Arvind SMARTSPACES

SKYLANDS
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ALCOVE ELAN
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R UPLANDS
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Smart living since 2008

11th ANNUAL REPORT 2018-19

Board of Directors

Mr. Sanjay S. Lalbhai	:	Chairman & Non-Executive Director
Mr. Kamal Singal	:	Managing Director & CEO
Mr. Kulin S. Lalbhai	:	Non-Executive Director
Mr. Pratul Shroff	:	Independent Director
Mr. Prem Prakash Pangotra	:	Independent Director
Mr. Nirav Shah	:	Independent Director

Audit Committee

Mr. Pratul Shroff	:	Chairman
Mr. Prem Prakash Pangotra	:	Member
Mr. Nirav Shah	:	Member
Mr. Kamal Singal	:	Member

Stakeholders Relationship Committee

Mr. Sanjay S. Lalbhai	:	Chairman
Mr. Prem Prakash Pangotra	:	Member
Mr. Nirav Shah	:	Member
Mr. Kamal Singal	:	Member

Nomination & Remuneration Committee

Mr. Prem Prakash Pangotra	:	Chairman
Mr. Sanjay S. Lalbhai	:	Member

Corporate Social Responsibility Committee

Mr. Sanjay S. Lalbhai	:	Chairman
Mr. Prem Prakash Pangotra	:	Member
Mr. Kamal Singal	:	Member

Management Committee

Mr. Sanjay S. Lalbhai	:	Chairman
Mr. Kamal Singal	:	Managing Director & CEO
Mr. Kulin S. Lalbhai	:	Non - Executive Director

Key Managerial Personnel

Mr. Mehul Shah	:	Chief Financial Officer
Mr. Prakash Makwana	:	Company Secretary

CONTENTS

Registered Office

Arvind SmartSpaces Limited
CIN: L45201GJ2008PLC055771
24, Government Servant's Society,
Nr. Municipal Market, Off C.G. Road, Navrangpura,
Ahmedabad - 380009. Phone No. 079-6826 7000
Fax : 079 - 6826 7021
Email: investor@arvindinfra.com
Website: www.arvindsmartspaces.com

Auditors

M/s. S R B C Co & LLP,
2nd Floor, Shivalik Ishaan, Near C. N. Vidhayalaya,
Ambawadi, Ahmedabad-380015.

Registrar And Transfer Agent

Link Intime India Private Limited,
506-508, Amarnath Business Centre-1 (abc-1),
Beside Gala Business Centre, Near St. Xavier's College Corner,
Off C G Road, Ellisbridge, Ahmedabad 380006.
Phone & Fax No. 079-26465179/86/87
E-mail id : ahmedabad@linkintime.co.in, Website : www.linkintime.co.in

Message from MD & CEO:

Dear Shareholders,

It is indeed an honour for me to present before you the Annual Report of the company for the financial year 2018-19. If I were to define the year gone by for the Indian real estate industry, in one phrase, then it would be 'a year of consolidation'. Changes like RERA and GST were pivotal in driving the consolidation process that saw non-serious and unorganized players phasing out and ensuring that only credible developers drive the market. At Arvind SmartSpaces – our single line vision statement clearly states our endeavour to redefine trust in the real estate industry and I must say that the structural reforms enacted by the government in the last few years have certainly ushered in much needed transparency and accountability in the sector.

Performance highlights

I am elated to report that your company has done extremely well in the financial year 2018-19. The same is indicated by our overall sales performance in the year under review – wherein we have achieved a record fresh sale of Rs. 277 crore, an impressive increase of 120% compared to the previous year. During the period, we have also been able to create a strong pipeline by doubling our inventory to 2,600 units from 1,300 units last year. I am also happy to share that we have already delivered seven projects measuring approx. 2.8 million sq. ft. and are currently having another set of eight projects totalling 13 million sq. ft. under various stages of development and slated for completion in next 3-4 years. It is of immense satisfaction that we've been able to achieve these milestones despite the sectoral challenges such as implementation of structural reforms and pressures of liquidity in financial markets. This reaffirms the trust that the end customers have reposed in brand Arvind along with the efforts being put in by the dedicated and motivated team at Arvind SmartSpaces.

Let me now talk about few of the strategic priorities that we will continue to focus on:

1. **Invest aggressively in growing the business**

   In the coming years, your company shall continue to invest in acquiring new projects to grow the business. To fund growth, the company intends to utilize the surplus generated out of business and is also actively looking at other forms of capital including both equity and debt. The company is also particularly keen to explore and evaluate asset light ways to scale up its business which includes the Joint Development Model, Development Management Model and so on. The company intends to take 3 to 4 new projects in the year 2019-20. The company shall continue to invest in building a strong team ahead of time to ensure that it has enough management bandwidth as it grows.

2. **Optimum Leveraging**

   Your company has been and it intends to remain true to its belief that "leveraging" as a growth engine is an option which needs to be used in a very judicious manner. Accordingly the company has refrained from any aggressive land banking through leveraging. As a strategy that we embarked on since last several years, land is treated as a typical raw material and as a professional developer, our endeavour has been to quickly convert this important and capital intensive raw material into world class finished product and sell. With this approach the company has been successful in keeping its overall capital structure extremely balanced and healthy. This is indicated by the fact that our Debt/Equity ratio has remained significantly below 1/1 for the several quarters. Besides, this also leaves us with enough resources to exploit any market opportunity which may come in due to corrections in land markets.

Message from MD & CEO

3. Focussed expansion

While your company is fully aware of the vast potential that Indian real estate industry offers to any organised player, it intends to remain focussed on specific geographical, product and pricing segments in medium to long term. Being less capital intensive and less prone to cyclical changes, the company remains focussed on mid priced and affordable housing segment. The company remains majorly focussed on its current markets of Bangalore, Ahmedabad and Pune. Last year, the company decided to venture into the Pune market owing to the synergy of its product positioning and brand appeal vis-à-vis demand and customer segment in the city. Our mid-market products targeted towards the middle and upper middle class consumers are a perfect fit for the consumer segment in Pune, mostly working in the flourishing IT and manufacturing sectors. We are very encouraged with the initial response in Pune market. The company continues to believe that it is important to penetrate deep in every single market it enters and every new geography requires careful understanding of the - local opportunities and challenges that it presents. As an ongoing process, the company keeps its eyes on markets like Surat, Mumbai and Hyderabad for any future expansion.

4. Product and customer focus :

Your company has always focussed on product design and innovations. In the process, company has partnered with some of the top professionals and firms in the business for product design and deliveries. The company has now established a strong track record of on-time delivery of world class products. Value for money for the customer has been another important pillar of our overall strategy and we have been successfully delivering the same through our various innovations and initiatives towards cost and time management. The company is investing further into human resources, IT and other infrastructure to further create benchmarks in cost efficiencies and on-time deliveries.

5. Maintain the sales momentum

The sales momentum that the company has achieved during the last fiscal year was remarkable and it intends to build on that. The impact of slew of changes brought by the Government is now settling down coupled with affordability at very attractive levels. The initiatives to formalise the sector are likely to be reflected at the customer end as well, as they seek spaces developed by established and trusted names like Arvind. Given the strong value proposition of our products along with our brand equity, I am confident that we are well poised to capture the opportunity.

6. Environmental, Social and Governance

I have been associated with Arvind group for nearly two decades now and I can assure you that among some of the closely guarded corporate values of the group – "Corporate Governance" and "Inclusive and Sustainable Development" are right on the top. At Arvind SmartSpaces, we endeavour to continuously contribute not just to the growth and development of the society but also to the environment we operate in. Apart from highest quality standards, ensuring sustainability of every project that we undertake is our commitment to environment. From planting more than 4000 trees in our flagship project Uplands, building large numbers of efficiently functional recharge wells, using fly ash blocks, rejuvenating water bodies to undertaking social initiatives – related to slum re-development, rural education and healthcare and providing basic medical services at our construction sites. ESG (Environment, Sustainability and Governance) has been at the core of our business approach. We shall unfailingly continue to ensure that it remains an essential part of our strategy.

As for the future outlook – it seems that the government's continuous thrust of giving priority to the real estate sector is making it more attractive for the customers. Initiatives like reduction in GST rates on residential projects, tax incentives for home buyers, gradual easing of interest rates etc. are helping further in improving demand for end consumption. However, some medium-term challenges still remain. Liquidity crisis and corresponding interest rates for real estate developers are yet to come down to the pre-crisis level. Demand, although better as compared to a few quarters earlier, is yet to fully recover and lesser excitement in investors for real estate as an asset class are some of the challenges that the industry continues to face. However, I maintain an overall positive outlook for the industry as there are several credible indicators which point towards further stabilization and improvement in overall demand cycle. Also, the clear mandate in the 2019 General Elections will ensure that the focus on affordable housing and augmentation of infrastructure will be among the key agenda of the Government of India for next 5 years.

Finally, I would like to say that at Arvind SmartSpaces, backed by strong brand equity of 'Arvind', along with the credibility achieved through already delivered projects, advantages of positive macro environment indicators and opportunities, the stage is all set to aggressively expand and grow. I am confident that you will share my optimism and enthusiasm as we take next steps forward in this exciting journey.

With warm regards

Kamal Singal

MD & CEO

NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the members of the Company will be held on Monday, 5th August, 2019 at 10:00 a.m. at H. T. Parekh Hall, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, Ahmedabad-380015, Gujarat, India to transact the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2019 and the Reports of the Directors and Auditors thereon.

2. To declare dividend on Equity Shares for the financial year ended 31st March, 2019.

3. To appoint a Director in place of Mr. Kulin S. Lalbhai (DIN 05206878), who retires by rotation in terms of Article 149 of the Articles of Association of the Company and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

4. 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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the remuneration of ₹ 85,000/- (Rupees Eighty Five Thousand Only) plus applicable taxes and re-imbursement of out of pocket expenses incurred in connection with the audit, payable to M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad having Firm Registration No. 000025 appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2020 be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

Registered Office: **By Order of the Board**
24, Government Servant's Society,
Near Municipal Market,
Off C.G. Road, Navrangpura,
Ahmedabad - 380009 **Prakash Makwana**
Date: 2nd May, 2019 **Company Secretary**

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

   Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the AGM. A Proxy form is annexed hereto. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

   A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Revised Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment / re-appointment as Director under Item No. 3 of the Notice, is also annexed.

3. Members are requested to bring their copy of the Annual Report at the AGM. The Members/Proxies should bring the Attendance Slip annexed hereto duly filled in for attending the AGM.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 30th July, 2019 to Monday, 5th August, 2019 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if declared at the AGM.

5. The dividend on equity shares for the year ended 31st March, 2019, if declared at the meeting, will be paid/dispatched on due date to those members whose names appear on the Company's Register of Members on 5th August, 2019 or on records of National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on 29th July, 2019.

6. Members intending to require information about Accounts in the Meeting are requested to inform the Company at least 7 days in advance of the AGM.

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, 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 Depository Participants in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. Unit: Arvind SmartSpaces Limited, 506-508, Amarnath Business Centre-1 (abc-1) Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad-380006 in case the shares are held by them in physical form.

SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Pvt. Ltd at the address mentioned above.

SEBI has also mandated that for registration of transfer of securities, the transferee/s as well as transferor/s shall furnish a copy of their PAN card to the Company or Link Intime India Pvt. Ltd. for registration of transfer of securities.

8. Members holding shares in physical form are requested to consider converting their holdings to dematerilized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Link Intime India Pvt. Ltd. for assistance in this regards.

9. In case of joint holders attending the AGM, the members whose name appears at the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

10. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the AGM of the Company.

11. The Notice of the AGM and Annual Report of the Company for the year ended 31st March, 2019 is posted on the Company's website www.arvindsmartspaces.com and may be accessed by the members.

12. Electronic copy of the Annual Report for the year ended 31st March, 2019 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for the year ended 31st March, 2019 are being sent by the permitted mode.

13. Electronic copy of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.

14. To support the 'Green Initiative', members who have not registered their email addresses are requested to register the same with depository participant/Link Intime India Pvt. Ltd.

15. The route map showing direction to reach the venue of the 11th AGM is annexed.

16. Instructions for e-voting

A separate sheet containing the complete details of the instructions for e-voting is being sent to all the shareholders along with the Annual Report for the year ended 31st March, 2019 to enable them to cast their votes through e-voting.

Registered Office:	**By Order of the Board**
24, Government Servant's Society,	
Near Municipal Market,	
Off C.G. Road, Navrangpura,	
Ahmedabad - 380009	**Prakash Makwana**
Date: 2nd May, 2019	**Company Secretary**

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 4

The Board of Directors at its Meeting held on 2nd May, 2019, upon the recommendation of the Audit Committee, approved the appointment of M/s Kiran J. Mehta & Co., Cost Accountants (Firm Registration Number 000025), to conduct the audit of the cost records of the Company on a remuneration of ₹ 85,000/- (Rupees Eighty Five Thousand Only) plus applicable taxes and re-imbursement of out of pocket expenses to be incurred in connection with the audit for the financial year ending 31st March, 2020.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Annexure to Item No. 3 of the Notice:

Details of Director seeking appointment and re-appointment at the forthcoming Annual General Meeting:

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Revised Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India)

Name of the Director	Kulin S. Lalbhai
Director Identification No.	05206878
Date of Birth	13th August, 1985
Nationality	Indian
Date of Appointment on the Board	29th March, 2013
Qualifications	B.Sc. (Electrical Engineering), Stanford University, USA; MBA – Harvard Business School, USA.
Expertise in specific functional area	• Consumer Business, • Corporate Strategy, • B2c Business, • E-Commerce and Real Estate Business
Number of shares held in the Company	Nil
Number of Board Meetings attended during the year.	4 out of 4 meetings held during the financial year 2018-2019
Terms and conditions of appointment or re-appointment	Non - Executive Director liable to retire by rotation
Details of remuneration sought to be paid	Nil
Last drawn remuneration	Nil
List of the directorships held in other companies (excluding Foreign, Private and Section 8 Companies)*	• Arvind Ltd • Arvind Fashions Ltd • Zydus Wellness Ltd • Arvind Goodhill Suit Manufacturing Ltd • Arvind Internet Ltd
Chairman/Member in the Committees of the other companies in which he is Director	Member of Audit Committee of Zydus Wellness Ltd.
Relationships between Directors inter-se.	Mr. Kulin S. Lalbhai is a son of Mr. Sanjay S. Lalbhai, Chairman and Non-Executive Director of the Company.
* Directorship includes Directorships of other Indian Public Companies and Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).	

Registered Office:
24, Government Servant's Society,
Near Municipal Market, Off C.G. Road,
Navrangpura, Ahmedabad - 380009

Date: 2nd May, 2019

By Order of the Board

Prakash Makwana
Company Secretary

DIRECTORS' REPORT

To, The Members,

Your Directors have pleasure in presenting the Eleventh Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended on 31st March, 2019.

1. FINANCIAL RESULTS:

Highlights of the Financial Results for year are as under:

[₹in lacs]

Particulars	Standalone		Consolidated	
	2018-19	2017-18	**2018-19**	2017-18
Total Revenue	**25,006.90**	14,216.01	**26,434.81**	20,224.07
Profit before Finance costs, Depreciation and Amortisation & Tax	**7,916.57**	**5,068.99**	**7,024.08**	**6,495.41**
Less: Finance Costs	**2,013.56**	1,465.22	**2,126.36**	1,539.29
Less : Depreciation and Amortisation	**87.57**	85.25	**115.21**	109.39
Profit before share in profit/(loss) of Joint ventures & Tax	**5,815.44**	**3,518.52**	**4,782.51**	**4,846.73**
Share of Profit/(Loss) from Joint ventures	**-**	-	**(3.52)**	(12.74)
Profit before tax	**5,815.44**	**3,518.52**	**4,778.99**	**4,833.99**
Less : Current Tax	**-**	536.17	**-**	1,679.47
Less : Deferred Tax	**1,212.23**	4.33	**1,661.11**	10.44
Profit for the year	**4,603.21**	**2,978.02**	**3,117.88**	**3,144.08**
Other comprehensive income (net of tax)	**(2.85)**	(6.45)	**(2.85)**	(6.45)
Total comprehensive income for the year	**4,600.36**	**2,971.57**	**3,115.03**	**3,137.63**
Profit/(Loss) attributable to :				
Equity holders of the parent	**-**	-	**3,064.15**	3,011.05
Non-controlling interest	**-**	-	**50.88**	126.58

2. OPERATIONS:

The standalone total revenue of the Company has increased to ₹ 2,50,007 lacs in the FY 2018-19 against ₹ 14,216 lacs in FY 2017-18, an increase of 76%.

The consolidated total revenue of the Company has increased to ₹ 26,435 lacs in the FY 2018-19 against ₹ 20,224 lacs in FY 2017-18, an increase of 31%.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report which forms part of this report.

3. DIVIDEND:

Your Directors have recommended a dividend of 15% i.e. ₹ 1.50 per equity share of ₹ 10 each for the year ended on 31st March, 2019. The dividend, if approved by the members, would involve a cash outflow of ₹ 636.11 lacs (inclusive of tax on dividend).

4. TRANSFER TO RESERVES:

During the year under review, no amount is appropriated from Profit and Loss Account and transferred to any Reserve Account.

5. SHARE CAPITAL:

During the year 2018-19, the Company has allotted 30,00,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them under the Preferential issue made in January, 2018 and 3,66,000 equity shares of ₹ 10/- each to the eligible employee/s pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2013 (AIL ESOP 2013). Consequently, the paid up equity share capital of the Company as at 31st March, 2019 stood at ₹ 35,23,35,500/- consisting of 3,52,33,550 equity shares of ₹ 10/- each.

During the year under review, the Company has neither issued shares with differential voting rights nor sweat equity shares.

6. EMPLOYEE STOCK OPTION SCHEME:

The Company has instituted the Arvind Infrastructure Limited (now Arvind SmartSpaces Limited) - Employees Stock Option Scheme - 2013 (AIL ESOP - 2013) as well as Arvind Infrastructure Limited - Employees Stock Option Plan – 2016 (AIL ESOP - 2016) to grant equity based incentives to certain eligible employees, directors of the Company and its Subsidiary Companies. During the year under review, the Company has granted 3,70,000 stock options to its Managing Director & CEO under AIL ESOP – 2016.

Details of grant made / equity shares issued upon exercise of stock options by the eligible employee/s under AIL ESOP - 2013 and AIL ESOP 2016 and disclosure in compliance with Section 62 of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 are set out in **Annexure - A** to this report.

7. DISCLOSURE UNDER SECTION 67 (3) (C) OF THE COMPANIES ACT, 2013:

No disclosure is required under section 67 (3) (c) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

8. FINANCE:

During the year, the Company has made fresh borrowings of ₹ 936.67 lacs for its working capital requirements. Total Debt of the Company stands at ₹ 17,098.26 lacs as on 31st March, 2019.

9. DEPOSITS:

The Company has not accepted or renewed any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence furnishing the details of deposit in terms of Chapter V of the Companies Act, 2013 is not applicable to the Company. Further there are no outstanding deposits as at 31st March, 2019.

10. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

12. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Arvind SmartSpaces Limited undertakes "Corporate Social Responsibility" (CSR) initiatives through Strategic Help Alliance for Relief to Distressed Area ("SHARDA") Trust and Narottam Lalbhai Rural Development Fund ("NLRDF"). SHARDA and NLRDF have been active in improving the quality of life of the urban poor & rural poor respectively.

As a part of initiatives under CSR, the Company has continued to support initiatives of social renewal around the areas of its operations in Nasmed and Adhana villages in Tal. Kalol, Dist. Gandhinagar, Gujarat where your Company's signature real estate project "Arvind Uplands" is located. The brief details of Corporate Social Responsibility Policy and the amount spent during the financial year 2018-19 on the said activity is enclosed as **Annexure - B.**

13. HUMAN RESOURCES:

The Company believes that Human Resources will play a significant role in its future growth. With an unswerving focus on nurturing and retaining talent, the Company provides avenues for learning and development through functional, behavioural and leadership training programs, knowledge exchange conferences, communication channels for information sharing to name a few. The Company provides various opportunities to the employees to develop and hone their skills to take up higher responsibilities in the organization.

A well - defined competency framework outlines the leadership behaviours expected from employees to be successful in Arvind Group. The Company also uses various communication channels to seek employees' feedback about the overall working environment and the necessary tools and resources they need to perform at their best potential.

Diverse employee engagement initiatives are launched to ensure employees of various age and background continue to be effective in their roles and build meaningful career at Arvind.

The Group's Corporate Human Resources plays a critical role in company's talent management process.

14. RISK MANAGEMENT:

The Real Estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in governmental schemes, changes in supply and demand for products, availability of consumer finance and liquidity. These factors can affect the demand for both our forthcoming and ongoing projects.

