not be reclassified to profit and loss		0.62	0.71
Other comprehensive income for the year, net of tax		**(1.62)**	**(1.84)**
Total comprehensive income for the year		**4,268.54**	**1,348.31**
Profit attributable to:			
Owners of the Company		4,270.14	1,350.13
Non-controlling interest		-	-
		4,270.14	**1,350.13**
Other comprehensive income attributable to:			
Owners of the Company		(1.62)	(1.84)
Non-controlling interest		-	-
		(1.62)	**(1.84)**
Total comprehensive income attributable to:			
Owners of the Company		4,268.54	1,348.30
Non-controlling interest		-	-
		4,268.54	**1,348.30**
Earnings per equity share			
Basic (in ₹) (Face value of ₹ 10 each)	30	46.88	14.82
Diluted (in ₹) (Face value of ₹ 10 each)	30	46.88	14.82

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

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Partner
Membership No. 208862
UDIN: 25208862BMJUYM4399

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Consolidated Statement of Cash Flows
for the year ended 31 March 2025

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities		
Profit before tax	5,824.67	2,037.53
Adjustments to reconcile net income to net cash provided by operating activities	-	-
Depreciation and amortization expense	51.11	34.42
(Gain)/loss on sale of investments	-	-
Interest expenses	2,095.27	1,677.32
Loss on sale of fixed assets	-	-
Other non operating income	-	-
Interest and dividend income	(1,500.16)	(1,244.99)
Other adjustments	(1.62)	116.00
Operating profit before working capital changes	**6,469.27**	**2,620.28**
Changes in assets and liabilities		
Adjustments for working capital changes		
(Increase)/Decrease in Inventories	(5,439.03)	1,300.90
(Increase)/Decrease in trade receivables	802.46	1,093.15
Decrease/(Increase) in other financial assets	(3,235.54)	3,059.30
Decrease in other assets	(4,611.56)	(807.00)
(Decrease)/Increase in trade payables	(370.85)	423.22
(Decrease)/Increase in long term provisions	(59.11)	28.53
Increase/(Decrease) in other financial liabilities	(689.66)	(749.78)
Increase/(Decrease) in other current liabilities	1,414.00	(3,244.38)
Cash generated from/(used) in operating activities	**(5,720.03)**	**3,724.23**
Direct taxes paid, net	(2,885.88)	(687.39)
Net cash generated from/(used) in operating activities	**(8,605.90)**	**3,036.83**
B. Cash flow from investing activities		
Purchase of fixed Assets	(224.12)	(68.23)
Sale of fixed Assets	323.75	-
Interest/Dividend received during the year	1,500.16	1,239.06
Other non - operating income		
Purchase of investment	1,277.00	(131.63)
Proceeds from sale of investment		5.93
Net cash generated from investing activities	**2,876.79**	**1,045.13**
C. Cash flow from financing activities		
(Loans repaid)Fresh loans taken	425.31	(2,843.08)
Loans received back/(given)	1,303.91	(1,592.91)
Interest & finance charges	(2,095.27)	(1,677.32)
Share Capital	136.56	-
Share Premium	6,418.43	-
Money Received Agst Share Warrants	1,076.25	-
Dividend Paid	(86.00)	-
Net cash (used) in financing activities	**7,179.20**	**(6,113.32)**
D. Net change in cash and cash equivalents	**1,450.08**	**(2,031.36)**
E. Cash and cash equivalents at the beginning	**571.51**	**2,602.87**
F. Cash and cash equivalents at the end	**2,021.59**	**571.51**

(All amounts in INR Lakhs, unless otherwise stated)

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash and cash equivalents include		
Cash on hand	107.83	80.07
Balances with banks		
- in current accounts	1,913.76	491.44
Cash and cash equivalents as per note 10	**2,021.59**	**571.51**

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYM4399

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Consolidated Statements of Changes in Equity

for the period ended 31 March 2025

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 31 March 2024	**860.00**
Changes in equity share capital during the year	136.56
Balance as at 31 March 2025	**996.56**

B. OTHER EQUITY

Particulars	Reserves and surplus				Accumulated other comprehensive income	Total	Non - controlling interests
	General reserve	Securities premium	Share Warrants	Retained earnings			
Balances at March 31, 2024	**883.09**	**5,706.50**	**-**	**11,459.77**	**239.74**	**18,289.10**	**-**
Transfer from statement of profit and loss	-	-	-	4,270.14	-	4,270.14	-
Other comprehensive income for the year (net of tax)	-	-	-	-	(1.62)	(1.62)	-
Appropriations made during the year	-	-	-	131.92	-	131.92	-
Share Premium	-	6,418.43	-	-	-	6,418.43	-
Money received against share warrants	-	-	1,076.25	-	-	1,076.25	-
Dividends	-	-	-	(86.00)	-	(86.00)	-
Balances at March 31, 2025	**883.09**	**12,124.93**	**1,076.25**	**15,775.83**	**238.13**	**30,098.23**	**-**

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

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Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

(All amounts in INR Lakhs, unless otherwise stated)

Notes to Consolidated Financial Statements

1. BACKGROUND

Arihant Foundations & Housing Limited ("the Group") was incorporated on 6th March, 1992 as a limited Company. The Company is engaged in the business of constructions of residential, commercial complexes and IT parks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation and presentation of financial statements

i) Accounting convention

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

All amounts included in the financial statements are reported in Indian Rupees (₹).

ii) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified nto current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

iii) Principles of consolidation

Subsidiaries

Subsidiaries are all entities (inclusing structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to variable returns from its involvement with the entity and has ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsoliated from the date that control ceases. The acquisition methos of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like itms of assets, liabilities, equity, income and expenses. Intercompany transactions, balances, and unrealised gain on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of equity and balance sheet respectively.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint arrangements

Under Ind As 111, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classifiaction depends on the contractual rights and obligations of each investors, rather than the legal structure of the joint arrangement. Arihant Foundations and Housing Limited has only joint ventures.

Interest in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consoldated balance sheet

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss and the group's share of other comprehensive income of the investee in the other comprehensive income. Dividends received or receivable from the associates and joint ventures are reccognised as a reduction in the carrying amount of investment.

When the group's share of losses in an equity-accounted investments equals or exceeds its interest in the equity, including any other unsecured long term receivables, the group does not recognise further losses unless it has incurred obligations or made payments on behalf of the other equity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

the carrying amount of assets or liabilities affected in future periods.

The Group bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the group that have the most significant effect on the financial statements.

Classification of leases

The group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/non-current classification.

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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The group has evaluated and considered its operating cycle as 12 months.

d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Property, plant and equipment [other than freehold land and lease hold land (perpetual lease)] are depreciated under straight line method ("SLM method") over the estimated useful lives of the assets, which are prescribed under Schedule II to the Companies Act, 2013.

Useful life adopted by the Group for various class of assets is as follows:

Assets	Useful Lives
Vehicles	
Motor cycle/Two Wheelers	8 Years
Motor cars	10 Years
On Furniture and fixtures	10 Years
On Office equipments	5 Years
On Computers & Accessories	3 years

The Group has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013, the management has not identified any significant component having different useful lives. Schedule II requires the Group to identify and depreciate significant components with different useful lives separately.

Depreciation methods, useful lives and residual values are reviewed periodically and updated at each financial year end.

e) Intangible assets

The Group has elected to continue with the carrying value for all of its intangible assets as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment. Advances paid towards the acquisition of intangible assets outstanding at each balance sheet date are disclosed as other non-current assets and the cost of intangible assets not ready for their intended use before such date are disclosed as intangible assets under development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Impairment of property, plant and equipment and intangible assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

g) Revenue recognition

Revenue from projects

"Revenue from sale of properties is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured, which coincides with entering into a legally binding agreement. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes.

Revenue from sale of undivided share of land (UDS) in qualifying projects where the risks and rewards on the sale of the UDS are separable from the risks and rewards on the construction contract is recognized upon the transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with the buyers, which coincides with the firming of the sales contracts/ agreements and a minimum level of collection of dues from the customer.

Revenue from the sale of UDS on other projects where the risk and rewards on the sale of the UDS are not separable from the construction contracts and therefore do not qualify above are recognized on the percentage of completion method.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" (guidance note) all projects where revenue is recognized for the first time, construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

(a) all critical approvals necessary for the commencement have been obtained;

(b) the expenditure incurred on construction and development costs is not less than 25 percent of the total estimated construction and development costs;

(c) at least 25 percent of the saleable project area is secured by agreements with buyers; and

(d) at least 10 percent of the agreements are realized at the reporting date in respect of such contracts.

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 has been adjusted against the Retained earnings as at April 1, 2018. Accordingly, the figures of the previous year are not restated under Ind AS 115.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

Revenue from construction/project related activity is recognised as follows:

1. Cost plus contracts: Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.

2. Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Rental income

Income from rentals are recognized as an income in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

Interest income

Interest income is reported on an accrual basis using the effective interest method and is included under the head "other income" in the statement of profit and loss.

Dividend income

Income from dividends are recognized when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

h) Inventories

Raw materials

Inventory includes raw materials used for the construction activity of the Group. Raw materials are valued at the lower of cost and net realizable value with the cost being determined on a 'First In First Out' basis.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Properties under development

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure, borrowing costs and other net costs incurred during the period of development.

Properties held for sale

"Completed properties held for sale are stated at the lower of cost and net realizable value. Cost includes cost of land, construction related overhead expenditure, borrowing costs and other costs incurred during the period of development. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale."

Properties held for development

Properties held for development represents land acquired for future development and construction, and is stated at cost including the cost of land, the related costs of acquisition and other costs incurred to get the properties ready for their intended use.

i) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

The Group's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of project under development, as the case may be. The Group's contributions towards provident fund are deposited with a government administered fund, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Defined benefit plan

(i) Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs.

Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

j) Leases

"The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016 (date of transition to Ind AS), the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Finance Lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at fair value of the leased property or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life, whichever is lower. However, if there is no reasonable certainty that the group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease period.

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

k) Foreign currency transactions

Functional and presentation currency

The functional currency of the Group is the Indian Rupee (₹). These financial statements are presented in Indian Rupees (₹).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

-Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

-Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is adjusted against the cost of the depreciable asset, to which the grant relates to, on receipt of such subsidy.

n) Income taxes

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

o) Provisions and contingencies

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense."

Contingent liabilities

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 not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

p) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets (other than trade receivables) are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through statement of profit and loss which are measured initially at fair value. Subsequent measurement of financial assets is described below. Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost

b. Fair Value Through Other Comprehensive Income (FVTOCI) or

c. Fair Value Through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset at amortised cost

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Group, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These elections are made on an instrument-by instrument (i.e.., share-by-share) basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in the statement of profit and loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's standalone balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay

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to a third party under a 'pass-through' arrangement; and either (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

<u>Financial liabilities at fair value through profit or loss</u>

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Group tracks credit risk and changes thereon for each customer. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument

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cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables

Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables."

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

r) Fair value measurement

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 the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset 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 by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is primarily engaged in the business of real estate development and related activities including construction which constitutes its single reportable segment.

u) Earnings/(Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

v) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, balances with banks in current accounts and other short-term deposits with original maturities of 3 months or less, as applicable.

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for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Property, plant and equipment								Intangible assets
	Land	Freehold Buildings	Leasehold Buildings	Furnitures and Fixtures	Plant and Equipment	Office Equipment	Vehicles	Total	Computer software
Balance as at 31 March 2024	**156.80**	**705.12**	**57.95**	**279.79**	**123.85**	**128.76**	**272.51**	**1,724.80**	**44.14**
Additions	-	-	-	6.71	75	22.32	123.64	227.25	-
Appropriation	-	-	-	-	-	-	-	-	-
Disposals	-	217.86	-	5.72	0.02	7.03	8.18	238.81	-
Balance as at 31 March 2025	**156.80**	**487.26**	**57.95**	**280.78**	**198.43**	**144.05**	**387.96**	**1713.24**	**44.14**
Accumulated depreciation/ amortization									
Balance as at 31 March 2024	**-**	**125.44**	**18.23**	**238.92**	**104.70**	**110.23**	**221.35**	**818.88**	**44.09**
Depreciation/amortization charge during the year	-	2.54	0.93	8.52	7.52	12.93	20.96	53.41	0.04
Reversal on disposal of assets	-	-	-	1.47	-	3.76	7.77	13.00	-
Balance as at 31 March 2025	**-**	**127.98**	**19.16**	**245.98**	**112.22**	**119.41**	**234.54**	**859.29**	**44.13**
Net block									
Balance as at 31 March 2024	**156.80**	**579.68**	**39.72**	**40.87**	**19.15**	**18.54**	**51.16**	**905.92**	**0.05**
Balance as at 31 March 2025	**156.80**	**359.28**	**38.80**	**34.80**	**86.20**	**24.64**	**153.42**	**853.95**	**0.01**

3.1 Leased Assets

The changes in the carrying value of leased assets for the year ended Mar 31, 2025 were as follows:

Particulars	Right to Use Plant & Machinery	TOTAL
Gross carrying value as at 31st March 2024	**-**	**-**
Additions	238.63	238.63
Disposals/Adjustments		-
Gross carrying value as at 31st Mar 2025	**238.63**	**238.63**
Accumulated depreciation as at 31st March 2024	**-**	**-**
Depreciation charge for the year	-	-
Disposals/Adjustments	-	-
Accumulated depreciation as at 31st Mar 2025	**-**	**-**
Carrying value as at 31st Mar 2025	**238.63**	**238.63**
Carrying value as at 31st March 2024	**-**	**-**

3.2 Goodwill

The summary of changes in the carrying amount of goodwill is as follows:

Particulars	As on 31 March 2025	As on 31 March 2024
Goodwill on business transfer	1,155.00	1,155.00
Carrying Value at the end	**1,155.00**	**1,155.00**

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Financials assets

4. NON - CURRENT INVESTMENT

Particulars	As at 31 March 2025	As at 31 March 2024
Investment in equity & preference instruments(fully paid-up)		
Unquoted		
i) Joint Controlled Entity		
Arihant Unitech Realty Projects Ltd. (5,00,000 Equity shares of ₹ 10/- Each fully paid) 23,800,000 0.05% compulsorily convertible preference shares of Arihant Unitech Realty Projects Limited of ₹ 10 each.)	1,230.00	2,430.00
Mangalagiri Realty Projects Pvt Ltd (2,72,210 Equity shares of ₹ 10/- Each Fully Paid Up)	27.22	27.22
	1,257.22	**2,457.22**
Investment in Debentures		
Mangalagiri Realty Projects Pvt Ltd (1,77,394 Optionally Redeemable Convertible Debentures of ₹ 100/- Each)	177.39	177.39
Super Chennai Marketing Pvt Ltd (125000 Compulsory Convertible Debentures of ₹ 10/- each (Previous Year: Nil))	12.50	
Investment in Partnership Firms		
Arihant Heirloom	623.36	656.49
CRS Properties	-	5.00
Investment in LLP		
KR Wind Energy LLP	0.03	0.03
Ivorylane Realty LLP	0.99	-
Veridion Realty LLP	0.99	-
Vilaya Properties LLP	4.00	-
Escapade Services LLP	5.00	-
Questiva Estates LLP	0.86	-
	2,082.34	**3,296.13**
Investments carried at fair value through other comprehensive income		
Investments in other companies (fully paid-up)		
Quoted- Non Trade		
Happy Homes Profin Ltd (44,800 Equity shares of ₹ 10/- each Fully Paid Up)	0.00	0.00
Hindustan Construction Company Ltd (500 Shares of ₹ 45.53 Each Fully Paid Up:)	0.23	0.23
IDBI Bank Ltd (500 Shares of ₹ 156.20 Each Fully Paid Up)	0.78	0.78
Indotech Transformers (691 Equity Shares of ₹ 130.19 Each Fully Paid up)	-	0.90
TVS Shriram Growth Fund 3	5.26	5.26
	6.26	**7.16**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Financials assets

4. NON - CURRENT INVESTMENT

Particulars	As at 31 March 2025	As at 31 March 2024
Unquoted- Non Trade		
North Town Estates Pvt Ltd (11,500 Equity shares of ₹ 10/- Each Fully Paid Up)	1.15	1.15
National Savings Certificate	0.05	0.05
Snazzy Megawatts Pvt Ltd (1000 Equity shares of ₹ 204/- Each Fully Paid Up)	2.04	-
	9.50	**8.36**
Grand Total (A+B)	**2,091.84**	**3,304.50**
Aggregate amount of:		
- Quoted investments and market value thereof;	6.26	7.16
- Unquoted investments	2,085.58	3,297.33
- Provision for diminution in value of investments other than temporary	-	-

4. CURRENT INVESTMENT

Particulars	As at 31 March 2025	As at 31 March 2024
Investments carried at fair value through other comprehensive income		
Investments in other companies (fully paid-up)		
Quoted- Non Trade		
Aditya Birla Sun Life	80.61	54.61
CRS Properties	115.88	77.73
	196.49	**132.34**

5. TRADE RECEIVABLES

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured considered good, unless stated otherwise)		
Non-current		
Trade receivables	2,335.41	2,613.18
	2,335.41	**2,613.18**
Current		
Trade receivables		
- exceeding six months	1,960.45	1,974.93
- less than six months	1,490.32	2,015.46
Debts due by Related parties	421.89	406.97
	3,872.67	**4,397.36**

The carrying amount of the current trade receivable is considered a reasonable approximation of fair value as is expected to be collected within twelve months, such that the effect of any difference between the effective interest rate applied and the estimated current market rate is not significant.

All of the Company's trade receivables have been reviewed for indicators of impairment by the management and no receivables were found to be impaired.

Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management, pursuant to which outstanding customer receivables are regularly monitored by the management. Outstanding customer receivables are regularly monitored by the management to ensure the risk of credit loss is minimal. Credit quality of a customer is assessed based on historical information in relation to pattern of collections, defaults and credit worthiness of the customer.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Trade Receivables ageing schedule as at 31st March, 2025

Particulars	Outstanding for the following periods from the due dates					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,490.32	1,960.45	1,378.65	965.05	413.59	6,208.07
Undisputed Trade Receivables - considered doubtful	-	-	-	-		-
Disputed Trade Receivables - considered good	-	-	-	-		-
Disputed Trade Receivables - considered doubtful	-	-	-	-		-

Trade Receivables ageing schedule as at 31st March,2024

Particulars	Outstanding for the following periods from the due dates					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	2,015.46	1,974.93	1,510.07	1,057.05	453.02	7,010.54
Undisputed Trade Receivables - considered doubtful	-	-		-		-
Disputed Trade Receivables - considered good	-	-	-	-		-
Disputed Trade Receivables - considered doubtful	-	-	-	-		-

6. LOAN

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
(Unsecured, considered good)		
Loans to Related Parties		
Other parties	1,273.94	2,332.81
	1,273.94	**2,332.81**

7. OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Non-current		
Security deposits	7,392.60	5,913.25
Prepaid Finance Cost	1,849.89	1,819.99
Other Advances	1,814.27	-
Fixed deposits with Banks for more than 12 months	11.75	-
	11,068.50	**7,733.24**
Current		
Other deposits	173.51	259.80
Reimbursement Receivable	-	22.48
Other Advances	-	-
Current maturities of loans to related parties	806.48	
	979.99	**282.28**

There are no other financial assets due from directors or other officers of the Company. The carrying amount of the other financial assets are considered as a reasonable approximation of fair value.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

8. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Net deferred tax assets	436.22	634.79

9. INVENTORIES

Particulars	As at 31 March 2025	As at 31 March 2024
(valued at lower of cost and net realizable value)		
Work in progress	17,506.02	12,008.18
Project under development	131.73	190.53
	17,637.74	**12,198.72**

10. CASH AND BANK BALANCES

Particulars		As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents			
Cash on hand		107.83	80.07
Balances with banks in current accounts		1,913.76	491.44
	(A)	**2,021.59**	**571.51**
Bank balances other than mentioned in cash and cash equivalents			
Deposit accounts		5,078.30	341.07
	(B)	**5,078.30**	**341.07**
Total	**(A+B)**	**7,099.89**	**912.58**

11. LOAN

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Other loans	3,342.62	2,709.05
Loans to related parties	-	-
	3,342.62	**2,709.05**

12. CURRENT TAX ASSET (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Income tax assets (Net)	383.15	-
	383.15	**-**

13. OTHER CURRENT ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Advance for Immovable Property	1,067.16	567.16
Balances with government authorities	141.00	158.17
Advance given to suppliers and others	2,950.79	3,253.41
Unaccrued Selling Expenses	-	41.79
Project in Progress On which revenue is recognised	-	-
Advance given to employees	55.84	87.39
Prepaid expenses	11.69	14.33
Other Receivables	925.78	807.13
	5,152.26	**4,929.37**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

14. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorized (beginning of the year)				
1,00,00,000 equity shares of ₹ 10/- each			1,00,00,000	1,000.00
Authorized (end of the year) 3,00,00,000 equity shares of ₹ 10/- each	3,00,00,000	3,000.00	-	-
	3,00,00,000	**3,000.00**	**1,00,00,000**	**1,000.00**
Issued, subscribed and fully paid up (beginning of the year)				
86,00,000 equity shares of ₹ 10/- each fully paid up	86,00,000	860.00	86,00,000	860.00
Issued, subscribed and fully paid up (during the the year)				
13,65,624 equity shares of ₹ 10/- each fully paid up	13,65,624	136.56	-	-
	99,65,624	**996.56**	**86,00,000**	**860.00**

a) Issue of Equity Shares on Preferential Basis:

During the year, the Company issued 13,65,624 equity shares of face value ₹ 10 each at a premium of ₹ 470 per share on a preferential basis, as per the approval of the shareholders and in compliance with SEBI (ICDR) Regulations, 2018.

b) Terms/right attached to equity shares

The Company has issued only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Issue of Share Warrants on Preferential Basis

The Company has also issued share warrants convertible into equity shares:

Particulars	Details
No. of warrants issued	8,96,873
Date of allotment	16-11-2024
Exercise price per warrant	₹ 480
Amount received upfront (25%)	₹ 10,76,24,760
Balance receivable on conversion	₹ 32,28,74,280
Conversion period	Within 18 months from date of allotment

d) Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Nos.	% holding	Nos.	% holding
Equity Shares of ₹ 10 each				
Smt. S. Jayalakshmi	-	-	7,96,202	9.26%
Mr. Kamal Lunawath	14,52,600	14.58%	14,52,600	16.89%
Mr. Vimal Lunawath	13,99,900	14.05%	13,99,900	16.28%
Taj Foundation Private Limited	6,90,000	6.92%	6,90,000	8.02%
Siddartha Sacheti	6,89,467	6.92%	-	-
Mithun Padam Sacheti	6,89,466	6.92%	-	-
Barclays Wealth Trustees India Pvt Ltd	6,82,812	6.85%	-	-
Victory Financial Services Pvt Ltd	6,82,307	6.85%	6,82,307	7.93%

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

e) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and buy back of shares during the last 5 years immediately preceding 31 March 2025.

f) Capital management policies and procedures

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders plus its borrowings and cash credit facility, if any, less cash and cash equivalents as presented on the face of the balance sheet.

The Group 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. The amounts managed as capital by the Company for the reporting periods under review are summarized as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	11,963.45	11,131.66
Cash and bank balances	7,099.89	912.58
Net debt (A)	**4,863.57**	**10,219.07**
Total equity (B)	**31,094.79**	**19,149.10**
Overall financing (A+B)	**35,958.35**	**29,368.17**
Gearing ratio	**14%**	**35%**

g) Shareholding of promoters

Particulars	As at 31 March 2025		As at 31 March 2024		% of Change during the year
	Number of Shares	Amount	Number of Shares	Amount	
Kamal Lunawath	14,52,600.00	14.58	14,52,600	16.89	(2.31)
Vimal Lunawath	13,99,900.00	14.05	13,99,900	16.28	(2.23)
Madhu Lunawath	2,50,000.00	2.51	2,50,000	2.91	(0.40)
Mangi Lal Lunawath	2,50,000.00	2.51	2,50,000	2.91	(0.40)
Kavita Lunawath	86,800.00	0.87	86,800	1.01	(0.14)
Preethi Lunawath	61,700.00	0.62	61,700	0.72	(0.10)
Esha Lunawath	56,000.00	0.56	56,000	0.65	(0.09)
Meghna Lunawath	53,400.00	0.54	53,400	0.62	(0.08)
Paresh Jagdish Bhatt	31,100.00	0.31	31,100	0.36	(0.05)
Narendra Kumar Lunawath	20,100.00	0.20	20,100	0.23	(0.03)
Jagadish Bhat	0.00	0.00	25,100	0.29	(0.29)
Piyush Bhatt	25,100.00	0.25	-	-	-
Total	**36,86,700.00**	**36.99**	**36,86,700.00**	**42.87**	

15. OTHER EQUITY

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium account		
Balance at the beginning of the year	5,706.50	5,706.50
Add: Share Premium	6,418.43	-
Balance at the end of the year	**12,124.93**	**5,706.50**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General reserve	**883.09**	**883.09**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

15. OTHER EQUITY (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Retained earnings		
Balance at the beginning of the year	11,459.77	10,099.54
Add: Transfer from statement of profit and loss	4,270.14	1,350.13
Add: Appropriations made during the year	131.92	10.10
Dividends	(86.00)	-
Balance at the end of the year	**15,775.83**	**11,459.77**
Accumulated other comprehensive income		
Balance at the beginning of the year	**239.74**	**241.58**
Add: Movement during the year	(1.62)	(1.84)
Balance at the end of the year	**238.13**	**239.74**
Share Warrants		
Money Received Agst Share Warrants	1,076.25	-
Total Other Equity	**30,098.23**	**18,289.10**