The Company has developed and implemented Risk Management Policy. The policy identifies the threat of adverse events which may affect shareholder's value, ability of Company to achieve objectives or implement business strategies. Further, such risk are categorized into Strategic Risks, Operating Risks and Regulatory Risks.

Under the framework, the Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and

Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

15. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Moreover, the Company's Internal Audit department has adequate experience and expertise in internal controls, operating system and procedures. In discharging their role and responsibilities, the department is supported by an external audit firm.

The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board of Directors from time to time.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Board of Directors of the Company vide its circular resolution dated 30th March, 2019 has revised its existing Whistle Blower Policy named as vigil mechanism in line with SEBI (Prohibition of Insider Trading) (Amendment), Regulation, 2018, to deal with instances of fraud and mismanagement, if any. The details of the revised Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company at https://arvindsmartspaces.com/wp-content/uploads/2019/04/Whistleblower-Policy.pdf

17. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As on 31st March, 2019, the Company has 10 subsidiaries including 1 wholly owned subsidiary and 2 Joint venture Companies. Further, during the financial year, the Company became subsidiary of Aura Securities Private Limited.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 a statement containing salient features of financial statements of subsidiaries, associates and joint venture Companies in Form AOC-1 is attached to the Financial Statements. The separate audited financial statements in respect of each of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

The Company has framed a policy for determining material subsidiaries, which has been posted on company's website at https://arvindsmartspaces.com/wp-content/uploads/2018/05/AIL-Policy-on-Material-Subsidiaries.pdf

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on 31st March, 2019 the Board of Directors consist of 7 Directors out of which 1 is Executive Director, 2 are Non-Executive Non-Independent Directors and 4 are Non-Executive Independent Directors including a Woman Director. The composition is in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the provisions of Section 152(6) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Kulin S. Lalbhai (DIN 05206878) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment as the Director of the Company.

Dr. Indira J. Parikh, an Independent Director has resigned from the Board of Directors of your Company effective from closing business hours of 31st March, 2019, due to age criterion prescribed under Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. The Board of Directors places on record its deep sense of appreciation for the valuable guidance and counsel provided by Dr. Indira J. Parikh during her tenure as an Independent Director of your Company.

The Independent Directors hold office for a fixed period of five years from the date of their appointment at the Annual General Meeting and are not liable to retire by rotation. In accordance with Section 149(7) of the Companies Act 2013, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are disqualified from being appointed as Directors as specified in section 164 of the Companies Act, 2013.

As per the provisions of Section 203 of the Companies Act, 2013, Mr. Kamal Singal – Managing Director & CEO, Mr. Mehul Shah – Chief Financial Officer and Mr. Prakash Makwana - Company Secretary are the key managerial personnel of the Company.

19. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of independent directors which includes the performance of directors, fulfilment of criteria of independence specified in these regulations and their independence from the Management, its own performances as well as evaluation of working of its Committees on the basis of criteria formulated by the Nomination and Remuneration Committee which are broadly in compliance with the Guidance Note on Board Evaluation issued by SEBI vide its Circular dated 5th January, 2018. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

20. APPOINTMENT AND REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The same is posted on Company's website at https://arvindsmartspaces.com/wp-content/uploads/2019/06/Nomination-and-Remuneration-Policy.pdf

21. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The same is also posted on the website of the Company at https://arvindsmartspaces.com/wp-content/uploads/2018/05/Familiarisation_Programee_for_IDs.pdf

22. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES:

A calendar of Board and Committee Meetings is prepared and circulated in advance to the Directors.

During the year under review, 4 meetings of the Board of Directors, 4 meetings of Audit Committee, 2 meetings of Nomination and Remuneration Committee, 4 meetings of Stakeholders' Relationship Committee, 2 meetings of Corporate Social Responsibility Committee and 15 meetings of Management Committee of Board of Directors were convened and held, the details of which are provided in the Corporate Governance Report forming part of this Report.

23. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) in the preparation of the annual accounts for the year ended on 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) they have taken proper and sufficient care towards the maintenance of 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;

(d) they have prepared annual accounts on a going concern basis;

(e) they have laid down proper internal financial controls, which are adequate and are operating effectively;

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

24. RELATED PARTY TRANSACTIONS:

All transactions with Related Parties are placed before the Audit Committee and the Board for their approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all the related party transaction specifying the nature, value and terms and conditions of the transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

All the related party transactions are entered into on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the IND AS - 24.

The Policy on Related Party Transactions as approved by the Board is posted on Company's website at https://arvindsmartspaces.com/wp-content/uploads/2018/05/AIL-Related-Party-Transaction-Policy.pdf

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

26. AUDITORS:

(a) Statutory Auditor:

M/s. S R B C & Co LLP, Chartered Accountants, (ICAI Firm Registration No. 324982E / E300003) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting ("AGM") of the Members held on 14th September, 2017 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on 14th September, 2017. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from 7th May, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

In view of the above, ratification by the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditors M/s. S R B C & Co LLP, have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

Further, the Report given by M/s. S R B C & Co LLP, Chartered Accountants on the financial statements along with the notes to the financial statements of the Company for the financial year 2018-2019 is forming part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act.

(b) Cost Auditors:

On the recommendation of the Audit Committee, the Board of Directors appointed M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 000025), as Cost Auditors of the Company for the year 2019-20 under Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014. M/s Kiran J. Mehta & Co. have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013 and that their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and an arm's length relationship with the Company.

The remuneration payable to the Cost Auditors is required to be ratified by the Members in a general meeting. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s Kiran J. Mehta & Co., Cost Auditors is included at Item No. 4 of the notice convening the Annual General Meeting.

(c) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s N. V. Kathiria & Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2018-19. Report of the Secretarial Audit in Form MR-3 for the financial year 2018-19 is enclosed as **Annexure - C.** The said Report does not have any qualification, reservation or adverse remark or disclaimer.

27. ENHANCING SHAREHOLDERS VALUE:

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

28. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS:

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, is set out as separate Annexure, together with the Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption are not given as the Company has not undertaken any manufacturing activity. There were no foreign Exchange Earnings or Outgo during the period under review except on foreign travelling.

30. ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure - D.**

31. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, are given in **Annexure - E** to this report.

32. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for Sexual Harassment at Workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Arvind Real Estate Internal Complaints Committee ("AREICC") is formed by the Company which is working under purview of group level Committee i.e. Arvind Internal Complaints Committee ("AICC"), the details of which are declared across the organization. All the members of AREICC are trained by the subject experts on handling the investigations and proceedings as defined in the policy.

During the financial year 2018-19 the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2019.

33. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express its sincere thanks to all the employees, customers, suppliers, business associates bankers, investors, lenders, regulatory and government authorities and stock exchanges for their support.

By Order of the Board

Date: 2nd May, 2019
Place: Ahmedabad

Sanjay S. Lalbhai
Chairman

Annexure – A to the Director's Report

Disclosures under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations:

The Details of Arvind SmartSpaces Limited Employees Stock Option Scheme - 2013 and 2016 ("AIL ESOP - 2013" and "AIL ESOP - 2016") for the year ended on 31st March, 2019 are as under:

		AIL ESOP - 2013	AIL ESOP - 2016
1	Description of ESOP Scheme:		
(a)	Date of shareholder approval	08-Mar-2013	23-Sep-2016
(b)	Total number of shares approved under ESOP Schemes	5% of share capital from time to time.	15,00,000 shares of face value ₹10 each.
(c)	Vesting requirements	Options vest over minimum 1 year and maximum 5 years based on continued service and certain performance parameters.	Options vest over minimum 1 year and maximum 5 years based on continued service and certain performance parameters.
(d)	Exercise price or pricing formula	Grant I – ₹41.25 Grant II – ₹45.14	₹158.30
(e)	Maximum term of options granted	5 years from the date of grant	9 years from the date of grant
(f)	Source of shares	Primary	Primary
(g)	Variation of terms of options	None	None
2	Method used to account for ESOS	Fair Value Method	Fair Value Method
3	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on the profits and EPS of the Company shall also be disclosed.	None. The Company follows fair value method of accounting for options.	
	(i) Difference between Intrinsic value and Fair value compensation cost	NA	
	(ii) Impact on the Profits of the Company (₹)	NA	
	(iii) Impact on Basic Earnings Per Share of the Company (₹)	NA	
	(vi) Impact on Diluted Earnings Per Share of the Company (₹)	NA	
4	Option movement during the year:		
(a)	Options Outstanding at the beginning of the year	739,729	0
(b)	Options granted during the year	0	370,000
(c)	Options forfeited/lapsed during the year	0	0
(d)	Options vested during the year	0	0
(e)	Options exercised during the year	366,000	0
(f)	Number of shares arising as a result of exercise of option	366,000	0
(g)	Money realised by exercise of options (₹)	151,73,592	0
(h)	Loan repaid by the Trust during the year from exercise price received	NA	NA
(i)	Options Outstanding at the end of the year	373,729	370,000
(j)	Options Exercisable at the end of the year	373,729	0
5A	Weighted average exercise prices of options whose		
	Exercise price equals market price of stock	₹41.00	₹158.30
	Exercise price exceeds market price of stock	0	0
	Exercise price is less than market price of stock	0	0
5B	Weighted average fair value of options whose		
	Exercise price equals market price of stock	₹10.68	₹75.81
	Exercise price exceeds market price of stock	0	0
	Exercise price is less than market price of stock	0	0

		AIL ESOP - 2013	AIL ESOP - 2016
6	Employee wise details of options granted to: (i) Senior managerial personnel (ii) any other employee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year; (iii) identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant	No grants made during the year.	 Mr. Kamal Singal (MD & CEO) – 370,000 Mr. Kamal Singal (MD & CEO) – 370,000 NA
7	A description of the method and significant assumptions used during the year to estimate the fair values of options, including following information: (i) Share price (₹) (ii) Exercise price (₹) (iii) Expected volatility (iv) Expected dividends (v) Risk-free interest rate (vi) Any other inputs to the model (vii) Method used and the assumptions made to incorporate effects of expected early exercise (vii) Method used and the assumptions made to incorporate effects of expected early exercise (viii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility (ix) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	No grants made during the year. No grants made during the year.	Binomial Option pricing model used. The details of the assumptions are as under: ₹158.05 ₹158.30 49% 0% 7.61% None None None Historical volatility of the closing share prices of the Company's equity shares on NSE has been considered. None

Annexure – B to the Director's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

1	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	➢ **Brief outline of the company's CSR Policy:** For Arvind SmartSpaces Limited ("ASL"), care for the society has been an intrinsic value in the same manner as it is for other entities of the Lalbhai group. Though the rationale for long tradition of reaching out through planned interventions had always been nurturing society, at the base of it all lies an implicit value system. The underlying value system has a firm belief that only in a healthy society healthy businesses flourish and to ensure this, Business leaders must positively impact society. ASL conducts its CSR Programs through Strategic Help Alliance for Relief to Distressed Areas ("SHARDA") Trust, CSR arm of Arvind Limited for undertaking initiatives of social renewal. ➢ **Overview of projects or programs undertaken or proposed to be undertaken:** Arvind SmartSpaces Limited ("ASL") Policy on Corporate Social Responsibility aims to impact positively, the quality of life of people, through initiatives of social, economic, educational, infrastructural, environmental, health and cultural advancement. ASL believes that social change is a process and any project or programme needs to be supported over a period of time to see the impact on people and communities. The Companies Act, 2013 provides that a Company shall give preference to the local area where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. The company has decided to support Initiatives of social renewal around the areas of its operations in Nasmed and Adhana villages in Tal. Kalol, Dist. Gandhinagar, Gujarat where Arvind SmartSpaces Limited's signature real estate project Arvind Uplands is located and would see major CSR initiatives in the years to come. SHARDA Trust, under ARTI - the Arvind Rural Transformation Initiative, had carried out Rapid Rural Infrastructure Assessment in 2017-18 in the villages. Based on this assessment, it has initiated long term social transformation and physical infrastructure improvement program in these villages through priority interventions like community mobilization and rapport building, awareness, education and capacity building. Following are brief of the programmatic activities conducted in these villages as a part of larger ARTI programme. a. Conducted various community connect, mobilizing and rapport building activities with various stakeholders viz. Gram Panchayat, community leaders, women groups, school management, livelihood group members to reach out to key people of the villages for better and smooth implementation of various programmatic activities. b. To promote inner wellbeing among community International Yoga Day was celebrated in Nasmed Villages. Total 1,855 children, 61 teachers and 27 community members participated in the event. c. To reduce dropout and irregularity among school going children parents counseling meeting was conducted in the villages. The main focus was to educate parents of highly irregular children about importance of education and make them aware about importance of attending school regularly for learning and check dropout from school. d. Conducted Fun with Science Programme in schools to promote better understanding of basic science principle through simple science experiments. 50 children and 2 teachers of upper primary participated in the two days programme. e. Nasmed Primary School was given 400 serving plate sets for mid-day meal program. The school children had no plates for mid-day meal and it impacted positively the cleanliness and their experience of eating. The school children now get proper serving food plates with separate facility for vegetable, roti, dal, and other food items that is being served through the mid-day meal program. f. A day long education visit to Gujarat Science City, Ahmedabad was organized for Nasmed Primary School children. 90 children and 2 teachers participated in the educational visit.

		The visit was to understand various science principles through practical models, exhibits, short films etc. The children also enjoyed Morgan Freeman narrated documentary – Born to be Wild in 3D. This visit also enhanced learning of various science topics through practical models and exhibits like universe, planets, space science, eclipse, technology, planet earth, biodiversity, importance of flora and fauna, human body, minerals and modern technologies. To sustain this long term ARTI program and build on the existing programmes, following activities are planned for the coming year: a. Improved academic performance and overall personality of school children through SHARDA Trust's flagship programme Gyanda offering long term in-school and out-school supplementary education support. b. Creating green space in Nasmed School campus to make school environment more conducive to learning and education for children. c. Enhanced understanding of social and environmental places among community at large and women, farmers and children specifically through organizing awareness and education programmes and providing opportunities. The focus will be creating awareness in the field of Education, Health, Sanitation, Environment, and Water. d. Initiate inner wellbeing programme through Rural Heartfullness Meditation Program with community. These initiatives are meant to have long term programmes for impacting positively the physical, social and inner wellbeing of people living close to our work areas. A brief account of the project supported by the Company during 2018-19 is mentioned below in the format given by the Ministry of Corporate Affairs. ➢ **Web-link of CSR Policy:** The Policy is also posted on the website of the company at https://arvindsmartspaces.com/wp-content/uploads/2018/05/CSR-ASL-Policy-06-11-2017.pdf
2	Composition of CSR Committee.	Mr. Sanjay S. Lalbhai - Chairman Mr. Prem Prakash Pangotra - Independent Director Dr. Indira J. Parikh* - Independent Director Mr. Kamal Singal - Managing Director & CEO. * Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.
3	Average net profit of the Company for last three financial years.	₹1,357.73 Lacs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above).	₹27.15 Lacs
5	Details of CSR Spend during the financial year 2018-19.	a. Total amount to be spent for F.Y. 2018-19 — ₹ 27.15 Lacs b. Amount unspent, if any — Nil c. Manner in which the amount was spent during the financial year and details of implementing agency are given below separately.
6	In case the Company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	Not Applicable as the Company has spent the required amount during the F.Y. 2018-19.

➢ **Manner in which the amount was spent during the financial year:**

1	2	3	4	5	6	7	8
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programmes**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes**	**Cumulative expenditure upto to the reporting period**	**Amount spent: Direct or through implementing agency**
					Sub Heads		
			(1) Local area or other		(1) Direct expenditure on Projects or programmes.		
			(2) Specify the State and district where projects or programmes was undertaken.		(2) Overhead.		
	From 2% CSR Fund					**Lacs (₹)**	
1	Rural Development Programme	Rural Development	Rural Development Programmes at Villages Nasmed and Adhana at Kalol, Gandhinagar, Gujarat.	₹27.50 Lacs	₹27.50 Lacs	27.50	Through SHARDA Trust
	Total Spend (₹ Lacs)					**27.50**	

➢ **Details of the Implementation Agencies:**

Project and Programmes	**Theme**	**Implementing Agency**	**Registration No**
Rural Development Programmes at Nasmed and Adhana village of Taluka Kalol, Dist. Gandhinagar, Gujarat	Rural Development.	Strategic Help Alliance for Relief to Distressed Area (SHARDA) Trust.	Registration No. E/10699/ Ahmedabad Dated 13th December, 1995 under Bombay Public Trust Act 1950.

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

Date: 2nd May, 2019
Place: Ahmedabad

Sanjay S. Lalbhai
Chairman-CSR Committee

Kamal Singal
Managing Director & CEO

Annexure – C to the Director's Report

Form MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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,
Arvind SmartSpaces Limited
24, Govt. Servant's Society,
Nr. Municipal Market, Off. C.G. Road,
Navrangpura, Ahmedabad- 380009.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arvind SmartSpaces Limited** (hereinafter "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 (Audit period) 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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;
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   (iv) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
   (v) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;
   (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company has not issued any such securities during the financial year)
   (vii) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the Company is not registered as Registrar and Transfer Agents with SEBI)
   (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable as the Company has not delisted any of its equity shares during the financial year);
   (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable as the Company has not bought back any of the securities during the financial year).
3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.
4. The Company has complied with following specific laws to the extent applicable to the Company:
   1. The Real Estate (Regulation and Development) Act, 2016.
   2. Transfer of Property Act, 1882.
   3. The Land Acquisition Act, 1894.
   4. The Contract Labour (Regulation and Abolition) Act, 1970.
   5. The Indian Easements Act, 1882.

6. The Indian Contract Act, 1872.
7. The Gujarat Town Planning and Urban Development Act, 1976.
8. Gujarat Development Control Regulations Act, 2011 as amended from time to time.
9. The Environment (Protection) Act, 1986.
10. The Gujarat Land Revenue Code, 1879.
11. The Gujarat Tenancy & Agricultural Lands Act, 1948.
12. The Indian Registration Act, 1908.
13. The Specific Relief Act, 1963.
14. The Indian Stamp Act, 1899.
15. The Gujarat Stamp Act, 1958.
16. The Gujarat Ownership Flats Act, 1973.
17. The Building and Other Construction Workers' (Regulation of Employment and Conditions of Services) Act, 1996.
18. The Building and Other Construction Workers' Welfare Cess Act, 1996.
19. Goods and Service Tax Act.
20. Employees Provident Fund and Miscellaneous Provisions Act, 1952.
21. Employees State Insurance Act, 1961 and Rules made there under.

5. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India and The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including 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 in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs except the following:

1. The Company has allotted 30,00,000 Equity Shares of ₹ 10/- each at a premium of ₹ 168/- per share on 2nd June, 2018 to the warrant holders pursuant to the exercise of conversion of warrant option by them under Preferential Issue made in 2017 in accordance with provisions of Chapter VII of the SEBI ICDR Regulations or subject to other applicable laws and regulations as may be prevailing at the time of allotment of Warrants / conversion of Warrants into Equity Shares ("Preferential Issue");

   Further the Company has allotted 2,30,000 equity shares on 15th October, 2018, 1,00,000 equity shares on 21st February, 2019 and 36,000 Equity Shares on 28th February, 2019 pursuant exercise of stock options by the eligible employees/grantees under AIL ESOP 2013 of the Company.

2. The Company has granted 3,70,000 stock options to Mr. Kamal Singal, Managing Director & CEO of the Company pursuant to Employee Stock Option Plan 2016 (AIL ESOP - 2016").

For, N. V. KATHIRIA & ASSOCIATES

Date : 22nd April, 2019
Place : Ahmedabad

N. V. KATHIRIA
PROPRIETOR
FCS 4573
COP 3278

To,
The Members,
Arvind SmartSpaces Limited
24, Govt. Servant's Society,
Nr. Municipal Market, Off. C.G. Road,
Navrangpura, Ahmedabad- 380009.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of 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 the test basis to ensure that correct facts are reflected in the 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. Wherever 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 and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, N. V. KATHIRIA & ASSOCIATES

Date : 22nd April, 2019
Place : Ahmedabad

N. V. KATHIRIA
PROPRIETOR
FCS 4573
COP 3278

Annexure – D to the Director's Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN for the financial year ended on 31st March, 2019.

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i	CIN	L45201GJ2008PLC055771
ii	Registration Date	26th December, 2008.
iii	Name of the Company	Arvind SmartSpaces Limited
iv	Category / Sub - category of the Company	Company Limited by Shares
v	Address of Registered office and contact details	24, Government Servant's Society, Near Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat - 380009. Contact: +91 79 68267000 Fax : +91 79 68267021
vi	Whether listed Company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Limited 506-508,Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road , Ellisbridge, Ahmedabad 380006 Tel No : +91 79 26465179 /86 / 87 E-mail id : ahmedabad@linkintime.co.in Website : www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated. Arvind SmartSpaces Limited ("the Company") is dealing in real estate development.