16. BORROWINGS

Particulars		As at 31 March 2025	As at 31 March 2024
Non-current			
Secured			
Term Loan			
- from bank		743.74	414.91
- from others		10,495.51	7,274.13
Secured Debentures		-	2,206.02
		11,239.24	**9,895.07**
Less: Current maturities of long-term debt (Also, refer note 20)		(508.85)	(453.75)
	(A)	**10,730.39**	**9,441.32**
Unsecured			
From others			
Loans from related parties		1,445.91	2,297.25
Deposits		70.75	70.75
Other Loan		386.01	360.23
Deferred Income on Loans		207.15	162.10
		2,109.82	**2,890.34**
Less: Current maturities of long-term debt (Also, refer note 20)		(876.76)	(1,200.00)
	(B)	**1,233.06**	**1,690.34**
TOTAL	**(A+B)**	**11,963.45**	**11,131.66**
Current			
Unsecured			
From others			
Loans		1,129.71	657.59
		1,129.71	**657.59**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Information regarding Borrowings

(I) Secured

A. From Banks - Term Loans

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
PUNJAB NATIONAL BANK **Sanctioned Amount:** ₹ 9,30,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** One hundred and twenty monthly instalments of ₹ 16,87,145/- each.		52.83	155.20
ICICI BANK LIMITED **ICICI BANK - Housing Loan** **Security:** Secured against the flat for which the loan has been taken. **Sanctioned Amount:** ₹ 2,50,00,000/- (₹ 2,37,50,000/- withdrawn as on balance sheet date) **Repayment Terms:** Two hundred and forty monthly variable instalments of ₹ 2,20,928/- starting on full withdrawal.	8.75%	237.50	237.50
ICICI BANK - Vehicle Loan **Security:** Secured against the vehicle for which the loan has been taken. **Repayment Terms:** Sixty monthly instalments of ₹ 47,013/- starting from 10-05-2024.	9.40%	19.07	22.35
ICICI BANK LIMITED - Project Loan **Security:** Secured by way of exclusive mortgage on the Company's project and exclusive charge on the future receivables of the project, all insurance proceeds (present and future), escrow accounts and the DSR account of the project. **Repayment Terms:** 24 monthly instalments commencing from the 15th day of the 25th month from the date of first disbursement (07-11-2024)		394.21	-
HDFC BANK - Vehicle Loan **Security:** Secured against the vehicle for which the loan has been taken. **Repayment Terms:** Sixty monthly instalments of ₹ 1,23,099/- starting from 12-03-2025.	8.53%	59.19	-
Total	**(A)**	**762.81**	**415.05**

B. Others - Term Loans

from others

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
HINDUJA LEYLAND FINANCE LIMITED **Security:** Secured against the properties for which the loan has been taken. **Repayment Terms:** One hundred and twenty monthly variable instalments of ₹ 4,20,802/- starting from 20-03-2023.	11.50%	204.74	282.59

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

B. Others - Term Loans (Contd.)

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
HINDUJA LEYLAND FINANCE LIMITED - Additional Loan **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Sanctioned Amount:** ₹ 7,00,00,000/- **Repayment Terms:** One hundred and twenty equated monthly instalments.	11.50%	700.00	-
BAJAJ FINANCE LIMITED **Loan 1** **Loan Amount:** ₹ 15.75 Crores **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company. Further, the loan has been guaranteed by way of personal guarantee of the directors of the Company. Repayment Terms: 152 instalments of varying EMI starting from 02-08-2015. 37 instalments are outstanding as on the balance sheet date.	15.10%	30.13	37.66
Loan 2 **Loan Amount:** ₹ 1.25 Crores **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company. Further, the loan has been guaranteed by way of personal guarantee of the directors of the Company. **Repayment Terms:** One hundred and forty-eight EMIs of ₹ 1,66,075/- each, starting from 02-09-2015. 33 instalments are outstanding as on the balance sheet date.	15.10%	45.11	57.40
Term Loan 1 **Security:** Term loan with drop line OD facility mortgage against certain immovable properties. OD sanctioned limit is ₹ 1.65 crores. **Repayment Terms:** Total loan repayable in 180 equated monthly instalments with balance EMI payable: 103.	14.95%	81.01	-
Term Loan 2 **Security:** Term loan with drop line OD facility mortgage against certain immovable properties. **Repayment Terms:** Total loan repayable in 159 equated monthly instalments.	15.00%	169.00	-

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

B. Others - Term Loans (Contd.)

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
TATA CAPITAL HOUSING FINANCE LIMITED **Loan 1:** **Sanctioned Amount:** ₹ 45,00,00,000/- **Withdrawn Amount:** ₹ 29,50,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Twenty-four monthly instalments of ₹ 1,87,50,000/-	12.00%	792.20	798.80
Loan 2: **Sanctioned Amount:** ₹ 15,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Twelve monthly instalments of ₹ 1,25,00,000/-	13.20%	-	999.88
Loan 3: **Sanctioned Amount:** ₹ 10,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Twenty-four instalments of ₹ 41,66,667/-	13.20%	800.00	300.00
ADITYA BIRLA FINANCE LIMITED **Term Loan:** **Sanctioned Amount:** ₹ 35,00,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Forty-eight monthly instalments of ₹ 72,91,651/-	13.75%		1,049.72

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

B. Others - Term Loans (Contd.)

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
Project Vayu, Perungudi **Sanctioned Amount:** ₹ 25,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Vayu, Perungudi and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 48 months with moratorium of 30 months and repayable in 18 equal instalments.	12.20%	1,525.00	900.00
Term Loan 1: **Sanctioned Amount:** ₹ 3,42,00,000/- **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Repayable in one hundred and eighty monthly variable EMIs.	10.00%	-	341.23
Term Loan 2: **Sanctioned Amount:** ₹ 6,32,00,000/- **Interest Rate:** 10.00% **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Repayable in one hundred and eighty monthly variable EMIs.	10.00%		628.58
Project Vanya Vilas, Hunters Road **Sanctioned Amount:** ₹ 22,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Vanya Vilas, Hunters Road and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 36 months with moratorium of 18 months and repayable in 18 equal instalments.	12.00%	750.99	
Project Vipassana, Srinagar Colony: **Sanctioned Amount:** ₹ 15,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Vipassana, Srinagar Colony and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 36 months with moratorium of 18 months and repayable in 18 equal instalments.	12.00%	1,064.14	