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Estate developer	70	100

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN/GLN/LLPIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Aura Securities Private Limited 1st Floor, Akshay Building, 53, Shrimali Society, B/h Vadilal House, Navrangpura, Ahmedabad-380009, Gujarat, India.	U74110GJ1985PTC008269	Holding	53.11	2(46)
2	Arvind Hebbal Homes Private Limited	U45200GJ2011PTC066023	Subsidiary	100.00	2(87)
3	Ahmedabad East Infrastructure LLP	AAA - 1786	Subsidiary	51.00	2(87)
4	ASL Facilities Management LLP (formerly "Arvind Alcove LLP")	AAB - 1983	Subsidiary	100.00	2(87)
5	Changodar Industrial Infrastructure (One) LLP	AAB - 8772	Subsidiary	100.00	2(87)
6	Arvind Altura LLP	AAB - 1906	Subsidiary	100.00	2(87)
7	Arvind Beyond Five Club LLP	AAC - 3674	Subsidiary	100.00	2(87)
8	Arvind Infracon LLP	AAC - 1446	Subsidiary	100.00	2(87)
9	Ahmedabad Industrial Infrastructure (One) LLP	AAB - 8247	Subsidiary	100.00	2(87)
10	Arvind Five Homes LLP	AAB - 0742	Subsidiary	100.00	2(87)
11	Yogita Shelters LLP S. No. 138(P) 139(P) H.No.15, 16, 17 Unit No - A - 202, Summer Court, Pune-411028, Maharashtra, India.	AAB-4186	Subsidiary	99.79	2(87)
12	Arvind Integrated Projects LLP 'D' Wing, Karma Sankalp Corner of 6th & 7th Road of Rajawadi, Ghatkopar, Mumbai - 400077, Maharashtra.	AAH - 5717	Associate (Joint Venture)	50.00	2(6)
13	Arvind Bsafal Homes LLP Khokhara Mehmedabad Ahmedabad - 380008, Gujarat, India.	AAA - 2005	Associate (Joint Venture)	50.00	2(6)

Note: Address of the above subsidiary & associate companies specified in point No. 2 to 10 is 24, Government Servant's Society, Near Municipal Market, off. C.G. Road, Navrangpura, Ahmedabad - 380009, Gujarat, India.

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity):

(i) Category-wise Shareholding

Category Code	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters and Promoter Group**									
(1)	**Indian**									
(a)	Individual/ HUF	235093	0	235093	0.74	285093	0	285093	0.81	0.07
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Body Corporate)	17747486	0	17747486	55.69	20713277	0	20713277	58.79	3.10
	Sub-Total (A)(1)	**17982579**	**0**	**17982579**	**56.43**	**20998370**	**0**	**20998370**	**59.60**	**3.17**
(2)	**Foreign**									
(a)	Individuals (Non-Resident Individuals/Foeign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total A = (A)(1) + (A)(2)	**17982579**	**0**	**17982579**	**56.43**	**20998370**	**0**	**20998370**	**59.60**	**3.17**
B	**Public shareholder**									
1	**Institutions**									
(a)	Mutual Funds	45937	1093	47030	0.15	45937	1093	47030	0.13	(0.01)
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	572914	0	572914	1.80	572914	0	572914	1.63	(0.17)
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investors	42885	2204	45089	0.14	8858	2204	11062	0.03	(0.11)
(f)	Financial Institutions/ Banks	1615617	804	1616421	5.07	1610671	804	1611475	4.57	(0.50)
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	96	0	96	0.00	0.00
	Sub-Total (B)(1)	**2277353**	**4101**	**2281454**	**7.16**	**2238476**	**4101**	**2242577**	**6.36**	**(0.79)**
2	**Central Government/ State Government(s)/ President of India**	**50**	**0**	**50**	**0.00**	**50**	**0**	**50**	**0.00**	**0.00**
	Sub-Total (B)(2)	**50**	**0**	**50**	**0.00**	**50**	**0**	**50**	**0.00**	**0.00**
3	**Non-institutions**									
(a)	Individual									
(i)	Individual shareholders holding nominal share capital up to ₹1 lacs.	4718389	270025	4988414	15.65	4986547	252520	5239067	14.87	(0.78)
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lacs.	4467791	0	4467791	14.02	4804238	0	4804238	13.64	(0.38)
(b)	NBFCs registered with RBI	0	0	0	0.00	6986	0	6986	0.02	0.02
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)									
(e-i)	Trusts	8642	0	8642	0.03	7118	0	7118	0.02	(0.01)
(e-ii)	Hindu Undivided Family	566838	0	566838	1.78	616103	0	616103	1.75	(0.03)
(e-iii)	Non Resident Indians (Non Repat)	120525	233	120758	0.38	70907	233	71140	0.20	(0.18)
(e-iv)	Non Resident Indians (Repat)	238924	16047	254971	0.80	226766	16029	242795	0.69	(0.11)
(e-v)	Overseas Bodies Corporates	290	0	290	0.00	290	0	290	0.00	0.00
(e-vi)	Clearing Member	103601	0	103601	0.33	132839	0	132839	0.38	0.05
(e-vii)	Bodies Corporate	1092162	0	1092162	3.43	871977	0	871977	2.47	(0.95)
	Sub-Total (B)(3)	**11317162**	**286305**	**11603467**	**36.41**	**11723771**	**268782**	**11992553**	**34.04**	**(2.37)**
	Total (B) = (B)(1)+(B)(2)+(B)(3)	**13594565**	**290406**	**13884971**	**43.57**	**13962297**	**272883**	**14235180**	**40.40**	**(3.17)**
C	**Custodian / DR Holder**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total(C)	**0**	**0**	**0**	**0.00**	**0**	**0**	0	**0.00**	**0.00**
	Grand Total (A)+(B)+(C)	**31577144**	**290406**	**31867550**	**100.00**	**34960667**	**272883**	**35233550**	**100.00**	**0.00**

(ii) Shareholding of Promoters and Promoter Group

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of change during the year
		No. of Shares	% of shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of shares of the Company	% of shares pledged/ encumbered to total shares	
1	Aura Securities Private Limited	15912646	49.93	0.00	18712646	53.11	9.93	3.18
2	Sanjaybhai Shrenikbhai Lalbhai	200155	0.63	0.00	200155	0.57	0.00	(0.06)
3	Jayshreeben Sanjaybhai Lalbhai	33	0.00	0.00	33	0.00	0.00	0.00
4	Punit Sanjaybhai	371	0.00	0.00	371	0.00	0.00	0.00
5	Samvegbhai Arvindbhai	4634	0.01	0.00	4634	0.01	0.00	0.00
6	Kulin S Lalbhai	0	0.00	0.00	0	0.00	0.00	0.00
7	Hansaben Niranjanbhai	3804	0.01	0.00	1139	0.00	0.00	(0.01)
8	Samvegbhai Arvindbhai Lalbhai	10494	0.03	0.00	60494	0.17	0.00	0.14
9	Saumya Samvegbhai Lalbhai	2000	0.01	0.00	4665	0.01	0.00	0.01
10	Swati S Lalbhai	771	0.00	0.00	771	0.00	0.00	0.00
11	Vimlaben S Lalbhai	459	0.00	0.00	459	0.00	0.00	0.00
12	Sunil Siddharth Lalbhai	343	0.00	0.00	343	0.00	0.00	0.00
13	Ananyaa Kulin Lalbhai	0	0.00	0.00	0	0.00	0.00	0.00
14	Ishaan Punit Lalbhai	0	0.00	0.00	0	0.00	0.00	0.00
15	Snehalben Samvegbhai Lalbhai	0	0.00	0.00	0	0.00	0.00	0.00
16	Jaina Kulin Lalbhai	0	0.00	0.00	0	0.00	0.00	0.00
17	Taral S Lalbhai	407	0.00	0.00	407	0.00	0.00	0.00
18	Badlani Manini Rajiv	540	0.00	0.00	540	0.00	0.00	0.00
19	Ruhani Punit Lalbhai	0	0.00	0.00	0	0.00	0.00	0.00
20	Lalbhai Poorva Punitbhai	0	0.00	0.00	0	0.00	0.00	0.00
21	Anamikaben Samvegbhai Lalbhai	4003	0.01	0.00	4003	0.01	0.00	0.00
22	Astha Lalbhai	192	0.00	0.00	192	0.00	0.00	0.00
23	Kalpanaben Shripalbhai Morakhia	1	0.00	0.00	1	0.00	0.00	0.00
24	Sanjabhai Shrenikbhai Lalbhai, Trustee	6885	0.02	0.00	6885	0.02	0.00	0.00
25	Sunil Siddharth HUF	1	0.00	0.00	1	0.00	0.00	0.00
26	Aura Business Ventures LLP	0	0.00	0.00	0	0.00	0.00	0.00
27	Amplus Capital Advisors Pvt Ltd.	0	0.00	0.00	0	0.00	0.00	0.00
28	Kasturbhai Lalbhai Museum Limited (formerly Anagram Knowledge Academy Limited)	0	0.00	0.00	0	0.00	0.00	0.00
29	Anukul Investments Private Limited	0	0.00	0.00	0	0.00	0.00	0.00
30	Aura Merchandise Pvt Ltd.	100	0.00	0.00	100	0.00	0.00	0.00
31	Lalbhai Realty Finance Private Limited	45500	0.14	0.14	45500	0.13	0.13	(0.01)
32	Shruti Trade Link Pvt Ltd.	0	0.00	0.00	0	0.00	0.00	0.00

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of change during the year
		No. of Shares	% of shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of shares of the Company	% of shares pledged/ encumbered to total shares	
33	Aura Business Enterprise Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
34	Arvind Limited	0	0.00	0.00	0	0.00	0.00	0.00
35	Arvind Fashions Limited	0	0.00	0.00	0	0.00	0.00	0.00
36	The Anup Engineering Limited (Formerly known as Anveshan Heavy Engineering Limited)	0	0.00	0.00	0	0.00	0.00	0.00
37	Style Audit LLP	0	0.00	0.00	0	0.00	0.00	0.00
38	J P Trunkshow LLP	0	0.00	0.00	0	0.00	0.00	0.00
39	Adore Investments Private Limited	13229	0.04	0.00	13229	0.04	0.00	0.00
40	Amardeep Holdings Private Limited	97425	0.31	0.00	97425	0.28	0.00	(0.03)
41	Arvind Farms Pvt Ltd	0	0.00	0.00	149011	0.42	0.00	0.42
42	Aayojan Resources Pvt. Ltd	8450	0.03	0.00	8450	0.02	0.00	0.00
43	Adhigam Investments Pvt. Ltd.	0	0.00	0.00	0	0.00	0.00	0.00
44	Adhinami Investment Pvt Ltd	600	0.00	0.00	600	0.00	0.00	0.00
45	Aahvan Agencies Limited (Formerly known as Agrimore Limited)	0	0.00	0.00	0	0.00	0.00	0.00
46	Anusandhan Investments Limited	11000	0.03	0.00	11000	0.03	0.00	0.00
47	Akshita Holdings Pvt. Limited	13	0.00	0.00	13	0.00	0.00	0.00
48	Amal Limited	0	0.00	0.00	0	0.00	0.00	0.00
49	Atul Finserv Limited (formerly known as Ameer Trading Corporation Limited)	0	0.00	0.00	0	0.00	0.00	0.00
50	Anchor Adhesives Private Limited	0	0.00	0.00	0	0.00	0.00	0.00
51	Atul Bioscience Limited	0	0.00	0.00	0	0.00	0.00	0.00
52	Atul Limited	412747	1.30	0.00	412747	1.17	0.00	(0.12)
53	Rudolf Atul Chemicals Limited	0	0.00	0.00	0	0.00	0.00	0.00
54	Aagam Holdings Private Limited	479625	1.51	0.00	629625	1.79	0.00	0.28
55	Aura Securities Pvt. Ltd.	100	0.00	0.00	100	0.00	0.00	0.00
56	Aml Employees' Welfare Trust	632731	1.99	0.00	632731	1.80	0.00	(0.19)
57	Aeon Investments Private Limited	17924	0.06	0.00	0	0.00	0.00	(0.06)
58	Amazon Investments Private Limited	115296	0.36	0.00	0	0.00	0.00	(0.36)
	Total	**17982579**	**56.43**	**0.14**	**20998370**	**59.60**	**10.06**	**3.17**

(iii) Change in Promoter's Shareholding (specify if there is no change)

Sr. No.	Name of Promoter	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Aura Securities Private Limited**				
	At the beginning of the year	15912646	49.93	15912646	45.16
	Allotment of Equity shares pursuant to exercise of conversion option of warrants allotted on preferential basis (02-06-2018).	2800000	7.95	18712646	53.11
	At the end of the year	--	--	18712646	53.11
2	**Aagam Holdings Private Limited**				
	At the beginning of the year	479625	1.51	479625	1.36
	Allotment of Equity shares pursuant to exercise of conversion option of warrants allotted on preferential basis (02-06-2018).	150000	0.43	629625	1.79
	At the end of the year	--	--	629625	1.79
3	**Samvegbhai Arvindbhai Lalbhai**				
	At the beginning of the year	10494	0.03	10494	0.03
	Allotment of Equity shares pursuant to exercise of conversion option of warrants allotted on preferential basis (02-06-2018).	50000	0.14	60494	0.17
	At the end of the year	--	--	60494	0.17
4	**Amazon Investments Private Limited**				
	At the beginning of the year	115296	0.36	115296	0.33
	Transfer due to Merger - May 2018	(115296)	0.33	0	0.00
	At the end of the year	--	--	0	0.00
5	**Aeon Investments Private Limited**				
	At the beginning of the year	17924	0.06	17924	0.05
	Transfer due to Merger - May 2018	(17924)	0.05	0	0.00
	At the end of the year	--	--	0	0.00
6	**Arvind Farms Private Limited**				
	At the beginning of the year	0	0.00	0	0.00
	Transfer due to Merger - May 2018	15791	0.04	15791	0.04
	Transfer due to Merger - May 2018	115296	0.33	131087	0.37
	Transfer due to Merger - May 2018	17924	0.05	149011	0.42
	At the end of the year	--	--	149011	0.42
7	**Saumya Samvegbhai Lalbhai**				
	At the beginning of the year	2000	0.63	2000	0.01
	Transfer by virtue of will - 08-05-2018	2665	0.01	4665	0.01
	At the end of the year	--	--	4665	0.01
8	**Hansa Niranjanbhai**				
	At the beginning of the year	3804	0.01	3804	0.01
	Transfer by virtue of will - 08-05-2018	(2665)	0.01	1139	0.00
	At the end of the year	--	--	1139	0.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Ketankumar Ratilal Patel**	1586000	4.98	1586000	4.50
	Purchase (13-07-2018)	22900	0.06	1608900	4.57
	Purchase (27-07-2018)	100	0.00	1609000	4.57
	Purchase (07-09-2018)	5000	0.01	1614000	4.58

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Purchase (14-09-2018)	5000	0.01	1619000	4.60
	Purchase (01-02-2019)	10000	0.03	1629000	4.62
	Purchase (08-02-2019)	41000	0.12	1670000	4.74
	Purchase (15-02-2019)	20650	0.06	1690650	4.80
	Purchase (22-02-2019)	14350	0.04	1705000	4.84
	Purchase (15-03-2019)	25000	0.07	1730000	4.91
	At the end of the year	--	--	1730000	4.91
2	**Life Insurance Corporation of India**	1559181	4.89	1559181	4.43
	At the end of the year	--	--	1559181	4.43
3	**Mauryan First**	572914	1.80	572914	1.63
	At the end of the year	--	--	572914	1.63
4	**Kamal Singal**	65015	0.20	65015	0.18
	Purchase (02-09-2018)	165000	0.47	230015	0.65
	Purchase (08-03-2019)	100000	0.28	330015	0.94
	Purchase (15-03-2019)	36000	0.10	366015	1.04
	At the end of the year	--	--	366015	1.04
5	**Urjita J Master**	225000	0.71	225000	0.64
	Purchase (06-04-2018)	5500	0.02	230500	0.65
	Purchase (13-04-2018)	6500	0.02	237000	0.67
	Purchase (27-04-2018)	500	0.00	237500	0.67
	Purchase (04-05-2018)	14000	0.04	251500	0.71
	Purchase (11-05-2018)	13500	0.04	265000	0.75
	Purchase (18-05-2018)	2500	0.01	267500	0.76
	Purchase (25-05-2018)	2000	0.01	269500	0.76
	Purchase (01-06-2018)	5500	0.02	275000	0.78
	Purchase (08-06-2018)	8500	0.02	283500	0.80
	Purchase (15-06-2018)	18500	0.05	302000	0.86
	Purchase (22-06-2018)	11500	0.03	313500	0.89
	Purchase (30-06-2018)	6000	0.02	319500	0.91
	Purchase (06-07-2018)	2000	0.01	321500	0.91
	Purchase (13-07-2018)	1500	0.00	323000	0.92
	Purchase (20-07-2018)	3628	0.01	326628	0.93
	Purchase (03-08-2018)	19372	0.05	346000	0.98
	Purchase (10-08-2018)	7000	0.02	353000	1.00
	Purchase (17-08-2018)	5000	0.01	358000	1.02
	Purchase (24-08-2018)	2500	0.01	360500	1.02
	Purchase (31-08-2018)	3000	0.01	363500	1.03
	Purchase (07-09-2018)	2000	0.01	365500	1.04
	Purchase (14-09-2018)	1050	0.00	366550	1.04
	Purchase (21-09-2018)	1000	0.00	367550	1.04
	Purchase (29-09-2018)	2450	0.01	370000	1.05
	Purchase (05-10-2018)	5000	0.01	375000	1.06
	Purchase (12-10-2018)	5548	0.02	380548	1.08
	Purchase (19-10-2018)	2952	0.01	383500	1.09
	Purchase (26-10-2018)	2000	0.01	385500	1.09

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Purchase (02-11-2018)	3000	0.01	388500	1.10
	Purchase (09-11-2018)	2000	0.01	390500	1.11
	Purchase (16-11-2018)	500	0.00	391000	1.11
	Purchase (30-11-2018)	500	0.00	391500	1.11
	Purchase (07-12-2018)	1000	0.00	392500	1.11
	Purchase (14-12-2018)	1000	0.00	393500	1.12
	Purchase (21-12-2018)	3000	0.01	396500	1.13
	Sale (28-12-2018)	(46500)	(0.13)	350000	0.99
	Purchase (08-02-2019)	1500	0.00	351500	1.00
	Purchase (08-03-2019)	500	0.00	352000	1.00
	Purchase (15-03-2019)	500	0.00	352500	1.00
	Sale (29-03-2019)	(123500)	(0.35)	229000	0.65
	At the end of the year	--	--	229000	0.65
6	**IL and FS Securities Services Limited**	22306	0.07	22306	0.06
	Sale (06-04-2018)	(3450)	(0.01)	18856	0.05
	Purchase (20-04-2018)	1546	0.00	20402	0.06
	Sale (27-04-2018)	(1360)	0.00	19042	0.05
	Sale (04-05-2018)	(230)	0.00	18812	0.05
	Purchase (11-05-2018)	745	0.00	19557	0.06
	Purchase (18-05-2018)	19433	0.06	38990	0.11
	Purchase (25-05-2018)	5492	0.02	44482	0.13
	Sale (01-06-2018)	(240)	0.00	44242	0.13
	Sale (08-06-2018)	(2840)	(0.01)	41402	0.12
	Purchase (15-06-2018)	27	0.00	41429	0.12
	Purchase (22-06-2018)	145177	0.41	186606	0.53
	Sale (30-06-2018)	(800)	0.00	185806	0.53
	Purchase (06-07-2018)	865	0.00	186671	0.53
	Sale (13-07-2018)	(255)	0.00	186416	0.53
	Sale (20-07-2018)	(102)	0.00	186314	0.53
	Sale (27-07-2018)	(1365)	0.00	184949	0.52
	Sale (03-08-2018)	(200)	0.00	184749	0.52
	Purchase (10-08-2018)	9	0.00	184758	0.52
	Purchase (17-08-2018)	1094	0.00	185852	0.53
	Purchase (24-08-2018)	21	0.00	185873	0.53
	Sale (31-08-2018)	(933)	0.00	184940	0.52
	Sale (07-09-2018)	(1117)	0.00	183823	0.52
	Sale (14-09-2018)	(1520)	0.00	182303	0.52
	Sale (21-09-2018)	(159242)	(0.45)	23061	0.07
	Sale (29-09-2018)	(872)	0.00	22189	0.06
	Purchase (05-10-2018)	127	0.00	22316	0.06
	Sale (12-10-2018)	(300)	0.00	22016	0.06
	Purchase (19-10-2018)	158615	0.45	180631	0.51
	Purchase (26-10-2018)	5400	0.02	186031	0.53
	Sale (02-11-2018)	(1029)	0.00	185002	0.53
	Sale (09-11-2018)	(402)	0.00	184600	0.52