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

B. Others - Term Loans (Contd.)

Particulars	Interest Rate	Amount Outstanding	
		As at 31-Mar-25	As at 31-Mar-24
Project Reserve 16, Pattipulam **Sanctioned Amount:** ₹ 55,00,00,000/- **Security:** Secured by way of exclusive mortgage on Project Reserve 16, Pattipulam and exclusive charge on future receivables, escrow accounts and DSR account of the said project. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Repayment Terms:** Total loan tenure 48 months with moratorium of 36 months and repayable in 12 equal instalments.	13.75%	3,693.75	
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Sanctioned Amount:** ₹ 2,57,00,000/- **Repayment Terms:** One hundred and eighty monthly instalments of ₹ 2,76,174/-	10.00%	-	247.83
SUNDARAM HOME FINANCE LIMITED **Security:** Secured by way of equitable mortgage on certain immovable properties owned by the Company and hypothecation of certain project receivables. Further, the loan has been guaranteed by way of personal guarantee of the Managing Director of the Company. **Sanctioned Amount:** ₹ 1,99,00,000/- **Repayment Terms:** One hundred and ninety-five monthly instalments of ₹ 2,24,935	11.45%	187.21	192.26
KOTAK MAHINDRA PRIME LIMITED - Vehicle Loan **Security:** Secured against the vehicle for which the loan has been taken. **Repayment Terms:** Sixty monthly instalments of ₹ 24,708/- starting from 13-11-2024.	8.96%	11.09	-
OTHERS **Security:** Secured against the asset/property for which the loan has been obtained	9% to 15%	422.07	1,438.18
Total	**(B)**	**10,476.44**	**7,274.13**
Grand Total	**(A+B)**	**11,239.25**	**7,689.17**

16.1 Lease Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non-Current		
Lease Liabilities	150.66	-
	150.66	**-**
Current		
Lease Liabilities	66.14	-
	66.14	**-**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

17. PROVISIONS

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Provisions for employee benefits		
Gratuity	70.95	161.04
	70.95	**161.04**
Current		
Provisions for employee benefits		
Gratuity	37.49	6.51
	37.49	**6.51**

a) Provision for employee benefits

i) Gratuity

Gratuity is payable to all the members at the rate of 15 days salary for each year of service. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement:

Principal actuarial assumptions used:

Particulars	As at 31 March 2025	As at 31 March 2024
a) Discount rate	7.22%	7.05%
b) Long-term rate of compensation increase	12%	12%
c) Attrition rate	1%	1%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

18. OTHER NON CURRENT LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposit	-	297.20
Other Payables	113.44	
	113.44	**297.20**

The Company had entered into a Joint Development Agreement (JDA 1) dated 3 December 2014 with Ashiana Housing Limited ('AHL') for construction and development of housing establishments for senior citizens and/or regular housing in accordance with applicable laws and approved building plans within a period of five year. In accordance with the above JDA 1, the Company has granted developmental rights to AHL and has accepted interest free, adjustable deposits amounting to ₹ 250,000,000 from AHL upon execution of the JDA 1 agreement. As per JDA 1, the Company will get a specified percentage of gross revenue receipts, earned by AHL as its revenue share. A portion of Company's revenue share will be adjusted against the security deposit.

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

19. TRADE PAYABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Dues to micro and small enterprises*	27.51	23.27
Dues to others	4,546.66	4,921.76
	4,574.17	**4,945.02**

* There are no micro and small enterprises, as defined under the provisions of Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues as at the reporting date. The micro and small enterprises have been identified by the management on the basis of information available with the Company and have been relied upon by the auditors.

Trade Payables ageing schedule: As at 31st March 2025

Particulars	Outstanding for the following periods from the due dates				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	28	-	-	-	**28**
Others	3,637.33	909.33	-	-	**4,546.66**
Disputed dues - MSME	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	**-**

Trade Payables ageing schedule: As at 31st March 2024

Particulars	Outstanding for the following periods from the due dates				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	23	-	-	-	**23.27**
Others	3,937.40	984.35	-	-	**4,921.76**
Disputed dues - MSME	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	**-**

20. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Interest Accrued but not due	619.75	553.44
Current maturities of long-term debt	1,602.60	2,356.86
Statutory Dues payable	7.29	4.54
Employee dues payable	77.71	77.71
Other payables	42.16	46.63
	2,349.51	**3,039.17**

21. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	427.72	153.79
Advance from customers and for projects	4,818.04	3,580.14
Revenue received in advance	12.89	24.78
Other Payables	854.69	1,006.76
	6,113.35	**4,765.47**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

21A Current tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for taxation (net of advance tax)	454.64	88.41
	454.64	**88.41**

22. REVENUE FROM OPERATIONS

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sales	19,877.95	11,694.66
Other Operating Revenues	765.64	713.56
	20,643.59	**12,408.21**

23. OTHER INCOME

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on Fixed Deposit	62.63	17.65
Interest on NCD, Loan or others	88.53	158.36
Interest Income - INDAS	1,164.93	980.25
Commission Received	-	-
Profit on Sale of Fixed Asset/Investment	98.13	5.93
Profit on Sale of Investment	82.84	-
Miscellaneous income	3.11	2.48
Share of Profit from Firms	34.56	80.39
	1,500.16	**1,164.67**

24. CONSTRUCTION AND PROJECT EXPENSES

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cost of land	5,475.73	10.74
Cost of constructed properties	347.38	-
Materials	1,185.77	906.20
Labour & sub-contract expenses	7,880.86	1,426.34
Legal expenses	78.93	483.79
Marketing Expenses	210.88	12.13
Consultancy charges	206.59	150.90
Interest charges and other finance costs related to projects	1,385.51	1,136.12
Cost of plots and plot development right	30.29	65.46
Other Project Expenses	404.32	2,614.48
	17,206.26	**6,806.17**

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

25. CHANGES IN INVENTORIES OF MATERIALS, WORK- IN-PROGESS AND FINISHED GOODS

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
a. Inventories at the beginning of the year		
i. Raw Materials	-	-
ii. Work-in-progress	12,161.33	13,264.85
iii. Finished goods	-	-
	12,161.33	**13,264.85**
b. Inventories at the end of the year		
i. Raw Materials	-	-
ii. Work-in-progress	17,567.45	11,970.79
iii. Finished goods	-	-
	17,567.45	**11,970.79**
Net (increase)/decrease	**(5,406.13)**	**1,294.06**

26. EMPLOYEES BENEFIT EXPENSES

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries & Wages	824.55	646.94
Contribution to provident and other funds	45.99	42.11
Staff Welfare	15.41	13.59
	885.95	**702.65**

27. FINANCE COSTS

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on Term & Unsecured loan	680.39	668.45
Interest expenses - INDAS	1,371.20	988.21
Interest expenses	2,051.59	1,656.67
Bank Charges	-	-
Processing Charges	43.68	20.65
	2,095.27	**1,677.32**

28. DEPRECIATION AND AMORTIZATION

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of assets (Also, refer note 3)	51.11	34.42
	51.11	**34.42**

29. OTHER EXPENSES

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Power & Fuel	30.05	19.99
Rent	122.04	60.87
Rates & Taxes	37.70	12.10
Advertisement & Business Promotion	238.41	138.91
Legal, Professional & Consultancy Charges	244.63	127.07

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

29. OTHER EXPENSES (Contd.)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Travelling & Conveyance	10.40	13.24
Repairs and maintenance:		
-Repairs & Office Maintenance	556.84	507.26
-Vehicle Maintenance	1.64	2.34
Telephone, Postage, Printing & Stationery	11.03	9.79
Donation	3.25	-
Audit Fees		
- For Statutory Audit (Also refer note 33)	18.15	15.32
Share of Loss from Firms	-	0.07
Miscellaneous expense	142.26	117.00
Bank Charges	1.01	1.86
Marketing Expenses	89.73	64.29
CSR Activity	14.04	11.00
	1,521.17	**1,101.13**

30. EARNINGS PER EQUITY SHARE (EPS)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
For profit for the year	4,270.14	1,350.14
Nominal value of equity shares	10.00	10.00
Profit attributable to equity shareholders (A)	4,270.14	1,350.14
Weighted average number of equity shares outstanding during the year (B)	91,08,835.00	91,08,835.00
Basic earnings per equity share (A/B) (in ₹)	46.88	14.82
Diluted earnings per equity share (A/B) (in ₹)	46.88	14.82

31. REMUNERATION TO AUDITORS

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
As auditor		
Statutory audit	18.15	15.32
Total	**18.15**	**15.32**

32. FINANCIAL ASSETS AND LIABILITIES

Categories of financial assets and financial liabilities

As at 31 March 2025

Particulars	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
Financial assets				
Investments	-	183.66	1,880.63	2,064.28
Loans	4,616.56	-	-	4,616.56
Trade receivables	-	-	6,208.07	6,208.07

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

As at 31 March 2025 (Contd.)

Particulars	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
Cash and bank balances	-	-	2,021.59	2,021.59
Other bank balances	-	-	5,078.30	5,078.30
Other financial assets	11,068.50	-	979.99	12,048.49
	15,685.05	**183.66**	**16,168.58**	**32,037.29**

Particulars	Financial Liabilities at fair value through profit and loss	Financial Liabilities at fair value through other comprehensive income	Financial Liabilities at amortised cost	Total
Financial liabilities				
Trade payables	-	-	4,574.17	4,574.17
Borrowings	1,516.66	-	9,595.45	11,112.11
Other financial liabilities	77.71	-	2,271.80	2,349.51
	1,594.37	**-**	**16,441.43**	**18,035.79**

As at 31 March 2024

Particulars	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
Financial assets				
Investments	-	184.56	3,113.76	3,298.32
Loans	5,041.86	-		5,041.86
Trade receivables	-	-	7,010.54	7,010.54
Cash and bank balances	-	-	571.51	571.51
Other bank balances	-	-	341.07	341.07
Other financial assets	7,733.24	-	282.28	8,015.52
	12,775.10	**184.56**	**11,319.15**	**24,278.81**

Particulars	Financial Liabilities at fair value through profit and loss	Financial Liabilities at fair value through other comprehensive income	Financial Liabilities at amortised cost	Total
Financial liabilities				
Trade payables	-	-	4,945.02	4,945.02
Borrowings	2,368.00	-	9,421.24	11,789.25
Other financial liabilities	77.71	-	2,961.47	3,039.17
	2,445.71	**-**	**17,327.74**	**19,773.44**

33. LEASES

Particulars	As at 31 March 2025	As at 31 March 2024
Operating lease commitments - as lessee		
Total lease payments charged off to the statement of profit and loss	122.04	60.87

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

34. ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES/ASSOCIATES/JOINT VENTURES.

Name of the Enterprise	Net Assets, i.e Total Assets Minus Total Liabilities		Share in Profit/Loss	
	As % of Consolidated Net Assets	Amount (in Lakh)	As % of Consolidated Profit or Loss before tax	Amount (in Lakh)
Parent				
Arihant Foundations and Housing Ltd	87.56%	27,226	89.49%	17,136
Subsidiary (Indian)				
Arihant Griha Ltd	0.40%	125	0.46%	88
Vaikunt Housing Ltd	-0.01%	(2)	-0.03%	(5)
Varenya Constructions Ltd	-6.73%	(2,091)	-10.97%	(2,101)
Transperent Heights Real Estate Ltd	-0.01%	(4)	-0.05%	(9)
Verge Realty Private Limited	3.64%	1,131	0.52%	100
Escapade Realty Private Limited	14.67%	4,561	19.75%	3,782
Vihaana Realty Private Limited	0.00%	0	0.00%	1
Vinyasa Realty Private Limited	0.00%	0.50	0.00%	1
Joint Venture				
Kairav Developers Ltd	1.09%	339	1.82%	348
Inter Company and Consolidation Adjustments	-0.61%	-191	-0.99%	-191
Grand Total	**100%**	**31,095**	**100%**	**19,149.1**

35. RELATED PARTIES

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

Other related parties

a) Partnership Firms

	Country
Arihant Foundations	India
Arihant Foundations & Housing	India
Arihant Heirloom	India

b) Limited Liability Partnership

	Country
Ivorylane Realty LLP	India
Veridion Realty LLP	India
Vilaya Properties LLP	India
Escapade Services LLP	India
Questiva Estates LLP	India

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

c) Key Management Personnel

Key Management Personnel and their relatives	
Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	Whole time Director/Chief Financial Officer
Mr. Bharat Kumar Mangilal Jain	Whole time Director
Mr. Karan Bhasin	Non-Executive - Independent Director
Mr. Prateek Khicha	Non-Executive - Independent Director
Mr. Gunalan Vivekanandan	Non-Executive - Independent Director
Mrs. Shruti Suresh Kumar	Non-Executive - Independent Director
Mr. Arun Rajan	Chief Executive Officer
CS Mary Belinda Jyotsna	Company Secretary & Compliance Officer