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Purchase (16-11-2018)	419	0.00	185019	0.53
	Purchase (23-11-2018)	1153	0.00	186172	0.53
	Purchase (30-11-2018)	2270	0.01	188442	0.53
	Sale (07-12-2018)	(1227)	0.00	187215	0.53
	Sale (14-12-2018)	(495)	0.00	186720	0.53
	Purchase (21-12-2018)	499	0.00	187219	0.53
	Sale (28-12-2018)	(1214)	0.00	186005	0.53
	Purchase (04-01-2019)	844	0.00	186849	0.53
	Purchase (11-01-2019)	5539	0.02	192388	0.55
	Sale (18-01-2019)	(159)	0.00	192229	0.55
	Sale (01-02-2019)	(250)	0.00	191979	0.54
	Purchase (08-02-2019)	701	0.00	192680	0.55
	Sale (15-02-2019)	(4712)	(0.01)	187968	0.53
	Sale (22-02-2019)	(188)	0.00	187780	0.53
	Purchase (01-03-2019)	24502	0.07	212282	0.60
	Purchase (08-03-2019)	40000	0.11	252282	0.72
	Purchase (15-03-2019)	658	0.00	252940	0.72
	Sale (22-03-2019)	(25187)	(0.07)	227753	0.65
	Sale (29-03-2019)	(6074)	(0.02)	221679	0.63
	Sale (30-03-2019)	(10)	0.00	221669	0.63
	At the end of the year	--	--	221669	0.63
7	**Jagdish Gajanand Dalal**	153843	0.48	153843	0.44
	Purchase (02-11-2018)	65000	0.18	218843	0.62
	At the end of the year	--	--	218843	0.62
8	**Jagdish N Master**	0	0.00	0	0.00
	Purchase (28-12-2018)	58500	0.17	58500	0.17
	Purchase (01-02-2019)	500	0.00	59000	0.17
	Purchase (15-02-2019)	500	0.00	59500	0.17
	Purchase (01-03-2019)	500	0.00	60000	0.17
	Purchase (29-03-2019)	128000	0.36	188000	0.53
	At the end of the year	--	--	188000	0.53
9	**Champaklal Babaldas Vora**	113805	0.36	113805	0.32
	Purchase (25-05-2018)	6087	0.02	119892	0.34
	Purchase (15-06-2018)	4168	0.01	124060	0.35
	Purchase (22-06-2018)	900	0.00	124960	0.35
	Purchase (27-07-2018)	9162	0.03	134122	0.38
	Sale (03-08-2018)	(4500)	(0.01)	129622	0.37
	Purchase (02-11-2018)	3000	0.01	132622	0.38
	Purchase (16-11-2018)	108	0.00	132730	0.38
	At the end of the year	--	--	132730	0.38
10	**KIFS Trade Capital Private Limited**	161906	0.51	161906	0.46
	Purchase (06-04-2018)	7149	0.02	169055	0.48
	Sale (13-04-2018)	(6300)	(0.02)	162755	0.46
	Sale (20-04-2018)	(87)	0.00	162668	0.46
	Purchase (27-04-2018)	343	0.00	163011	0.46

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Sale (04-05-2018)	(1197)	0.00	161814	0.46
	Purchase (11-05-2018)	10783	0.03	172597	0.49
	Sale (18-05-2018)	(6687)	(0.02)	165910	0.47
	Sale (25-05-2018)	(3636)	(0.01)	162274	0.46
	Sale (01-06-2018)	(17538)	(0.05)	144736	0.41
	Purchase (08-06-2018)	1583	0.00	146319	0.42
	Sale (15-06-2018)	(1138)	0.00	145181	0.41
	Sale (22-06-2018)	(139886)	(0.40)	5295	0.02
	Purchase (30-06-2018)	9860	0.03	15155	0.04
	Purchase (06-07-2018)	4895	0.01	20050	0.06
	Sale (13-07-2018)	(45)	0.00	20005	0.06
	Purchase (20-07-2018)	5550	0.02	25555	0.07
	Purchase (27-07-2018)	1745	0.00	27300	0.08
	Purchase (03-08-2018)	105	0.00	27405	0.08
	Purchase (10-08-2018)	393	0.00	27798	0.08
	Sale (17-08-2018)	(180)	0.00	27618	0.08
	Sale (24-08-2018)	(127)	0.00	27491	0.08
	Sale (31-08-2018)	(27370)	(0.08)	121	0.00
	Purchase (07-09-2018)	59	0.00	180	0.00
	Purchase (14-09-2018)	397	0.00	577	0.00
	Purchase (21-09-2018)	163892	0.47	164469	0.47
	Purchase (29-09-2018)	15307	0.04	179776	0.51
	Purchase (05-10-2018)	16986	0.05	196762	0.56
	Purchase (12-10-2018)	20044	0.06	216806	0.62
	Sale (19-10-2018)	(157588)	(0.45)	59218	0.17
	Purchase (26-10-2018)	11635	0.03	70853	0.20
	Sale (02-11-2018)	(820)	0.00	70033	0.20
	Sale (09-11-2018)	(40356)	(0.11)	29677	0.08
	Sale (16-11-2018)	(100)	0.00	29577	0.08
	Sale (23-11-2018)	(50)	0.00	29527	0.08
	Purchase (30-11-2018)	100	0.00	29627	0.08
	Purchase (07-12-2018)	5975	0.02	35602	0.10
	Purchase (14-12-2018)	3951	0.01	39553	0.11
	Sale (21-12-2018)	(35368)	(0.10)	4185	0.01
	Sale (28-12-2018)	(1177)	0.00	3008	0.01
	Purchase (31-12-2018)	50	0.00	3058	0.01
	Purchase (04-01-2019)	34	0.00	3092	0.01
	Purchase (11-01-2019)	103	0.00	3195	0.01
	Sale (18-01-2019)	(137)	0.00	3058	0.01
	Sale (25-01-2019)	(26)	0.00	3032	0.01
	Purchase (01-02-2019)	32996	0.09	36028	0.10
	Sale (08-02-2019)	(30946)	(0.09)	5082	0.01
	Sale (15-02-2019)	(957)	0.00	4125	0.01
	Sale (22-02-2019)	(2932)	(0.01)	1193	0.00
	Sale (01-03-2019)	(1025)	0.00	168	0.00
	Purchase (08-03-2019)	2649	0.01	2817	0.01
	Purchase (15-03-2019)	5267	0.01	8084	0.02
	Purchase (22-03-2019)	1952	0.01	10036	0.03
	Sale (29-03-2019)	(9802)	(0.03)	234	0.00
	At the end of the year	--	--	234	0.00

Notes: 1. The above information is based on the weekly beneficiary position received from Depositories.
2. The Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholders.

(v) Shareholding of Director & Key Managerial Personnel

Sr. No.	For Each Director & Key Managerial Personnel	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Mr. Sanjay S. Lalbhai - Chairman**				
	At the beginning of the year	200155	0.63	200155	0.57
	Date wise increase/decrease in shareholding during the year	--	--	200155	0.57
	At the end of the year	--	--	200155	0.57
2	**Mr. Kamal Singal - Managing Director & CEO**				
	At the beginning of the year	65015	0.20	65015	0.18
	Allotment of Equity Shares (15-10-2018)	165000	0.47	230015	0.65
	Allotment of Equity Shares (21-02-2019)	100000	0.28	330015	0.94
	Allotment of Equity Shares (28-02-2019)	36000	0.10	366015	1.04
	At the end of the year	--	--	366015	1.04
3	**Mr. Pratul Shroff - Independent Director**				
	At the beginning of the year	116	0.00	116	0.00
	Date wise increase/decrease in shareholding during the year	--	--	116	0.00
	At the end of the year	--	--	116	0.00
4	**Mr. Nirav Shah - Independent Director**				
	At the beginning of the year	15	0.00	15	0.00
	Date wise increase/decrease in shareholding during the year	--	--	15	0.00
	At the end of the year	--	--	15	0.00
5	**Mr. Prakash Makwana - Company Secretary**				
	At the beginning of the year	10	0.00	10	0.00
	Purchase (24-05-2018)	100	0.00	110	0.00
	Purchase (21-09-2018)	100	0.00	210	0.00
	At the end of the year	--	--	210	0.00

Note: Mr. Kulin S. Lalbhai - Non-Executive Director; Mr. Prem Prakash Pangotra - Independent Director and Mr. Mehul Shah - Chief Financial Officer of the Company did not hold any equity shares in the Company.

V. INDEBTEDNESS:

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	8185.05	7887.50	--	16072.55
(ii) Interest due but not paid	--	--	--	-
(iii) Interest accrued but not due	--	49.20	--	49.20
Total (i+ii+iii)	**8185.05**	**7936.70**	--	**16121.75**
Change in Indebtedness during the financial year				
Additions	9865.07	7213.15	--	17078.22
Reduction	6016.55	10085.16	--	16101.71
Net Change	**3848.52**	**(2872.01)**	--	**976.51**
Indebtedness at the end of the financial year				
(i) Principal Amount	12033.57	5064.69	--	17098.26
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	**12033.57**	**5064.69**	--	**17098.26**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole time director and/or Manager

Sr. No	Particulars of Remuneration	Name of the MD/~~WTD/Manager~~	Total Amount
1	**Gross salary**	**Mr. Kamal Singal**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	28116086	28116086
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961.	41370*	41370*
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--	--
2	Stock option	--	--
3	Sweat Equity	--	--
4	Commission		
	as % of profit	3060000	3060000
	others (specify)		
5	Others, please specify		
	NPS,PF, Gratuity and Super Annuation	1039882	1039882
Total (A)		**32257338**	**32257338**
Ceiling as per the Act		10% of the net profits of the Company	

* Excluding ₹ 21124800 towards the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs.

B. Remuneration to other directors

Particulars of Remuneration	Name of Directors						Total Amount
	Non - Executive - Independent				Non - Executive Non Independent		
	Mr. Pratul Shroff	Mr. Prem Prakash Pangotra	Dr. Indira J. Parikh	Mr. Nirav Shah	Mr. Sanjay S. Lalbhai	Mr. Kulin S. Lalbhai	
(a) Fee for attending board and committee meetings	80000	180000	90000	90000	0	0	440000
(b) Commission	500000	500000	500000	500000	0	0	2000000
(c) Others, please specify	0	0	0	0	0	0	0
Total	**580000**	**680000**	**590000**	**590000**	**0**	**0**	**2440000**
Ceiling as per the Act	1% of the Net profits of the Company						
Total Managerial Remuneration							**34697338**
Overall Ceiling as per the Act	11% of the Net profits of the Company						

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
	Name	**Mr. Kamal Singal**	**Mr. Mehul Shah**	**Mr. Prakash Makwana**
	Designation	**Managing Director & Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary**
	Details of remuneration for the year/ part of the year			
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	28116086	3685669	2669371
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	41370*	34170	32400
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission		--	--
	- as % of profit	3060000		
	- others, specify			
5	Others, please specify			
	- NPS,PF, Gratuity and Super Annuation	1039882	210872	153284
Total		**32257338**	**3930711**	**2855055**

* Excluding ₹ 21124800 towards the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD /NCLT/ Court)	Appeal made if any (give details)
COMPANY/DIRECTORS/OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

Annexure- E to the Directors' Report

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Particulars	Status	Number of times: If total remuneration of the director is considered	Number of times: If total remuneration of the Director excluding variable pay and commission is considered
(i)	The ratio of the remuneration of each director to median remuneration of the employees of the Company for F.Y. 2018-19.	Mr. Sanjay S. Lalbhai	0.00	0.00
		Mr. Kamal Singal	63.48	62.25
		Mr. Kulin S. Lalbhai	0.00	0.00
		Mr. Pratul Shroff	1.14	0.16
		Mr. Prem Prakash Pangotra	1.34	0.35
		Dr. Indira J. Parikh*	1.16	0.18
		Mr. Nirav Shah	1.16	0.18
		* Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.		
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the F.Y. 2018-19.	**Directors**		%
		Mr. Sanjay S. Lalbhai		NA
		Mr. Kulin S. Lalbhai		NA
		Mr. Pratul Shroff		7.00
		Mr. Prem Prakash Pangotra		1.00
		Dr. Indira J Parikh		(5.00)
		Mr. Nirav Shah		2.00
		Managing Director & CEO		
		Mr. Kamal Singal		45.00
		Chief Financial Officer		
		Mr. Mehul Shah		27.00
		Company Secretary		
		Mr. Prakash Makwana		9.00
(iii)	The percentage increase in the median remuneration of employees in the F.Y. 2018-19.			14.00
(iv)	The number of permanent employees on the rolls of the Company			177
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year (i.e. F.Y. 2017-18) and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase for Key Managerial Personnel 29.13 and for other employees was about 9.75%.		
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.		
Read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2019.				

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended on 31st March, 2019.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance at Arvind SmartSpaces Limited (here onwards will be referred as Arvind SmartSpaces Limited, the Company) is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporate citizen, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We are adopting applicable guidelines and best practices to ensure timely and accurate disclosure of information regarding our financials, performance and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how is the Company running internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors **('the Board')** is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The Company has optimum combination of executive and non-executive directors including Independent Directors with at least one woman director. Given below is the report on Corporate Governance at Arvind SmartSpaces Limited.

2. BOARD OF DIRECTORS

2.1 Composition of the Board:

The Board has 7 Directors, comprising of Chairman, 1 Managing Director & CEO, 2 Non - Executive Non Independent Directors including Chairman and 4 Non-Executive Independent Directors including Woman Director. The Non-Executive Independent Directors are leading professionals from varied fields who take care of the stakeholder's interest and bring in independent judgment to the Board's discussions and deliberations.

The following is the Composition of the Board as at 31st March, 2019:

Sr. No.	Name of Director	Executive/Non-executive/ Independent Director	No. of Directorships Held in Public Limited Companies (Including the Company.)	*Committee(s) position (Including the Company)	
				Member	Chairman
1	Mr. Sanjay S. Lalbhai	Chairman and Non-Executive Director	5	1	1
2	Mr. Kamal Singal	Executive Director	2	2	0
3	Mr. Kulin S. Lalbhai	Non-Executive Director	6	1	0
4	Mr. Pratul Shroff	Independent Director	2	1	1
5	Mr. Prem Prakash Pangotra	Independent Director	1	2	0
6	Dr. Indira J Parikh**	Independent Director	7	7	0
7	Mr. Nirav Shah	Independent Director	5	5	0

* Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

** Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.

2.2 List of Directorship in other listed entities:

Sr. No.	Name of Director	Name of Listed Entities	Designation	Audit Committee		Stakeholders' Relationship Committee	
				Member	Chairman	Member	Chairman
1	Mr. Sanjay S. Lalbhai	Arvind SmartSpaces Limited	Chairman & Non-Executive Director	-	-	-	✓
		Arvind Limited	Chairman & Managing Director	-	-	✓	-
		Adani Ports And Special Economic Zone Limited	Independent Director	-	-	-	-
		The Anup Engineering Limited	Chairman & Non-Executive Director	-	-	-	-
		Arvind Fashions Limited	Chairman & Non-Executive Director	-	-	-	-
2	Mr. Kamal Singal	Arvind SmartSpaces Limited	Managing Director & CEO	✓	-	✓	-
3	Mr. Kulin S. Lalbhai	Arvind SmartSpaces Limited	Non-Executive Director	-	-	-	-
		Arvind Limited	Executive Director	-	-	-	-
		Arvind Fashions Limited	Non-Executive Director	-	-	-	-
		Zydus Wellness Limited	Independent Director	✓	-	-	-
4	Mr. Pratul Shroff	Arvind SmartSpaces Limited	Independent Director	-	✓	✓	-
5	Mr. Prem Prakash Pangotra	Arvind SmartSpaces Limited	Independent Director	✓	-	✓	-
6	Dr. Indira J Parikh*	Arvind SmartSpaces Limited	Independent Director	✓	-	-	-
		Zydus Wellness Limited	Independent Director	✓	-	-	-
		Deepak Nitrite Limited	Independent Director	-	-	-	-
		Johnson Controls – Hitachi Airconditioning India Limited	Independent Director	✓	-	-	-
		Force Motors Limited	Independent Director	✓	-	-	-
		Foseco India Limited	Independent Director	✓	-	✓	-
		Sintex Plastic Technology Limited	Independent Director	✓	-	-	-
7	Mr. Nirav Shah	Arvind SmartSpaces Limited	Independent Director	✓	-		-
		Jayatma Enterprises Limited	Chaiman & Managing Director	✓	-	✓	-
		Jayatma Industries Limited	CEO & Non-Executive Director	✓	-	✓	-

* Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.

2.3 Matrix showing skills/expertise/competencies of Directors:

The Company is engaged in the business of Real Estate Development. The Board comprises of highly renowned professionals drawn from diverse fields. For its effective collective functioning, the Board has identified broad skills/expertise/competencies required in the context of its business and the sector in which it operates viz. (a) standing and knowledge with significant achievements in business, professions and public services (b) financial or business literacy/skills (c) real estate industry experience and the same are available among the Board collectively.

2.4 Agendas of the Board and Committee Meetings:

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board members at least 7 working days in advance. In addition, for any business exigencies the resolutions are passed by circulation and are placed at the subsequent Board or Committee Meeting for ratification/approval. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

Invitees & Proceedings:

Apart from the Board members, Chief Financial Officer, Chief Operational Officer, Company Secretary, Business Head - Commercial & Controls also attend the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. Both, the Managing Director and Chief Financial Officer make presentation on the quarterly, annual operating & financial performance and also annual operating budget.

Head of Internal Audit department, representatives of the Statutory Auditors are the permanent invitees of the Audit Committee meetings to discuss the areas of internal audit as well as highlights of the financial performance of the Company.

The Company also invites prominent experts of the Real Estate Industry to make relevant presentation to the Board / Committee as and when required.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management.

2.5 Attendance of each Director at the meeting of the Board of Directors and the Last Annual General Meeting:

The Board has held 4 Board Meetings on 1st May, 2018, 9th August, 2018, 2nd November, 2018 and 9th January, 2019 during the Financial Year 2018-19. The gap between two Board Meetings was within the maximum time gap prescribed in the Companies Act, 2013 and Listing Regulations. The attendance of each Director at these Board Meetings and last Annual General Meeting was as under:

Sr. No.	Name of Directors	Number of Board Meetings held during the year	Number of Board Meetings attended	Whether Present at the Last AGM held on 31st August, 2018
1	Mr. Sanjay S. Lalbhai	4	3	Yes
2	Mr. Kamal Singal	4	4	Yes
3	Mr. Kulin S. Lalbhai	4	4	Yes
4	Mr. Pratul Shroff	4	2	No
5	Mr. Prem Prakash Pangotra	4	4	Yes
6	Dr. Indira J Parikh*	4	3	Yes
7	Mr. Nirav Shah	4	4	Yes

* Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.

2.6 Separate Meeting of Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

None of the Independent Directors serves as Independent Directors in more than seven listed companies.

The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

A separate meeting of Independent Directors was held on 30th January, 2019 to review:

- the performance of the Non-Independent Directors (Executive/Non-Executive Directors).
- the performance of the Board of the Company as a whole.
- the performance of Chairman/Chairperson of the Company taking in to account the views of Executive and Non-Executive Directors on the same.
- To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Chairman shared the results of evaluation at the meeting of the Board of Directors.

2.7 Disclosure of relationships between the Directors inter-se:

Except Mr. Sanjay S. Lalbhai, Chairman and Non-Executive Director and his son Mr. Kulin S. Lalbhai, Non-Executive Director, there is no relationship between the Directors inter-se.

2.8 Number of shares and convertible instruments held by Non-Executive Directors:

Mr. Sanjay S. Lalbhai, Chairman and Non-Executive Director of the Company is holding 200155 Equity Shares equivalent to 0.57% of the total paid up capital of the Company.

During the year under review, none of the Non-Executive Directors hold any convertible instruments of the Company.

2.9 Familiarisation programmes imparted to Independent Directors:

The details of the familiarization programme imparted to independent directors is posted on the Company's Website at https://arvindsmartspaces.com/wp-content/uploads/2018/05/Familiarization_Programme_Imparted_to_ID-_2015_16.pdf

2.10 Prevention of Insider Trading Code:

During the year, the Company has amended the Code of Conduct for Prohibition of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and also formulated Policy on procedures to be followed while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information in line with the SEBI (Prohibition of Insider Trading)(Amendment) Regulations, 2018.

The amended codes viz. "Code of Conduct for Prohibition of Insider Trading" and the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Chief Financial Officer is responsible for implementation of the Code.

All Directors, designated employees/persons and connected persons have affirmed compliance with the code.

2.11 Committees of the Board:

The Board of Directors has constituted 5 committees of the Board viz.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Management Committee

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman/Company Secretary. At each Board Meeting, minutes of these Committee Meetings are placed before the Directors for their perusal and noting.

3. AUDIT COMMITTEE

The Board of Directors of the Company has constituted the Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee of the Company comprises of 5 members out of which 4 members are Non-Executive-Independent Directors. Mr. Pratul Shroff, an Independent Director, acts as Chairman of the Committee. The Committee members are having requisite experience in the fields of Finance, Accounts and Management. The Chief Financial Officer, Internal Auditor and representatives of Statutory Auditors are the permanent invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

The brief terms of reference and composition of committee are as follows:

3.1 Brief description of the terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   (b) Changes, if any, in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgment by management;
   (d) Significant adjustments made in the financial statements arising out of audit findings;
   (e) Compliance with listing and other legal requirements relating to financial statements;
   (f) Disclosure of any related party transactions;
   (g) Qualifications in the draft audit report;
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

3.2 Composition of Audit Committee, number of Meetings held and participation at the Meetings during the year:

As on 31st March, 2019, the Audit Committee consist of 5 members. During the year, the Committee has held 4 Meetings on 1st May, 2018, 9th August, 2018, 2nd November, 2018 and 30th January, 2019.

The details of composition of committee, number of meetings held and attendance thereof during the year were as under:

Sr. No.	Name of Committee members	Designation	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Pratul Shroff	Independent Director	Chairman	4	2
2	Mr. Prem Prakash Pangotra	Independent Director	Member	4	4
3	Dr. Indira J Parikh*	Independent Director	Member	4	3
4	Mr. Nirav Shah	Independent Director	Member	4	4
5	Mr. Kamal Singal	Executive Director	Member	4	4

* Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted the Nomination and Remuneration Committee ("NRC") in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations. The Nomination & Remuneration Committee of the Company comprises of 3 Directors out of which 2 are Non-Executive-Independent Directors and 1 is Non-Executive Director. Mr. Prem Prakash Pangotra, an Independent Director, acts as Chairman of the Committee.

The brief terms of reference and composition of committee are as follows:

4.1 Brief description of the terms of reference:

Nomination of Directors / Key Managerial Personnel / Senior Management*

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. To Consider and recommend to the Board, appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. To formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

Remuneration of Directors / Key Managerial Personnel / Senior Management*/ other Employees:

1. Evolve the principles, criteria and basis of Remuneration Policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, senior management and other employees of the Company and to review the same from time to time;
2. The Committee shall, while formulating the policy, ensure the following:
   a) 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;
   b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   c) Remuneration to Directors, KMP 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.

   * Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

4.2 Composition of Nomination and Remuneration Committee, number of Meetings held and participation at the Meetings during the year:

As on 31st March, 2019, the Nomination and Remuneration Committee consist of 3 members. During the year, the NRC has held 3 Meetings on 1st May, 2018, 9th August, 2018 and 2nd November, 2018.

The details of composition of committee, number of meetings held and attendance thereof during the year were as under:

Sr. No.	Name of Committee members	Designation	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Prem Prakash Pangotra	Independent Director	Chairman	3	3
2	Mr. Pratul Shroff	Independent Director	Member	3	1
3	Mr. Sanjay S. Lalbhai	Non-Executive Director	Member	3	3

4.3 Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

4.4 Remuneration of Directors:

Remuneration of Executive Directors is recommended by the Nomination & Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company.

The remuneration of Non-Executive Directors is determined by the Board and is also approved by the Shareholders. Non-Executive Independent Directors are paid Sitting Fees of ₹ 10,000/- for every meeting of Board of Directors or Committee attended by them. Apart from this, Non-Executive Directors (other than Managing Director and Whole Time Director(s)) are entitled for commission not exceeding 1% of the net profits of the Company per annum.

Within the above limit and considering all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc. Executive Directors and Non-Executive Directors have been paid commission for the year 2018-19 as under:

Sr. No.	Name of Director	Salary (₹)	Perquisites & Allowances (₹)	Sitting Fees (₹)	Retrial Benefits (₹)	Commission / Bonus (₹)
1	Mr. Kamal Singal	28116086	41370*	Nil	1039882	3060000
2	Mr. Sanjay S. Lalbhai	Nil	Nil	Nil	Nil	Nil
3	Mr. Kulin S. Lalbhai	Nil	Nil	Nil	Nil	Nil
4	Mr. Pratul Shroff	Nil	Nil	80000	Nil	500000
5	Mr. Prem Prakash Pangotra	Nil	Nil	180000	Nil	500000
6	Dr. Indira J Parikh**	Nil	Nil	90000	Nil	500000
7	Mr. Nirav Shah	Nil	Nil	90000	Nil	500000

* Excluding ₹ 21124800 towards the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs.

** Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.

The details of stock options granted to the eligible employees under Arvind infrastructure Limited – Employee Stock Option Scheme 2013 (ESOP-2013) and 2016 (ESOP-2016) are provided in the Director's Report of the Company.

Please refer point No. 6 - Employee Stock Option Scheme in Director's Report.

(a) There is no pecuniary relationship nor transactions of the Non-Executive Directors i.e. Mr. Sanjay S. Lalbhai, Mr. Kulin S. Lalbhai, Mr. Pratul Shroff, Mr. Prem Prakash Pangotra, Dr. Indira J. Parikh and Mr. Nirav Shah vis-à-vis the Company except remuneration paid as above.

(b) The Company has disclosed the criteria of making payment to Non-Executive Directors and the same is posted on the website of the Company at

https://arvindsmartspaces.com/wp-content/uploads/2018/05/Criteria_of_making_payment_to_Non_Executive_Directors.pdf

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors of the Company has constituted the Stakeholders' Relationship Committee ("SRC") in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The SRC of the Company comprises of 4 Directors out of which 2 are Non-Executive-Independent Directors, 1 is Non-Executive Director and 1 is Executive Director. Mr. Sanjay S. Lalbhai, Non-Executive Director, acts as Chairman of the Committee.

The brief terms of reference and composition of committee are as follows:

5.1 Brief description of the terms of reference:

1. To specifically look into the redressal of Investors' Grievances pertaining to:
   - Transfer of shares and debentures;
   - Non-receipt of declared dividends, interests and redemption proceeds of debentures;
   - Dematerialization of Shares and debentures;
   - Replacement of lost, stolen, mutilated share and debenture certificates;
   - Non-receipt of rights, bonus, split share and debenture certificates;
   - Non-receipt of balance sheet.
2. To look into other related issues towards strengthening investors' relations.
3. To consider and approve issuance of share / debenture certificates including duplicate share/debenture certificates.
4. To look into the reasons for any defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and Creditors.

5.2 Composition of Stakeholders' Relationship Committee, number of Meetings held and participation at the Meetings during the year:

As on 31st March, 2019, the Stakeholders' Relationship Committee consist of 4 members. During the year, the SRC has held 4 Meetings on 1st May, 2018, 9th August, 2018, 2nd November, 2018 and 30th January, 2019.

The details of composition of committee, number of meetings held and attendance thereof during the year were as under:

Sr. No.	Name of Committee members	Designation	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	4	3
2	Mr. Pratul Shroff	Independent Director	Member	4	2
3	Mr. Prem Prakash Pangotra	Independent Director	Member	4	4
4	Mr. Kamal Singal	Executive Director	Member	4	4

5.3 Name and designation of Compliance Officer:

Mr. Prakash Makwana, Company Secretary is the Compliance officer of the Company.

5.4 Details of Complaints/Queries received and redressed during 1st April, 2018 to 31st March, 2019:

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
0	4	4	0

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of the Company has constituted the Corporate Social Responsibility Committee ("CSR") in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013. The CSR Committee of the company comprises of 4 Directors out of which 2 are Non-Executive-Independent Directors, 1 is Non-Executive Director and 1 is Executive Director.

The brief terms of reference and composition of committee are as follows:

6.1 Brief description of the terms of reference:

(a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;

(b) to finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act 2013;

(c) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(d) monitor the Corporate Social Responsibility Policy of the company from time to time;

(e) review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board report;

6.2 Composition of Corporate Social Responsibility Committee, number of Meetings held and participation at the Meetings during the year:

As on 31st March, 2019, the Corporate Social Responsibility Committee consist of 4 members. During the year, the CSR has held 2 Meetings on 1st May, 2018 and 2nd November, 2018.

The details of composition of committee, number of meetings held and attendance thereof during the year were as under:

Sr. No.	Name of Committee members	Designation	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	2	2
2	Mr. Prem Prakash Pangotra	Independent Director	Member	2	2
3	Dr. Indira J Parikh*	Independent Director	Member	2	2
4	Mr. Kamal Singal	Executive Director	Member	2	2

* Resigned w.e.f. closing hours of 31st March, 2019 due to the age criterion, prescribed under regulation 17(1A) of Listing Regulations.

7. MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS

The Board of Directors of the Company has constituted the Management Committee of the Board of Directors, comprises of 3 Directors out of which 2 are Non-Executive and 1 is Executive Director.

The role and composition of committee are as follows:

7.1 Role of Management Committee:

The Management committee's primary role is to look after the day-to-day business activities of the Company within Board approved direction/framework. The committee meets frequently, as and when need arises, to transact matters within the preview of its terms of reference.

7.2 Composition of Management Committee, number of Meetings held and participation at the Meetings during the year:

As on 31st March, 2019, the Management Committee of Board of Directors consist of 3 Directors. During the year, 15 Management Committee Meetings were held on various dates.

The details of composition of committee, number of meetings held and attendance thereof during the year were as under:

Sr. No.	Name of Committee members	Designation	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	16	13
2	Mr. Kulin S Lalbhai	Non-Executive Director	Member	16	12
3	Mr. Kamal Singal	Executive Director	Member	16	16

8. INFORMATION OF GENERAL BODY MEETINGS:

8.1 Location and time, where last three Annual General Meetings (AGM) held:

Date	Time	Venue
31st August, 2018	10:00 am	J.B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. V. S. Marg, Ahmedabad - 380015 .
14th September, 2017	10:00 am	Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad-380006.
23rd September, 2016	10:00 am	J.B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. V .S. Marg, Ahmedabad - 380015 .

8.2 Special Resolutions passed in last three Annual General Meetings:

Date	Details of Special Resolution
31st August, 2018	No Special Resolution was passed at the Meeting
14th September, 2017	No Special Resolution was passed at the Meeting.
23rd September, 2016	1. Change in the name of the Company from Arvind Infrastructure Limited to Arvind SmartSpaces Limited. 2. Approval of Increase in remuneration of Mr. Kamal Singal, Managing Director & CEO of the Company. 3. Approval of the "Arvind Infrastructure Limited Employee Stock Option Plan, 2016" (AIL ESOP-2016) and grant of options to the eligible employees of the Company under the AIL ESOP-2016. 4. Approval of the "Arvind Infrastructure Limited Employee Stock Option Plan, 2016" (AIL ESOP-2016) and grant of options to the eligible employees of the Company's Subsidiaries under the AIL ESOP-2016. 5. Approval for grant of options equal to or exceeding one per cent to Mr. Kamal Singal, Managing Director & CEO under the "Arvind Infrastructure Limited Employee Stock Option Plan, 2016" (AIL ESOP-2016).

8.3 Extraordinary General Meetings (EGM):

During last 3 years, the following Extra Ordinary General Meetings were held:

Date	Time	Venue
25th January, 2018	09:30 am	J.B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. V. S. Marg, Ahmedabad - 380015 .
21st April, 2016	10:00 am	Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad - 380006.

8.4 Resolutions passed in last three Extra Ordinary General Meetings:

Date	Details of Special Resolution
25th January, 2018	1. Allotment of 30,00,000 Warrants, convertible into Equity Shares to the Promoter / Promoter Group entities of the Company on Preferential basis. 2. Increase in Authorised Share Capital of the Company from ₹ 35,00,00,000/- divided into 3,50,00,000 equity shares of ₹ 10/- each to ₹ 50,00,00,000/- divided into 5,00,00,000 equity shares of ₹ 10/- each and consequently the change in existing Clause V of the Memorandum of Association of the company.
21st April, 2016	1. Issue of 57,50,000 warrants to Promoter and Promoter Group entities on preferential basis. 2. Increase in Authorised Share Capital of the Company from ₹ 27,00,00,000/- divided into 2,70,00,000 equity shares of ₹ 10/- each to ₹ 35,00,00,000/- divided into 3,50,00,000 equity shares of ₹ 10/- each and consequently the change in existing Clause V of the Memorandum of Association of the company.

8.5 Details of Resolution Passed through Postal Ballot, the person who conducted the Postal Ballot Exercise and details of the voting pattern:

No resolution has been passed through the exercise of Postal Ballot during the previous year.

9. MEANS OF COMMUNICATIONS

9.1 The Quarterly Results are published in Financial Express – All India Editions and Financial Express Gujarati Edition of Ahmedabad and are also posted on Company's Website at www.arvindsmartspaces.com

9.2 Information released to the press at the time of declaration of results is also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors. Moreover, the Company's web-site hosts a special page giving information which investors usually seek.

Presentations are posted on the Company's web site at www.arvindsmartspaces.com

10. GENERAL SHAREHOLDER INFORMATION

10.1 Annual General Meeting:

Date	5th August, 2019
Time	10:00 a.m.
Venue	H. T. Parekh Hall, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, Ahmedabad-380015, Gujarat, India.

10.2 Financial Calendar:

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

First quarter results	In the middle of August.
Second quarter results	Last week of October.
Third quarter results	Last week of January.
Fourth quarter results / Year end results	In the Middle of May.

10.3 Book Closure: Tuesday, 30th July, 2019 to Monday, 5th August, 2019 (Both Days inclusive).

10.4 Dividend payment Date: 9th August, 2019.

10.5 Listing on Stock Exchanges: Equity Shares of the Company are listed on the following Stock Exchanges

Sr. No.	Name of the Stock Exchange	Code	Address
1	BSE Ltd.	539301	Phiroze Jeejeebhoy Tower, Dalal Street Mumbai - 400 001.
2	National Stock Exchange of India Ltd.	ARVSMART	Exchange Plaza, 5th Floor, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.

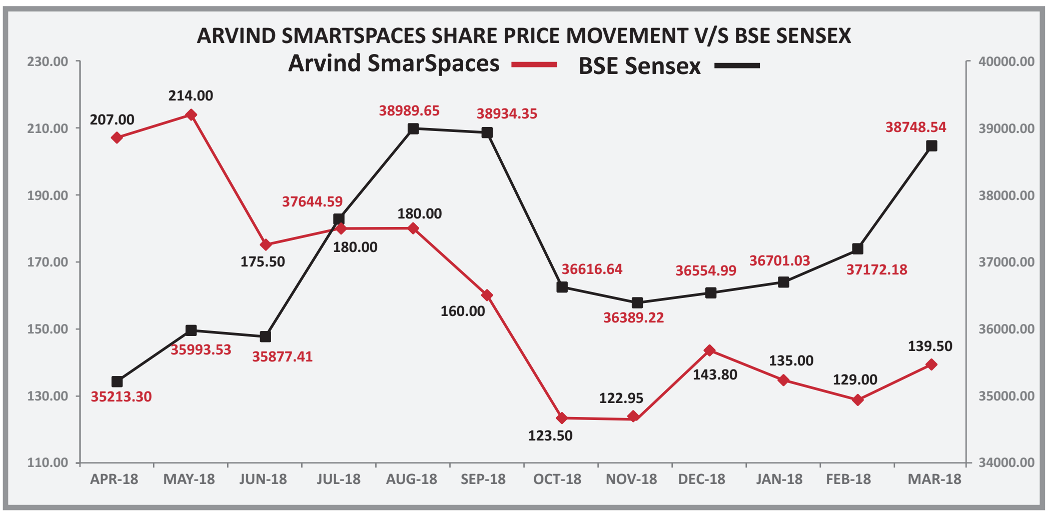
The Company has paid Annual Listing Fees for the Financial Year 2019-2020 to each stock Exchanges.

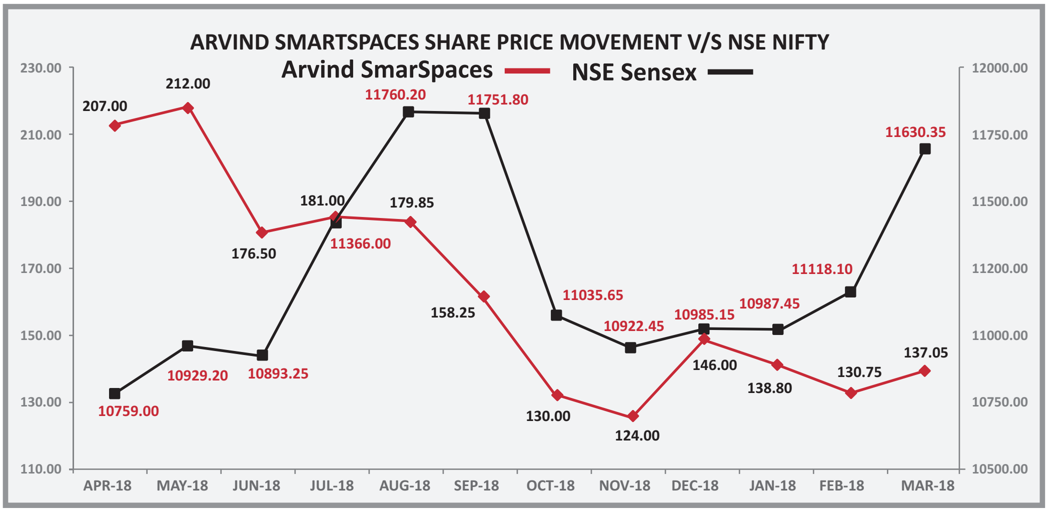
10.6 Market Price data:

The Market and volume of the Company's share traded on BSE Limited and National Stock Exchange of India Limited during the financial year 2018-19 were as under:

Date	Share Price BSE			BSE Sensex		Share Price NSE			NSE (Nifty)	
	High (₹)	Low (₹)	Volumes No. of Shares	High	Low	High (₹)	Low (₹)	Volumes No. of Shares	High	Low
Apr-18	207.00	180.05	121645	35213.30	32972.56	207.00	179.05	609760	10759.00	10111.30
May-18	214.00	164.20	169823	35993.53	34302.89	212.00	166.30	707383	10929.20	10417.80
Jun-18	175.50	152.00	104808	35877.41	34784.68	176.50	145.30	557539	10893.25	10550.90
Jul-18	180.00	153.00	54166	37644.59	35106.57	181.00	152.15	327252	11366.00	10604.65
Aug-18	180.00	154.00	289338	38989.65	37128.99	179.85	154.00	292066	11760.20	11234.95
Sep-18	160.00	118.00	89054	38934.35	35985.63	158.25	114.00	494508	11751.80	10850.30
Oct-18	123.50	102.00	70631	36616.64	33291.58	130.00	102.00	474126	11035.65	10004.55
Nov-18	122.95	107.75	42169	36389.22	34303.38	124.00	107.00	209078	10922.45	10341.90
Dec-18	143.80	100.20	244855	36554.99	34426.29	146.00	102.25	2004390	10985.15	10333.85
Jan-19	135.00	112.25	120386	36701.03	35375.51	138.80	113.70	670072	10987.45	10583.65
Feb-19	129.00	107.00	74344	37172.18	35287.16	130.75	107.70	457254	11118.10	10585.65
Mar-19	139.50	117.70	79924	38748.54	35926.94	137.05	116.85	769929	11630.35	10817.00

10.7 Performance in comparison to broad-based indices viz. BSE Sensex and Nifty Fifty:





10.8 Registrars and Transfer Agents:

Link Intime India Private Limited

506-508, Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre,

Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006.

Tel No. : +91 79 26465179 /86 / 87

E-mail : ahmedabad@linkintime.co.in

Website : www.linkintime.co.in

10.9 Share transfer system:

(I) Delegation of Share Transfer Formalities:

Since the Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. However, shares in the physical form are processed by the Registrar and Share Transfer Agents. For expediting physical transfers, the Board has delegated share transfer formalities to certain officers of the Registrar and Share Transfer Agents who attend to them at least 3 times in a month. Physical transfers are affected within the statutory period of one month. The Board has designated the Company Secretary as the Compliance Officer.