Nature of Transactions	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Significant influence entities	Joint Ventures	Other related parties	Significant influence entities	Joint Ventures	Other related parties
Income						
Sale of Goods or Services	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Expenses						
Remuneration	**-**	**-**	**138.00**	**-**	**-**	**78.00**
Kamal Lunawath	-	-	60.00	-	-	30.00
Vimal Lunawath	-	-	60.00	-	-	30.00
Bharat Jain	-	-	18.00	-	-	18.00
Interest Expenses	-	-	163.82	-	-	187.31
Kamal Lunawath	-	-	142.35	-	-	146.60
Vimal Lunawath	-	-	21.47	-	-	40.71
Other Transactions						
Loan Received	**-**	**-**	**2,150.71**	**-**	**-**	**2,928.27**
Kamal Lunawath			1,987.36	-	-	2,812.01
Vimal Lunawath			163.35	-	-	116.26
Loan Repaid	**-**	**-**	**2,383.69**		**-**	**3,367.84**
Kamal Lunawath			1,916.10	-	-	3,070.99
Vimal Lunawath			467.59	-	-	296.85
Loan Given	**-**	**-**	**-**	**-**	**-**	**-**
Advances Given	**-**	**-**	**-**	**-**	**-**	**-**
Year End Receivable						
Loan Receivable	**-**	**-**	**62.91**	**-**	**-**	**-**
Vilaya Properties LLP	-	-	62.91			
Trade Receivable	**-**	**-**		**-**	**-**	**-**
Investment in Debentures	-	-		-	-	-

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

Nature of Transactions	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Significant influence entities	Joint Ventures	Other related parties	Significant influence entities	Joint Ventures	Other related parties
Year End Payable						
Loan Payable	**-**	**-**	**1,650.81**	**-**	**-**	**1,646.06**
Directors - Kamal Lunawath & Vimal Lunawath	-	-	1,247.83	-	-	1,333.38
Arihant Foundations & Housing	-	-	93.88	-	-	93.88
Arihant Foundations	-	-	218.81	-	-	218.81
Escapade Services LLP	-	-	90.29	-	-	-

36. FAIR VALUE MEASUREMENT

Fair value measurement hierarchy

The Company records certain financial assets and financial liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income investments and other financial assets such as deposits etc. which must be measured using the fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of fair value hierarchy. These levels are based on the observability of significant inputs to the measurement, as follows:

> **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

> **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

> **Level 3:** Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy of financial and non-financial assets and liabilities measured at fair value on a recurring basis at 31 March 2025, 31 March 2024.:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
i) Assets measured at fair value:					
Fair value through other comprehensive income					
Investments					
2025	31 March 2025	183.66	6.26	177.39	-
2024	31 March 2024	184.56	7.16	177.39	-
Investment in mutual funds are valued based on the Net Asset Value (NAV) of the funds as at the year end. The NAV of the funds are provided by the fund management Company at the end of each reporting year.					

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

ii) Liabilities measured at fair value:					
Financial guarantees					
2025	31 March 2025	-	-	-	-
2024	31 March 2024	-	-	-	-
The fair value of the financial guarantees are based on the credit risk associated with the guarantees extended and the maximum exposure that is expected to have on the event of default by the debtor. There have been no transfers between Level 1 and Level 2 during the year.					
ii) Liabilities measured at amortised cost:					
a) Interest-bearing loans and borrowings:					
Floating rate borrowings			Nil	Nil	Nil
Fixed rate borrowings			13,349.06	12,785.40	-
The fair values of the Company's interest-bearing borrowings and loans are determined under amortised cost method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. These rates are considered to reflect the market rate of interest and hence the carrying value are considered to be at fair value.					

37. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS AND RESPECTIVE FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its and group companies operations. The Company's principal financial assets include loans, trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Group treasury team that advises on financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by Group Treasury Team that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

a) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

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. The Company's exposure to the risk of changes in market interest rates are managed by borrowing at fixed interest rates. During the year Company did not have any floating rate borrowings.

d) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment in mutual funds etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at 31 March 2025, as summarised below:

Particulars	As at 31 March 2025	As at 31 March 2024
Classes of financial assets		
Investments	2,091.84	3,304.50
Trade receivables	6,208.07	7,010.54
Loan	4,616.56	5,041.86
Cash and bank balances	7,099.89	912.58
Other financial assets	12,048.49	8,015.52

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprises of security deposits which are given to land owners or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continous basis.

c) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Company's objective is to maintain cash to meet its liquidity requirements for 30-day periods at a minimum.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within six months except for retention and long term trade receivables which are governed by the relevant contract conditions.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and short-term borrowings. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

38. EVENTS AFTER THE REPORTING PERIOD

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2025) and the date of authorization.

39. CONTINGENT LIABILITIES, COMMITMENTS AND GUARANTEES

Contingent liabilities

Particulars	As at 31-Mar-25	As at 31-Mar-24
i) The cases pending before the CIT Appeals of Income tax are as follows		
AY 2011-2012	71.83	71.83
ii) The cases pending before the respective High Court's are as follows		
AY 2005-2006	53.24	53.24
AY 2007-2008	557.62	557.62
AY 2004-2005	13.72	13.72
AY 2005-2006	95.58	95.58
The cases pending before the GST First Appellate Authority		
FY- 2017-2018	92.16	-
FY- 2018-2019	90.47	-

iii) In continuation to inspection made u/s. 209A of the Companies Act, 1956; the proceedings filed u/s. 58A, 299 and 295 are under process. The Company has applied for compounding application for the same on 19.01.2015

Notes forming part of Consolidated Financial Statements

for the year ended 31st March 2025 (All amounts in INR Lakhs, unless otherwise stated)

40. SEGMENT REPORTING

The Company is primarily in the business of real estate development and related activities including construction. Major exposure is to residential and commercial construction and development of IT parks. Further majority of the business conducted is within the geographic boundaries of India.

In view of the above, in the opinion of the Management and based on the organizational and internal reporting structure, the Company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the Company are within India, in the opinion of the Management, the environment in India is considered to have similar risks and returns. Consequently the Company's business activities primarily represent a single business segment. Similarly, this business operations in India represent a single geographical segment.

In terms of our report attached

For B.P. JAIN & Co
Chartered Accountants
Firm's Registration No.: 050105S

For and on behalf of the Board of Directors of
Arihant Foundations and Housing Limited

Devendra Kumar Bhandari
Partner
Membership No. 208862
UDIN: 25208862BMJUYM4399

Kamal Lunawath
Managing Director
DIN: 00087324

Vimal Lunawath
Whole Time Director/CFO
DIN: 00586269

Arun Rajan
Chief Executive Officer

Mary Belinda Jyotsna
Company Secretary
Membership No. A63097

Place: Chennai
Date: 30-05-2025

Place: Chennai
Date: 30-05-2025

Arihant®
memorable spaces

Registered Office

No. 3 (Old No. 25), Ganapathy Colony,
3rd lane, Off. Cenotaph road, Teynampet,
Chennai, Tamil Nadu, India, 600018