(II) Share Transfer Details for the period from 1st April, 2018 to 31st March, 2019:

Transactions	Physical
Number of Transfers	331
Average Number of Transfers per month	28
Number of Shares Transferred	2970
Average Number of Shares Transferred per month	248
No. of Pending Share Transfers	NIL

(III) Investors' Grievances:

The Registrar and Transfer Agent under the supervision of the Secretarial Department of the Company look after investors' grievances. Link Intime India Private Limited is responsible for redressal of Investors' Grievances. The Company Secretary of the Company has been appointed as the Compliance Officer for this purpose. At each Meeting of the Stakeholders' Relationship Committee, all matters pertaining to investors including their grievances and redressal are reported.

10.10 Shareholding pattern as on 31st March, 2019.

Please refer Page No. 21 Item no. IV. (i) and (ii) of Annexure D to the Director's Report

10.11 Distribution of shareholding as on 31st March, 2019:

No. of Shares	Physical Mode		Electronic Mode		Total		Total	
	No. of Holders	No. of Shares	No. of Holders	No. of Shares	No. of Holders	%	No. of Shares	%
1-500	35992	254037	81523	2523009	117515	98.36	2777046	7.88
501-1000	4	2905	821	647371	825	0.69	650276	1.85
1001-2000	4	5941	534	791532	538	0.45	797473	2.26
2001-3000	0	0	183	469967	183	0.15	469967	1.33
3001-4000	0	0	82	293492	82	0.07	293492	0.83
4001-5000	0	0	77	362560	77	0.06	362560	1.03
5001-10000	1	10000	119	868697	120	0.10	878697	2.49
Above10001	0	0	130	29004039	130	0.11	29004039	82.32
Total	**36001**	**272883**	**83469**	**34960667**	**119470**	**100.00**	**35233550**	**100.00**

10.12 Dematerialisation of shares and liquidity:

Demat ISIN: Equity Shares fully paid: INE034S01021

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. As on 31st March, 2019, 3,49,60,667 shares representing 99.23% of the issued and paid up capital have been dematerialised by investors and bulk of transfers take place in the demat form.

10.13 Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, conversion date and likely impact on equity:

During the financial year 2018-19, the Company has not issued Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments except stock option granted to the eligible employee(s) under AIL ESOP 2013 and 2016 (ESOP Schemes) and conversion of warrants issued to promoter and promoter group entities under the preferential issue .

10.14 Credit rating:

During the financial year 2018-19, the Company has neither obtained any credit rating nor revised any rating for debt instruments or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds in India or abroad.

10.15 Commodity price risk or foreign exchange risk and hedging activities:

The Company is not exposed to commodity price risk since it generally executes projects through its contractors.

10.16 Plant / Site locations:

The Company is engaged in Real Estate business activities, it does not have any manufacturing plant. The Company has various projects spread across in and around Ahmedabad, Bengaluru and Pune.

10.17 Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agents of the Company:

Arvind SmartSpaces Limited Secretarial Department 24 Government Servant's Society, Near Municipal Market, Off C.G.Road, Navrangpura, Ahmedabad-380009 Tel No. : 079-68267000 Fax No. : 079-68267021 E-mail : investor@arvindinfra.com Website : www.arvindsmartspaces.com	**Link Intime India Private Limited** 506-508, Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006. Tel No : +91 79 26465179/86/87 E-mail : ahmedabad@linkintime.co.in Website : www.linkintime.co.in

11. OTHER DISCLOSURE:

11.1 There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflicts with the interest of the Company at large. Suitable disclosure as required under INDAS 24 has been made in the Annual Report. The Related Party Transaction Policy as approved by the Board is posted on the Company's Website at https://arvindsmartspaces.com/wp-content/uploads/2018/05/AIL-Related-Party-Transaction-Policy.pdf

11.2 Transactions with related parties are disclosed in detail in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

11.3 There are no pecuniary relationships or transactions of Non-executive Directors vis-à-vis the Company which has potential conflict with the interests of the company at large.

11.4 No Strictures or penalties have been imposed on the company by the Stock Exchanges or by the Security Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years i.e. 2016-17, 2017-18 and 2018-19.

11.5 During the year ended 31st March, 2019, the Company dose not have any Material Unlisted Subsidiary Company as defined in Regulation 16 of the SEBI Listing Regulations. The Company has formed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI Listing Regulations and the same is posted on the Company's website at https://arvindsmartspaces.com/wp-content/uploads/2018/05/AIL-Policy-on-Material-Subsidiaries.pdf

11.6 Vigil Mechanism:

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has revised its Whistleblower Policy (WB Policy) on 30th March, 2019 in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which provides a secured avenue to directors, employees, business associates and all other stakeholders of the company for raising their concerns against the unethical practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Pursuant thereto, a dedicated helpline "Arvind Ethics Helpline" has been set up which is managed by an independent professional organization.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud /misconduct on:

Website for complaints: www.in.kpmg.com/ethicshelpline/Arvind/

Toll Free No.: 1800 200 8301

Dedicated Email ID: arvind@ethicshelpline.in

Whistle blower Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee.

No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue.

11.7 Code of Conduct for Directors and Senior Management Personnel:

In terms of Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Managing Director & CEO of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

11.8 CEO/CFO Certification:

The Managing Director & CEO and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms a part of the Annual Report.

11.9 The Independent Directors have confirmed that they meet the criteria of "Independent Director" as stipulated under the Companies Act, 2013 and Listing Regulations.

11.10 The minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of Listing Regulations is complied with to the extent applicable.

11.11 During the financial year 2018-19, the company has received ₹ 5.34 crores (being 10% of the total preferential issue) against the allotment of equity shares pursuant to the conversion of warrants allotted to the promoter and promoter group entities and the same is utilised for the object which were stated in the explanatory statement to the notice of Extra Ordinary General Meeting held on 26th December, 2017.

11.12 The disclosures in relation to the Sexual Harassment of the Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013 is disclosed in the Director's Report forming part of the Annual Report.

11.13 The Company has paid total fees of ₹ 28.53 lacs to the statutory auditors for all the services received by the company and its subsidiaries on consolidated basis.

11.14 Certificate from Practicing Company Secretary:

The certificate dated 26th April, 2019 of Ms. Ankita Patel, Practicing Company Secretary certifying that (1) the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and (2) none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed and forms a part of the Annual Report.

11.15 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

During the year, the Company has fully complied with the mandatory requirements as stipulated under Listing Regulations.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in regulation 27(1) of the SEBI Listing Regulations is provided below:

- **a. The Board:** The Chairman of the Company is Non-Executive & Non-Independent Director.
- **b. Shareholder Rights:** Half-yearly and other Quarterly financial statements are published in newspapers, uploaded on company's website www.arvindsmartspaces.com and same are not being sent to the shareholders.
- **c. Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.
- **d. Separate post of Chairperson and Chief Executive Officer:** Mr. Sanjay S. Lalbhai is the Non - Executive Non - Independent Director & Chairman and Mr. Kamal Singal is Managing Director & CEO of the Company.
- **e. Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

The above Report was placed before the Board at its meeting held on 2nd May, 2019 and the same was approved.

For and on behalf of the Board

Place: Ahmedabad
Date: 2nd May, 2019

Sanjay S. Lalbhai
Chairman

CEO/CFO Certification

(Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (LODR).

To,
The Board of Directors
Arvind SmartSpaces Limited

Dear Sirs,

Ref.: Compliance Certificate by Managing Director & Chief Executive Officer (CEO) and Chief Financial Officer (CFO).

We the undersigned, in our respective capacities as Managing Director & Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Arvind SmartSpaces Limited ("the Company") to the best of our knowledge and belief certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2019 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 together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. We further state that 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 are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

D. We have indicated, to the auditors and the Audit committee;

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ahmedabad	**Kamal Singal**	**Mehul Shah**
Date: 2nd May, 2019	**Managing Director & CEO**	**Chief Financial Officer**

Compliance of conditions of Corporate Governance

To the Members of Arvind SmartSpaces Limited

I have examined the compliance of conditions of Corporate Governance by the Company for the year ended on 31st March, 2019, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 and amendment thereof ("Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations given to me and the representations provided by the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations. During the year ended on 31st March, 2019

I further certify that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority.

I further 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.

Place: Ahmedabad
Date: 26th April, 2019

CS Ankita Patel
Practicing Company Secretary
ACS/FCS No. F8536
C P No. 16497

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel, which is posted on the Company's website at www.arvindsmartspaces.com

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2019.

Place:Ahmedabad
Date : 2nd May, 2019

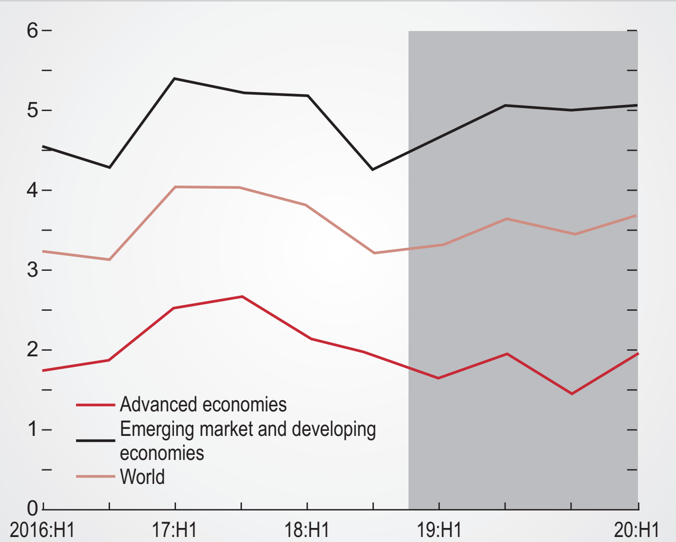
Kamal Singal
Managing Director & CEO

MANAGEMENT DISCUSSION & ANALYSIS

Global Outlook

World economy registered strong growth in 2017 followed by a similar cycle in early 2018, which slowed down considerably in second half of 2018, reflecting a confluence of factors affecting major economies. Global economy in 2019 is expected to grow at 3.3 percent, downgraded from earlier estimate of 3.9 percent as much has changed now: the escalation of US – China Trade tensions, disruptions in auto sector in Germany, tighter credit policies in China, and normalization of monetary policy in larger advanced economies. Improvements are expected in second half of 2019 and global economic growth in 2020 is expected to return to 3.6 percent. Beyond 2020, growth is expected to stabilize around 3.5 percent, bolstered mainly by growth in China and India and their increasing weights in world income.

Global growth is expected to level off in the first half of 2019 and firm up after that.



Forecast by IMF envisages that growth prospects may level off in second half of 2019 on the back of de-escalation of trade tensions, upswing in other euro economies.

Amid high policy uncertainty and weakening prospects for global demand, industrial production decelerated, particularly for capital goods in part because of global trade tensions.

Global energy prices declined by 17 percent between October 2018 to March 2019 as oil prices dropped from a four-year peak of $81 per barrel in October 2018 to $61 per barrel in March 2019. While supply influences dominated initially – notably a temporary waiver in US sanctions to certain countries for Iranian Oil exports and record high US oil production added downward pressure on prices towards the end of 2018. However, in the first quarter of 2019 – oil prices have again recovered owing to production cuts by oil-exporting countries. Prices of base metals have increased by 7.6 percent since August 2018 as a result of supply disruptions in some metal markets more than offsetting subdued global demand.

Consumer prices inflation remained muted across advanced economies, given the drop in commodity prices. In all major advanced economies, the inflation remained well below the central bank targets of advanced economies despite the pickup in domestic demand. Among emerging market economies, core inflation has remained below 2 percent in China as activity has moderated. In other cases, inflation pressure has eased towards the lower bound of the central bank's target range with drop in commodity prices in Indonesia and slowdown in food inflation in India.

India Economic Outlook

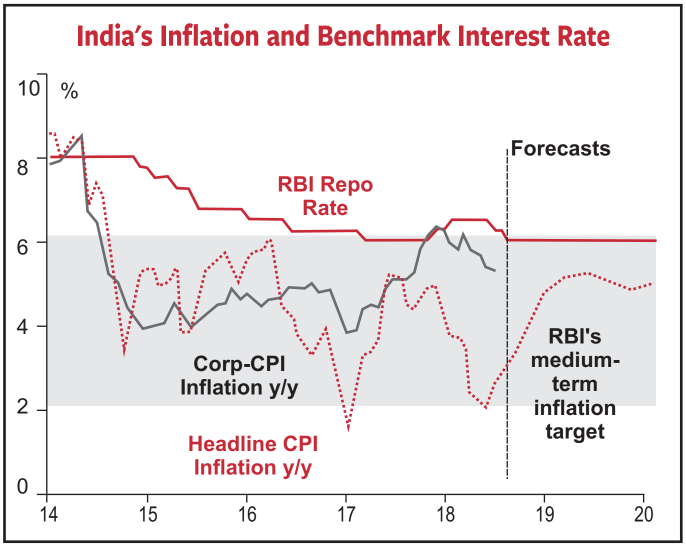
With real GDP gains in line with the country's estimated 7 – 7.5% potential growth rate, it is expected that India will continue to be growth leader among major economies globally and is likely to grow at an average of 7.1% for the next two years i.e. FY 20 and FY 21. Although this forecast is down by 30 basis point reflecting weaker sentiment and softer demand conditions globally. It may so be assessed that this growth of India may even reach higher over the years on the back of the country's favorable demographics and continued streamlining of the Goods and Service tax structure. Implementation of labour and land reforms would bolster India's longer-term growth outlook further.

India	2017	2018	2019f	2020f
Real GDP (annual % change)	6.7	7.3	7.0	7.3
CPI (y/y % eop)	5.2	2.1	5.1	5.0
Central bank policy rate (%, eop)	6.00	6.50	6.00	6.00
Indian rupee (USDINE, eop)	63.9	69.8	68.0	66.0

Source : Scotiabank Economics

Domestic demand will be the key driver of the Indian economy in foreseeable future as the country is less-export oriented than China, which gives the economy some protection from global headwinds. Fixed capital investment continued to outperform the economy's growth rate of 7.3% year-on-year in 2018, expanding by 11.1% year-on-year. Public Infrastructure spending by current government coupled with robust business confidence and bank credit growth point to continuing activity; the Reserve Bank of India's (RBI) monetary policy should further support business investment prospects. The signs of some worry for India was that, momentum in eight core industries-electricity, steel, refinery products, crude oil, coal, cement, natural gas and fertilizers has slowed in recent months, which warrants close monitoring as weaker industrial activity and higher spare capacity could have an adverse impact on investment. Consumer spending will continue to be supported by rising incomes and the government's fiscal measures, such as tax rebates and support to small scale farmers. Indeed, India's February 1st Interim Union Budget for fiscal year 2019–20

(April–March) is expansionary, arguably reflecting the imminent general election. The government expects the fiscal deficit in the FY2019–20 to be 3.4% of GDP, vis-à-vis the original target of 3.1% of GDP.



Sources : Scotiabank Economics, Bloomberg.

Nevertheless, RBI has taken steps to stimulate the economy. During its Monetary Policy Committee's (MPC) bimonthly meeting concluded in April first week, the benchmark repo rate was cut by 25 basis points to 6.0%, marking a second consecutive interest rate reduction. India's inflation signals are mixed. Core inflation has been decelerating gradually in recent months but remains elevated at 5 1/3% y/y, vis-a-vis slightly over 6% in October 2018. Nevertheless, we note that the recent disinflation has not been broad-based across all index components. Meanwhile, headline inflation has been soft in recent months on the back of lower food and energy prices, yet the trend is now reversing. After reaching the low point of 2% y/y in January 2019, inflation has rebounded to the current level of 2 2/3%. The year-ago base effect will likely continue to inch the headline inflation rate higher over the coming months. Nevertheless, headline inflation is estimated to remain within the RBI's 4% ±2% target through 2020. There seems to be following risks to inflation: (1) financial market volatility and potential depreciation pressure on the Indian rupee; (2) volatile food prices; (3) international crude oil price developments; (4) ongoing global trade tensions that may cause a growth slowdown and softer commodity prices; (5) the approaching southwest monsoon (June–September) that will have an impact on food prices and rural incomes; and (6) fiscal measures announced in the Interim Union Budget that may trigger inflationary implications.

In India, GDP growth is expected to keep up its pace and projected to 7.3 percent in 2019 and 7.5 percent in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy, easing of infrastructure bottlenecks, continued implementation of structural reforms and some expected impetus from fiscal policy. However, continued implementation of structural and financial reforms with efforts to reduce public debt remains essential to secure the economy's growth prospects.

India Real Estate Outlook

The year 2018 has remained a year of brisk activities for Indian real estate and year 2019 is expected to bring in both challenges and opportunities with ongoing elections, changing dynamics of credit growth and focus on infrastructure improvements driving the market. Year 2018 could be termed as year of consolidation and adjusting to new policy requirements for real estate industry. However, these structural changes to industry also brought much needed increased transparency and accountability among buyers. RERA has remained pivotal in bringing this change and driving the consolidation process wherein non-serious players are phasing out ensuring that credible developers drive the market. Affordable housing and massive infrastructure augmentation by the GoI, including significant capital expenditure for roads, railways, development of smaller airports and expansion of schools and hospitals are going to become the pillars of real estate growth in India.

It is expected that Indian real estate will reach a market size of US$ 1 Trillion by 2030 from US$ 120 Billion in 2017 and could contribute as much as 13 percent of the country's GDP by 2025. Institutional investment in real estate sector touched $5.5 billion in 2018, the highest since 2009, on the back of transformative policy reforms and a growing risk appetite of foreign and domestic institutional investors. In 2018, investment by PE in Indian real estate sector witnessed a growth of 35 percent in value terms as compared to 2018 and deal volume increased by 28 percent. There were 76 deals of value greater than US$ 100 million in 2018.

Residential Outlook

The residential market has seen more prudent launches, however the asset valuations have remained stable during last five years and this has worked to improve affordability for buyers. Affordable housing remains the key in residential segment as 90 percent of housing shortfall is in the low-income segment. Series of policy intervention such as low-cost home loan and lower GST rates, by Government of India, has further helped strengthen this segment of residential real estate. Further, regulations imposed by the Government such as RERA, GST and Benami Transactions Act, 2016 have laid the foundations of a healthy end users market.

With these events taking shape in year 2018, by and large the organized players in this segment found stabilization and are taking poised steps which can be seen by the recovery in the volume of apartments launched in 2018.

The year 2018 has been the year of right-sizing and right-pricing of new residential products. This improved the buyer confidence which resulted in 76 percent YoY growth in units launched in 2018 and a modest 6 percent YoY growth during the same period for sales. This YoY growth in Sales and launches during 2018 is totally exceptional that this is the first year that saw YoY growth in both sales and supply during this decade.

Residential Market

India Market Snapshot

Parameter	H2	Change YoY	2017	2018	Change YoY
Launches (housing units)	89,509	119%	103,570	182,207	76%
Sales (housing units)	118,040	10%	228,072	242,328	6%
Unsold inventory (housing units)			528,494	468,372	-11%
Quarters to sell			11.2	10.2	

Note : 1 square metre (sq m) = 10.764 square feet (sq. ft)

Source : Knight Frank Research

Although 2018 is the year when sales have increased YoY during the decade, the sales volumes are still far from peak of 2011 highs. The most YoY growth among the top eight cities was witnessed by Bengaluru with sales increasing by more than 27 percent for 2018. The city buyers have shown more flexibility and openness to the relaxations in the qualification criteria for projects under PMAY category such as increase in the extent of carpet area to 160 square meters for MIG-I and 200 square meters for MIG-II.

If we see the current Quarters-to-sell level which is 10.2 quarters in 2018 stand lower than 2017 number of 11.2 quarters. This is primarily due to higher sales and lower unsold inventory levels which signifies that buyers are showing more interest in Ready-to-move homes. The weighted-average prices across cities have witnessed correction and average house sale value has decreased primarily due to focus of players in affordable segment. This shift of paradigm in pricing methodology appears to be a healthy sign and step towards market recovery as it would boost contemporary home buyers needs, boost affordability and eventually gets buyers back to market.

Parameter	H2 2018	Change YoY	2017	2018	Change YoY
Launches (housing units)	11,826	41%	22,410	27,382	22%
Sales (housing units)	17,973	35%	34,546	43,776	27%
Price (weighted average)	₹50,390/sq.m	2%	₹49,400/sq.m	₹50,390/sq.m	2%
Unsold Inventory (housing units)	(₹4,681/sq.ft)	-15%	(₹4,589/sq.ft)	(₹4,681/sq.ft)	-15%
Quarters to sell	92,718		109,112	92.718	
Age of unsold inventory	10.3		10.6	10.3	
(in quarters)	12.7		13.0	12.7	

Note : 1 square metre (sq m) = 10.764 square feet (sq. ft)

Source : Knight Frank Research

Though these trends suggests that the residential market is on the recovery path considering current trends of growth and there are more issues such as liquidity crunch which needs immediate attention, the residential market still holds the promise of more sustained recovery.

Opportunities & Challenges:

Opportunities & Strengths

- Policy Reforms like implementation of RERA and GST
- Well accepted Brand
- Well-designed Projects at strategic locations & Long term value creating projects
- Strong balance sheet and consistent financial performance even in challenging market conditions
- Increased revenue and profit to be recognized in the next 3 to 4 years from the ongoing projects
- Highly qualified team in terms of execution and implementation
- Strong and well-defined internal control systems
- To set industry benchmarks in:
  - Innovative Design & Architecture
  - Customer Relationship Management
- New geographies – B+ tier cities such as Pune, Hyderabad etc.
- Strong Government / Local networking
- Credibility in the industry
  - Continuous Project acquisitions
  - Satisfied Confidence
- Technology leverage – Touchscreens, ERP, customer portal
- Significant leveraging opportunity for further expansions

Challenges:

- Unanticipated delays in project approval
- Increased cost of construction and manpower
- Availability of skilled and trained labor force
- Over regulated environment

Threats and Weaknesses

- Time to Market
- Weak real estate market
- Unsold inventory in the market
- Presence in limited geographies
- Mainly into residential segment

Arvind SmartSpaces Limited **("ASL")** is primarily into residential segment operating in and around Ahmedabad, Bengaluru and Pune market. ASL is currently executing 8 projects through own land, Joint Ventures and Joint Development model. ASL has also successfully executed 7 projects till date.

The description of all projects of the Company till date is provided in the table below:

Sr. No.	Project	Est. Area (Sq. ft.)	Area booked till date (Sq. ft.)	Inventory as on date (Sq. ft.)	Booking value till date (₹ in lacs)	Revenue recognised till date (₹ in lacs)	Project completion (%)	Avg. Price (₹/Sq. ft.)
1	Alcove	10,32,660	9,76,734	55,926	2,288	2,288	100	234
2	Parishkaar	9,15,809	9,15,809	-	25,423	25,423	100	2,776
3	Trade Square							
4	Megatrade	80,914	67,502	13,412	2,797	2,797	100	4,143
5	Expansia	1,40,276	1,33,983	6,293	7,045	7,105	100	5,258
6	Citadel	1,01,859	1,01,859	-	5,515	5,515	100	5,415
7	Sporcia	4,92,062	4,78,709	13,353	22,542	19,651	100	4,709
8	Uplands (Phase I)	31,92,901	23,87,663	8,05,238	33,960	4,486	79	1,422
9	Megaestate (Phase I)	63,119	27,533	35,586	800	-	100	2,906
10	Skylands	4,91,111	2,00,660	2,90,451	9,915	-	70	4,941
11	Megapark	9,23,391	3,33,900	5,89,491	1,789	1,611	100	536
12	Beyond Five	66,74,310	1,68,930	65,05,380	1,186	-	-	702
13	Oasis	5,47,428	2,09,768	3,37,660	10,310	-	20	4,915
14	Aavishkaar	11,39,549	1,86,700	9,52,848	4,807	-	10	2,575
15	Elan	1,34,952	11,240	1,23,712	1,654	-	-	14,712
	Total	**1,59,30,341**	**62,00,990**	**97,29,350**	**1,30,031**	**68,876**		

ASL is about to launch one new project namely The Edge by Arvind.

Financial Performance (Standalone)

Equity Share Capital: The equity share capital of the Company as on 31st March, 2019, stood at ₹ 3523 lacs. The change in the share capital of the Company as compared with the previous financial year (₹ 3187 lacs) is due to allotment of equity shares to the promoters on preferential basis and to the eligible employee under AIL ESOP 2013 Scheme.

Debt Equity: The debt equity ratio of the Company as on 31st March, 2019, is at 0.54:1.

Revenue: The total revenue of the Company has increased to ₹ 250007 lacs in the FY 2018-19 against ₹14216 lacs in FY 2017-18, an increase by 76%.

EBITDA: EBITDA margin during the financial year 2018-19 stood at 32% as compared to 36% for the previous financial year.

Finance Costs: Interest & Financial Charges for the financial year 2018-19 is ₹ 2014 lacs as compared to ₹ 1465 lacs in the previous year, an increase by 37%, which is predominantly on account of Line of Credit facility and unsecured loan from financial institution.

Net Profit: Net profit available for appropriation for the year 2018-19 stood at ₹ 4603 lacs as compared to ₹ 2978 lacs in the previous year, an increase of 55%.

Dividend: The Board has recommended a dividend of ₹ 1.50 per share on equity shares of ₹ 10 each (i.e. 15%) subject to approval of members of the Company at the forthcoming Annual General Meeting.

Earnings Per Share (EPS): The Company's Basic Earnings Per Share (EPS) during the current year is ₹ 13.35 as compared to ₹ 9.88 in the previous year and Diluted EPS is ₹ 13.00 as compared to ₹ 9.57 in the previous year.

[EPS of previous year has been recalculated]

Financial Performance (Consolidated)

Equity Share Capital: The equity share capital of the Company as on 31st March, 2019, stood at ₹ 3523 lacs. The change in the share capital of the Company as compared with the previous financial year (₹ 3187 lacs) is due to allotment of equity shares to the promoters on preferential basis and to the eligible employee under AIL ESOP 2013 Scheme.

Debt Equity: The debt equity ratio of the Company as on 31st March, 2019, is at 0.62:1.

Revenue: The total revenue of the Company has increased to ₹ 26435 lacs in the FY 2018-19 against ₹ 20224 lacs in FY 2017-18, an increase by 31%.

EBITDA: EBITDA margin during the financial year 2018-19 stood at 27% as compared to 32% for the previous financial year.

Finance Costs: Interest & Financial Charges for the financial year 2018-19 is ₹ 2126 lacs as compared to ₹ 1539 lacs in the previous year, an increase by 38%.

Net Profit: Net profit available for appropriation for the year 2018-19 stood at almost the same level i.e. ₹ 3118 lacs as compared to ₹ 3144 lacs in the previous year.

Dividend: The Board has recommended a dividend of ₹ 1.50 per share on equity shares of ₹ 10 each (i.e. 15%) subject to approval of members of the Company at the forthcoming Annual General Meeting.

Earnings Per Share (EPS): The Company's Basic Earnings Per Share (EPS) during the current year is ₹ 8.90 as compared to ₹ 10.01 in the previous year and Diluted EPS is ₹ 8.66 as compared to ₹ 9.70 in the previous year.

[EPS of previous year has been recalculated]

Ind AS 115 'Revenue from Contracts with Customers' replaces the existing revenue recognition requirements with effect from 1st April, 2018. The application of Ind AS 115 has impacted the Company's accounting of revenue recognition from its real estate projects. The Company has opted to apply the modified retrospective approach and in respect of the contracts which are not completed on or before 1st April, 2018 (being the transition date), the Company has reversed the revenue recognised and costs thereof and debited the resultant difference to the retained earnings and non-controlling interest amounting to ₹ 8,034.68 lacs (net of tax). Accordingly, the comparative figures have not been restated and are hence not comparable with current period figures.

Risk Management

ASL is committed to high standard of business conduct with effective risk management policies to achieve sustainable business growth, safeguard interest of stakeholders and to ensure compliance with applicable legal requirements. In line with this objective, ASL has laid out a well-established Risk Management Policy which helps identify the risks and prioritize its mitigation according to their expected impact as well as likeliness of occurrence.

Following are some of the major risk that ASL faces in its business activities along with their respective mitigating measures:

Economic risks

Indian economy has weathered many challenges successfully in recent times and is currently placed on a cyclical upturn, on the back of strong policies and a whiff of new optimism. Though, presently there are signs of improvement on inflation front yet any significant upward revision in crude oil prices may result in increased inflation which can eventually result in increase in interest rates. This can have a direct impact on the performance of the real estate sector and ASL.

ASL is conscious of these risks and is taking measures to mitigate them. For instance, the Company's focus on both residential and township developments has been a significant source of comfort during periods of poor economic performance. Besides, the Company's prudent financial management has also kept it relatively insulated from the economic downturn.

Operational risks

Key operational risks faced by ASL include longer gestation period for procurement of land, time taken for approvals, delay in completion and delivering projects according to the schedule leading to additional cost of construction, lower customer satisfaction etc.

ASL addresses these issues within a well-structured framework which identifies the desired controls and assigns ownership to monitor and mitigate these risks. ASL has also invested in Enterprise Resource Planning (ERP) for developing in-house systems to ensure strict monitoring of project activities and raising flags for exceptions, if any. The Company's Corporate Governance policies ensure transparency in operations, timely disclosures and adherence to regulatory compliances, leading to enhanced stakeholder value.

Liquidity risks

Weak Sales and delay in payments from the customers may create liquidity crunch and can hamper progress of the projects.

Mitigation Measures: ASL ensures that all the projects are completed in the stipulated time. ASL is a well-known brand in West and South India which ensures that the upcoming projects get good response. This helps to maintain the short term credit facilities with the vendors.

Execution risks

Execution depends on several factors which include labour availability, raw material prices, receipt of approvals and regulatory clearances, access to utilities such as electricity and water, weather conditions and the absence of contingencies such as litigation. ASL manages the adversities with cautious approach, meticulous planning and by engaging established and reputed contractors.

Outlook (FY 19-20)

After the successful implementation of various structural reforms in the real estate sector and easing out of liquidity crunch in financial markets, the residential demand seems to be on an upward trend. The same is also indicated in our overall sales performance for FY2018-19 where we have achieved a record pre-sale of ₹ 277 crores.

The government's continuous thrust of giving priority to the real estate sector is making it more attractive to the customers. Initiatives like reduction in GST rates on residential projects, tax incentives for home buyers, gradual easing of interest rates etc. are helping further in improving demand for end consumption. However, some medium-term challenges still remain. Liquidity crisis and corresponding interest rates for real estate developers are yet to come down to the pre-crisis level. Demand, although better as compared to a few quarters earlier is yet to fully recover and comparative lower interest of investors in real estate as an asset class are some of the challenges that the industry still faces. Overall, the industry outlook is positive and there are several indicators which point towards further stabilization and improvement in overall demand cycle. The company is poised to take advantages of these positive macro environment indicators and opportunities.

Human Resources

The Company's business is managed by a team of competent and passionate people, capable of enhancing your Company's standing in the competitive market. The Company's employees have a defining role in significantly accelerating its growth and transformation, thereby enhancing its position as one of the leading Real Estate Company. The Company has a structured recruitment process. The focus is on recruiting people who have the right mindset for working at ASL, supported by structured training programs and internal growth opportunities. The Company's focus is on unlocking the people potential and further developing their functional, operational and behavioral competencies.

Industry Relations/Initiatives

The Company has taken various initiatives during the FY 2018-19 to promote itself as a reputed brand in the real estate industry. ASL participated into various industry specific events/awards to present its key projects to its prospective buyers/customers and fellow developers.

Awards & Recognition

A. Gujarat Real Estate Awards - April 2018

Arvind Uplands - Creating High Quality Lifestyle villas in Gujarat

B. Realty Plus Award - June 2018

Arvind Uplands -Design Project of the Year

C. Prestigious Brands of Asia 2018-19, Venue – Dubai, Category – Real Estate:

The Global Business Symposium 2018 was held on 26th September 2018 at Madinat Jumeirah, Dubai featuring Arvind SmartSpaces as most trusted Prestigious brands and labels from across Asia.

D. ET Now Award - Feb 2019

Arvind Aavishkaar -Best affordable project

E. ET Now Award - Feb 2019

Arvind Oasis -Residential project of the year

CRM & Customer related

A. Customer Portal: Arvind CARE

With the objective of providing a one-stop solution for customer needs and working towards our achieving transparency in all the transactions, we have introduced the customer portal - Arvind CARE. It has "Do It Yourself" features like updating your personal details, details of Relationship Manager, writing to us for any queries or clarifications, view your unit's financial details, project overview, construction, updates, details of promotional activities like referral schemes and many more. All kinds of change requests are also received through this portal. The portal has helped in faster resolution of customer queries and complaints because of monitoring mechanism in place in the portal. A personalised service with an assigned and dedicated Relationship Manager to each of the customer is being provided. The initiative has been well appreciated by many customers.

B. Customer Survey

We conduct Customer Surveys to understand our customers better, know their needs, measure satisfaction with our products and services. It further helps us get inputs from the customers to improve our services and products. The first C-Sat survey for Sporcia customers was conducted in Jan'15, which was focussed on understanding the customer's demographics and property purchase behaviour and preferences. Since then we have been conducting regular annual surveys across our projects to improve our services. The last survey conducted in Mar'19 was for our project, Skylands. The survey indicated that our customers are overall happy with the services being provided to them by our team. The feedback received on various parameters has been discussed and action taken, wherever found necessary. We have also started giving small token gifts to our customers who participate in the survey.

C. Welcome Kit

To mark the beginning of a fresh relationship, we give Welcome Kit to all the new bookings. It gives our new customers, a personalized feeling with an introductory note, welcome letter and access to Customer Portal, chocolates and Ganesha Statue. It also gives them the contact details of Customer Relationship Team along with the cards to refer their friends and give their feedback and suggestions.

D. Newsletter: Spotlight

Spotlight has been started with the purpose of giving our customers periodic news and updates of our company. It showcases our awards and achievement and also sends construction updates for all our projects.

E. Diwali Gifts

Diwali is a festival of joy and lights. We celebrate this festival with our customers by presenting them with a Diwali Gift every year. We, as a company, put great emphasis on using eco-friendly material. We try to present innovative gifts every year to our customers. This year we gifted a beautiful box containing brass diyas and home-made chocolates to our customers.

F. New Year Calendars

We send the New Year wishes to our customers in the form of Calendar every year. This year we presented photo frame styled elegant table top calendars to our customers.

G. Birthday Cakes

Birthday is a special occasion for every person. To make it extra special for our customers, we have started the birthday cake activity. We send birthday cake to the customer on their birthday (Ahmedabad and Bangalore region). This activity has been quite appreciated by all our members.

In house ERP

The company has also focused on upgrading the IT infrastructure-both in terms of hardware and software. The company is in the process of developing in-house customized ERP systems which will cater to the ever-changing business needs to facilitate informed decisions.

The company has developed and implemented procurement and contracting module in the in-house ERP. Further, the Company is in the process of developing lead management & CRM Module. Later on all these modules will be integrated with the finance and accounts module.

Legal Compliance Tool

In order to ensure transparency and full compliance of the applicable laws, Company has developed a comprehensive tool which covers the entire gamut of compliances applicable to the company's business. The same has been made operational during the current financial year.

This tool will enable the company to track and ensure compliance to the regulations in the prescribed time frame. At the same time, it also provides opportunity to develop an efficient plan for go-to market strategy for its projects.

Internal Control & its Adequacy

The Company has adequate internal control systems to commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

Company has an Internal Audit function which conducts periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with applicable laws and regulations. The internal auditors present to the management the findings of their audit, recommend better practices and report on the status of implementation of their recommendations.

Cautionary Statement

This report contains forward-looking statements, identified by words like 'plans', 'expected', 'will', 'anticipates', projects', 'estimates' and so on. Statements in this report on Management Discussions and Analysis describing the Company's objectives, estimates and expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements based on certain assumptions and expectations of future events and reflect the Company's current analysis of existing trends, information and plans. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ substantially or materially from those expressed or implied. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law. All forward-looking statements are qualified in their entirety by this cautionary statement.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Arvind SmartSpaces Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Arvind SmartSpaces Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
(a) Adoption of Ind AS 115 - Revenue from Contract with Customers (Refer note 2.2 of the standalone Ind AS financial statements)	
During the year ended March 31, 2019, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018. The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects and has resulted in debit to retained earnings as at April 1, 2018 by Rs. 3,978.42 lacs (net of taxes) as per the modified retrospective method. In accordance with the requirements of Ind AS 115, Company's revenue from real estate projects is recognised at a point in time, which is upon the Company satisfying its performance obligation and the customer obtaining control of the promised asset. Application of Ind AS 115, including the impact to retained earnings balance as at April 1, 2018 as per modified retrospective method, requires significant judgment in determining when 'control' of the goods or services underlying the performance obligation is transferred to the customer. As the revenue recognition involves significant judgement, we regard this as a key audit matter.	As part of our audit procedures: - We have read the accounting policy for revenue recognition of the Company and assessed compliance of the policy in terms of principles enunciated under Ind AS 115. - We examined the adjustment to retained earnings balance as at April 1, 2018 in view of adoption of Ind AS 115 as per the modified retrospective method. - We obtained and understood management process and controls around transfer of control in case of real estate projects and tested the relevant controls over revenue recognition at a point in time. - We performed test of details, on a sample basis, and inspected the underlying customer contracts, sale deed and handover documents, evidencing the transfer of control of the asset to the customer based on which revenue is recognised at a point in time. - We assessed the disclosures made in the Standalone Ind AS financial statements.

Assessing the carrying value of Inventory (Refernote 2.2 of the standalone Ind AS financial statements)	
As at March 31, 2019, the carrying value of the inventory of ongoing and completed real estate projects is Rs.24,985 lakhs. The inventories are held at the lower of the cost and net realisable value. We identified the assessment of whether carrying value of inventory were stated at the lower of cost and net realizable value ("NRV") as a key audit matter due to the significance of the balance to the standalone financial statements as a whole and the involvement of estimations in the assessment. The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs.	As part of our audit procedures, our procedures included the following: - Assessed the methods used by the management, in determining the NRV of ongoing and completed real estate projects. - Obtained, read and assessed the management's process in estimating the future costs to completion for stock of ongoing projects. - For sample of selected projects: • Compared the forecasted costs to complete the project to the construction costs of other similar projects • Compared the NRV to recent sales in the project or to the estimated selling price. • Compared the carrying value to the NRV.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account

    (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

    i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 27 to the standalone Ind AS financial statements;

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

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: 2nd May, 2019

Annexure 1 Referred to in paragraph on report on other legal and regulatory requirements of our report of even date of Arvind Smartspaces Limited For the year ended March 31st, 2019

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

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and, guarantees, and securities given are not applicable to the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to real estate development, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, Income-tax, duty of custom, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax and value added tax of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. lacs)	Period to which the amount relates	Forum where the dispute is pending
The Income tax Act 1961	Income tax	81.71	PY 2011-12	ITAT
The Income tax Act 1961	Income tax	97.97	PY 2012-13	ITAT
The Income tax Act 1961	Income tax	373.31	PY 2013-14	ITAT

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings from banks or financial institution. The Company did not have any due payable to the debenture holders and government during the year.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised any money by way of initial public offer / further public offer / debt instruments and hence, not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the period.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provision of section 42 of the Companies Act, 2013 in respect of private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transaction with directors or person connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence, not commented upon.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Sukrut Mehta
Partner
Membership Number: 101974
Place of Signature: Ahmedabad
Date: 2nd May, 2019

Annexure 2 to the Independent Auditor's Report of even date on The Standalone Ind As Financial Statements of Arvind Smartspaces Limited

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

We have audited the internal financial controls over financial reporting of Arvind SmartSpaces Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta

Partner

Membership Number: 101974

Place of Signature: Ahmedabad

Date: 2nd May, 2019

STANDALONE BALANCE SHEET as at 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Notes	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current assets			
Property, plant, equipment	3.1	**776.86**	815.44
Intangible assets	3.2	**2.02**	2.07
Intangible assets under development		**2.09**	2.08
Financial assets			
Investments	4	**21,492.00**	14,459.19
Loans	5	**455.00**	-
Other financial assets	8	**2,213.64**	1,208.24
Deferred tax assets (net)	25	**439.27**	17.06
Income tax assets (net)		**452.38**	276.35
Other non-current assets	10	**30.17**	8.85
Total non-current assets		**25,863.43**	**16,789.28**
Current Assets			
Inventories	9	**24,985.00**	16,656.89
Financial assets			
Investments	4	**1,159.16**	2,382.49
Trade receivables	6	**59.18**	5,635.35
Cash and cash equivalents	7	**362.18**	226.98
Loans	5	**-**	1,280.00
Others financial assets	8	**4,127.85**	4,814.14
Other current assets	10	**1,095.93**	1,596.92
Total current assets		**31,789.30**	**32,592.77**
Total assets		**57,652.73**	**49,382.05**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	**3,523.36**	3,186.76
Other equity	12	**27,287.92**	26,313.90
Total Equity		**30,811.28**	**29,500.66**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	**8,066.71**	10,014.17
Trade Payables			
Total outstanding dues of micro enterprise and small enterprise	14	**-**	-
Total outstanding dues of creditors other than micro enterprise and small enterprise	14	**-**	1,710.74
Other financial liabilities	15	**-**	3.16
Long term provisions	17	**159.15**	110.73
Total non-current liabilities		**8,225.86**	**11,838.80**
Current liabilities			
Financial liabilities			
Borrowings	13	**89.04**	-
Trade Payables			
Total outstanding dues of micro enterprise and small enterprise	14	**-**	-
Total outstanding dues of creditors other than micro enterprise and small enterprise	14	**1,731.65**	1,436.26
Other financial liabilities	15	**8,958.25**	6,058.38
Other liabilities	16	**7,813.48**	533.61
Provisions	17	**23.17**	14.34
Total current liabilities		**18,615.59**	**8,042.59**
Total equity and liabilities		**57,652.73**	**49,382.05**
Summary of Significant Accounting Policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from contracts with customers	18	**23,382.00**	12,805.92
Other income	19	**1,624.90**	1,410.09
Total Income		**25,006.90**	14,216.01
EXPENSES			
Land development costs / rights		**1,571.69**	4,292.40
Cost of construction materials and components consumed	20	**714.21**	1,182.83
Construction and labour costs		**5,469.66**	3,849.93
Changes in inventories	21	**6,566.00**	(2,878.78)
Employee benefit expenses	22	**1,143.15**	929.04
Finance costs	23	**2,013.56**	1,465.22
Depreciation and amortisation expense	3.1/3.2	**87.57**	85.25
Other expenses	24	**1,625.62**	1,771.60
Total Expenses		**19,191.46**	10,697.49
Profit before tax		**5,815.44**	**3,518.52**
Tax expense:			
Current tax	25	**-**	536.17
Deferred tax	25	**1,212.23**	4.33
Total tax expense		**1,212.23**	**540.50**
Profit for the year		**4,603.21**	**2,978.02**
Other Comprehensive Income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains/(losses) on defined benefit plans		**(4.02)**	(9.86)
Income tax effect	25	**1.17**	3.41
Total other comprehensive income for the year, net of tax		**(2.85)**	**(6.45)**
Total Comprehensive Income for the year		**4,600.36**	**2,971.57**
Earnings per equity share [nominal value per share ₹10/- (31st March 2018: ₹ 10/-)]	26		
Basic		**13.35**	9.88
Diluted		**13.00**	9.57
Summary of Significant Accounting Policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

STANDALONE CASH FLOW STATEMENT for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

		Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
A.	**Cash flow from operating activities**			
	Profit for the year before taxation		**5,815.44**	3,518.52
	Adjustments for :			
	Profit from limited liability partnerships		**(1,665.07)**	(1,970.36)
	Depreciation and amortization expense		**87.57**	85.25
	Loss on sale of property plant and equipment		**7.43**	4.28
	Finance cost		**2013.56**	1,465.22
	Interest income		**(1,520.05)**	(1,408.52)
	Operating profit before working capital changes		**4,738.88**	**1,694.39**
	Adjustments for:			
	(Decrease) in trade payables		**(1,415.38)**	(436.35)
	Increase in provisions		**57.25**	37.25
	Increase/(Decrease) in other liabilities		**(8,933.80)**	7.96
	(Decrease)/Increase in financial liabilities		**(3.16)**	(4.71)
	(Increase)/Decrease in inventory		**7,815.79**	(2,905.22)
	(Increase)/Decrease in financial assets		**411.11**	(562.24)
	(Increase)/Decrease in trade receivables		**33.17**	(2,839.66)
	(Increase)/Decrease in other assets		**479.68**	(343.51)
	Cash generated from /(used) in operations		**3,183.54**	(5,352.09)
	Direct taxes paid		**(176.03)**	(625.13)
	Net cash generated from / (used in) operating activities	**[A]**	**3,007.51**	**(5,977.22)**
B.	**Cash flow from investing activities**			
	Investments in subsidiaries and joint ventures		**(5866.91)**	(11,258.86)
	Withdrawal of investments in subsidiaries and joint ventures		**1972.50**	5,793.11
	Investment in bank deposits (with original maturity of more than 12 months)		**-**	(130.00)
	Advance towards capital contribution in LLP		**-**	(250.00)
	Loans given		**(75.00)**	(269.00)
	Loans received back		**900.00**	-
	Purchase of property, plant and equipment		**(86.25)**	(114.69)
	Proceeds from Sale of property, plant and equipment		**29.88**	15.52
	Interest received		**539.83**	-
	Net cash used in investing activities	**[B]**	**2585.95**	**(6,213.92)**

STANDALONE CASH FLOW STATEMENT for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
C. Cash flow from financing activities			
Proceeds from long term borrowings		**9,878.67**	21,331.93
Repayment of long term borrowings		**(8,942.00)**	(13,728.01)
Proceeds from (repayment of) short term borrowings		**89.04**	(874.00)
Finance cost paid		**(1,997.81)**	(1,526.41)
Money received (issue of) equity shares against share warrants		**-**	4,806.00
Proceeds from issue of share capital through warrants & ESOPs (including securities premium)		**685.74**	2,212.34
Net cash generated from / (used in) financial activities	**[C]**	**(286.36)**	**12,221.85**
Net Increase in cash and cash equivalents	**[A+B+C]**	**135.20**	30.71
Cash and cash equivalents at the beginning of the year		**226.98**	196.27
Cash and cash equivalents at the end of the year		**362.18**	**226.98**
Components of cash and cash equivalents (Refer note 7)			
Balances with banks		**357.76**	226.36
Cash in hand		**4.42**	0.62
		362.18	**226.98**
Summary of Significant Accounting Policies	**2.2**		

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of
Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

Standalone Statement of Changes in Equity

for the year ended on 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Particulars	No. of shares	Amount
A.	**Equity share capital (Refer Note 11)**		
	As at 1st April, 2017	**2,84,09,307**	**2,840.93**
	Issued during the year pursuant to preferential share warrants	31,75,000	317.51
	Issued during the year pursuant to exercise of ESOP	2,83,243	28.32
	As at 31st March, 2018	**3,18,67,550**	**3,186.76**
	Issued during the year pursuant to preferential share warrants	30,00,000	300.00
	Issued during the year pursuant to exercise of ESOP	3,66,000	36.60
	As at 31st March, 2019	**3,52,33,550**	**3,523.36**

B. Other Equity

Particulars	Attributable to equity holders of the Company (Refer Note 12)				Total other equity
	Securities Premium	Share based Payment Reserve	Retained Earnings	Money received against share warrants	
As at 1st April, 2017	**9,426.57**	**163.25**	**6,381.51**	**698.50**	**16,669.83**
Profit for the year	-	-	2978.02	-	2,978.02
Other comprehensive income	-	-	(6.45)	-	(6.45)
Total comprehensive income for the year	**9,426.57**	**163.25**	**9,353.08**	**698.50**	**19,641.40**
Issue of share warrants	-	-	-	4,806.00	4,806.00
Issue of equity shares pursuant to exercise of preferential warrants and stock options	2,638.98	(73.98)	-	(698.50)	1,866.50
As at 31st March, 2018	**12,065.55**	**89.27**	**9,353.08**	**4,806.00**	**26,313.90**
As at 1st April, 2018	**12,065.55**	**89.27**	**9,353.08**	**4,806.00**	**26,313.90**
Profit for the year	-	-	4,603.21	-	4,603.21
Ind AS - 115 Adjustment (Refer Note 38)	-	-	(3,978.33)	-	(3,978.33)
Other comprehensive income	-	-	(2.85)	-	(2.85)
Total comprehensive income for the year	**12,065.55**	**89.27**	**9,975.11**	**4,806.00**	**26,935.93**
Issue of equity shares pursuant to exercise of preferential warrants and stock options	5,199.78	(44.64)	-	(4,806.00)	349.14
As at 31st March, 2019	**17,265.33**	**44.63**	**9,975.11**	**-**	**27,287.92**

Summary of Significant Accounting Policies **2.2**

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of
Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

Notes to standalone financial statements for the year ended 31st March, 2019

1. Corporate Information

Arvind SmartSpaces Limited ("Company" or "ASL") is a public company domiciled in India and is incorporated on 26th December, 2008 under the provisions of the Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The registered office of the Company is located at 24, Government Servant society, Nr Municipal Market, CG road, Navrangpura, Ahmedabad – 380009.

The company is engaged in the development of real estate comprising of residential, commercial and industrial projects.

The standalone financial statements were authorized for issue in accordance with a resolution of the directors on May 02, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the SFS

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below. Specifically, the Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described in note no. 38. There were several other new and amendments to standards and interpretations which are applicable for the first time in 2018, but either not relevant or do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The standalone financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities measured at fair value at the end of each reporting period, as explained in the accounting policies below. The standalone financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

Changes in Accounting Policies and Disclosures

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below.

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing requirements of recognition of revenue. The application of Ind AS 115 have impacted the Company's accounting for revenue from real estate projects.

The Company has applied the modified retrospective approach to all contracts as of April 1, 2018 and has given impact of application of Ind AS 115 by debit to retained earnings as at the said date by Rs. 3978.42 lacs (net of tax). Accordingly, the comparatives have not been restated and hence not comparable with previous period figures. The impact of application of Ind AS 115 for the year ended March 31, 2019 is as detailed in note 38.

2.2 Summary of Significant Accounting Policies

a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

b) 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.

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

The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into

Notes to standalone financial statements for the year ended 31st March, 2019

current and non-current based on their respective operating cycle.

c) Business combinations

The Company acquires subsidiaries that own real estate. At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

d) Property, Plant and Equipment

Property, plant and equipment, are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the to.tal cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

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.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

e) Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment are provided on straight line method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013.

Category Of Asset	Useful Lives (in years)
Buildings	60
Equipments	15
Furniture and Fixtures	10
Office Equipments	5
Computer	3
Vehicle	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a straight line basis over a period of three years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.

g) Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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 capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

h) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii. Finished goods – unsold flats and plots: Valued at lower of cost and net realizable value.

iii. Construction material: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

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.

i) Land

Advances paid by the Company to the seller/ intermediary towards outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories.

Land/ development rights received under joint development arrangements ('JDA') is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The amount of non-refundable deposit paid by the Company under JDA is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress.

j) Revenue from contracts with customers

(i) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration and adjusted for discounts, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration and the existence of significant financing components, if any.

Revenue from real estate development of residential or commercial unit is recognised at the point in time, when the control of the asset is transferred to the customer.

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent.

The performance obligation in relation to real estate development is satisfied upon completion of project work and transfer of control of the asset to the customer.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

(ii) Contract balances

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

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

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

(iii) Cost to obtain a contract

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The Company incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

(iv) Share in profit/ loss of Limited liability partnerships ("LLPs") and partnership firm

The Company's share in profits from LLPs and partnership firm, where the Company is a partner, is recognised as income in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Company in accordance with the terms of contract between the Company and the partnership entity.

(v) Interest income

Interest income, including income arising from other financial instruments measured at amortised cost, is recognised using the effective interest rate method.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

k) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund and Employee State Insurance are defined contribution schemes (collectively the 'Schemes'). The company has no obligation, other than the contribution payable to the schemes. The company recognizes contribution payable to the schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-

Notes to standalone financial statements for the year ended 31st March, 2019

term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

l) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

I. Current income tax - Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

II. Deferred income tax - Deferred income tax is recognized using the balance sheet approach, 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.

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 income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

m) Share based payment

Employees (including senior executives) of the company receives remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and the cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Segment reporting

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

o) Provisions and contingent liabilities

A provision is recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only 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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

p) Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

iii. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables

iv. Equity investment in subsidiaries and joint ventures

Investment in subsidiaries and joint ventures are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

Notes to standalone financial statements for the year ended 31st March, 2019

vii. 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.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ix. De-recognition of financial liability

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 or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Impairment

a. Financial assets

The company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and /or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b. Non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

r) Earnings per Share

Basic earnings per share 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.

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

s) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances 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.

(a) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Classification of property

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates 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.

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the company, based on comparable transactions identified by the company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

a) Identification of performance obligation

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent. In assessing whether performance obligations relating to sale of undivided share of land and constructed area are highly interrelated/ interdependent, the Company considers factors such as:

- whether the customer could benefit from the undivided share of land or the constructed area on its own or together with other resources readily available to the customer.
- whether the entity will be able to fulfil its promise under the contract to transfer the undivided share of land without transfer of constructed area or transfer the constructed area without transfer of undivided share of land.

b) Timing of satisfaction of performance obligation

Revenue from sale of real estate units is recognised when (or as) control of such units is transferred to the customer. The entity assesses timing of transfer of control of such units to the customers as transferred over time if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Notes to standalone financial statements for the year ended 31st March, 2019

- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

  If control is not transferred over time as above, the entity considers the same as transferred at a point in time.

  For contracts where control is transferred at a point in time, the Company considers the following indicators of the transfer of control of the asset to the customer:

- When the entity obtains a present right to payment for the asset.
- When the entity transfers legal title of the asset to the customer.
- When the entity transfers physical possession of the asset to the customer.
- When the entity transfers significant risks and rewards of ownership of the asset to the customer.
- When the customer has accepted the asset.

c) Significant financing component

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

2.3 Standards issued but not yet effective

The amendment to standard issued up to the date of issuance of the Company's financial statements, but not yet effective as of the date of the Company's financial statements is disclosed below. The Company intends to adopt the amendment to standard when it becomes effective.

a) The below amendments have also became effective for the Company from Financial Year beginning April 1, 2018. However, the management has evaluated and determined that the adoption of these amendments will not have any material impact on the financial statements since there are no such transactions or the Company's existing policies are aligned to these amendments:

   a. Amendment to Ind AS 12 Income Taxes – regarding recognition of deferred tax assets on unrealised losses

   b. Applying Appendix B of Ind AS 21 The Effects of Changes in Foreign Exchange Rates

   c. Amendment to Ind AS 28 Investments in Associates and Joint Ventures

   d. Amendment to Ind AS 40 Investment Property - regarding transfer of investment property

   e. Amendment to Ind AS 112 Disclosure of Interests in Other Entities – regarding disclosure requirements

b) Standards issued but not yet effective

   Ind AS 116 – Leases

   The new lease standard requires lessees to recognize assets and liabilities for most leases on their balance sheets. Lessees applying Ind AS 116 will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. The new standard will be applicable from the financial year beginning April 1, 2019, with limited early application permitted. The Company intends to adopt these standards from 1 April 2019. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its standalone Financial Statements.

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

3.1 Property Plant and Equipment

	Buildings	Equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
Cost							
At 1st April, 2017	**504.02**	**89.43**	**83.54**	**9.13**	**35.50**	**160.99**	**882.61**
Additions	-	6.78	7.61	0.44	7.40	92.10	114.33
Disposals	-	22.73	1.14	0.68	0.62	9.41	34.58
At 31st March, 2018	**504.02**	**73.48**	**90.01**	**8.89**	**42.28**	**243.68**	**962.36**
Additions	-	24.17	33.47	0.77	13.25	13.38	85.04
Disposals	-	6.29	10.71	0.70	6.19	26.64	50.53
At 31st March, 2019	**504.02**	**91.36**	**112.77**	**8.96**	**49.34**	**230.42**	**996.87**
Depreciation and impairment							
At 1st April, 2017	**17.50**	**11.32**	**15.35**	**1.56**	**13.22**	**19.67**	**78.62**
Depreciation for the year	17.50	10.93	16.31	1.99	10.82	25.52	83.07
Deductions		9.06	0.02	0.09	0.21	5.39	14.77
At 31st March, 2018	**35.00**	**13.19**	**31.64**	**3.46**	**23.83**	**39.80**	**146.92**
Depreciation for the year	17.50	7.79	18.24	1.79	9.46	31.53	86.31
Deductions	-	1.05	0.68	0.32	2.61	8.56	13.22
At 31st March, 2019	**52.50**	**19.93**	**49.20**	**4.93**	**30.68**	**62.77**	**220.01**
Net book value							
At 31st March, 2019	**451.52**	**71.43**	**63.57**	**4.03**	**18.66**	**167.65**	**776.86**
At 31st March, 2018	**469.02**	**60.29**	**58.37**	**5.43**	**18.45**	**203.88**	**815.44**

3.2 Intangible assets

	Software	Total
Cost		
At 1st April, 2017	**7.25**	**7.25**
Additions	-	-
Disposals	-	-
At 31st March, 2018	**7.25**	**7.25**
Additions	1.21	1.21
Disposals	-	-
At 31st March, 2019	**8.46**	**8.46**
Amortisation and impairment		
At 31st March, 2017	**3.00**	**3.00**
Amortisation for the year	2.18	2.18
At 31st March, 2018	**5.18**	**5.18**
Amortisation for the year	1.26	1.26
At 31st March, 2019	**6.44**	**6.44**
Net book value		
At 31st March 2019	**2.02**	**2.02**
At 31st March 2018	**2.07**	**2.07**

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

4 Investments

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
Unquoted (carried at cost)				
In equity instruments				
Wholly owned subsidiary of :				
Arvind Hebbal Homes Private Limited 10,000 (31st March 2018: 10,000) shares of ₹ 10/- each, fully paid up	**1.00**	1.00	**-**	-
In capital of Limited Liability Partnership firms (subsidiaries)				
Ahmedabad East Infrastructure LLP	**8,773.36**	4,534.85	**500.00**	2,000.00
Ahmedabad Industrial Infrastructure (One) LLP	**314.44**	217.44	**500.00**	200.00
ASL Facilities Management LLP	**26.49**	26.49	**-**	-
Arvind Altura LLP	**1.11**	1.12	**-**	-
Arvind Beyond Five Club LLP	**330.73**	329.73	**-**	-
Arvind Five Homes LLP	**2,857.80**	2,708.80	**-**	-
Arvind Infracon LLP	**7,553.10**	6,638.10	**-**	-
Changodar Industrial Infrastructure (One) LLP	**4.26**	1.26	**-**	-
Yogita Shelters LLP	**1,629.43**	-	**-**	-
In capital of Limited Liability Partnership firms (joint ventures)				
Arvind Bsafal Homes LLP	**-**	-	**159.16**	182.49
Arvind Integrated Projects LLP	**0.28**	0.40	**-**	-
Total investments	**21,492.00**	**14,459.19**	**1,159.16**	**2,382.49**
Aggregate value of unquoted investments	**21,492.00**	**14,459.19**	**1,159.16**	**2,382.49**

5 Loans

(Unsecured, considered good)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
Loans given	**455.00**	-	**-**	1,280.00
	455.00	**-**	**-**	**1,280.00**

6 Trade receivables

(Unsecured, considered good)

Particulars	**31st March, 2019**	31st March, 2018
Trade receivables	**59.14**	5,628.47
Trade receivables from related parties (Refer Note 37)	**0.04**	6.88
	59.18	**5,635.35**

7 Cash and cash equivalents

Particulars	**31st March, 2019**	31st March, 2018
Balances with banks:		
- On current accounts	**357.76**	226.36
Cash in hand	**4.42**	0.62
	362.18	**226.98**

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

8 Other financial assets
(Unsecured, considered good)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
Security deposits	**156.01**	153.40	**-**	-
Interest accrued but not due from Limited Liability Partnership firms (Refer Note 37)	**1,920.49**	924.84	**1,896.08**	1,471.19
Interest accrued - others	**7.14**	-	**80.77**	528.23
Receivables from Limited Liability Partnership firms for sharing of common costs (Refer Note 37)	**-**	-	**1,353.39**	1,311.26
Unbilled revenue	**-**	-	**-**	463.95
Advance towards capital contribution in Limited Liability Partnership firm	**-**	-	**-**	250.00
Advance for land, recoverable in cash	**-**	-	**787.94**	787.94
Bank deposits with original maturity of more than 12 months	**130.00**	130.00	**-**	-
Others	-	-	**9.67**	1.57
	2,213.64	**1,208.24**	**4,127.85**	**4,814.14**

9 Inventories (At lower of cost and net realisable value)

Particulars	31st March, 2019	31st March, 2018
Construction work-in-progress	23,976.49	15,444.42
Unsold developed plots of land and units	728.34	935.76
Construction materials	280.17	276.71
	24,985.00	**16,656.89**

10 Other assets
(Unsecured, considered good)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
Prepaid expenses	**29.92**	8.60	**29.73**	81.64
Advances recoverable in cash or kind or for value to be received	**-**	-	**371.38**	109.10
Balance with government authorities	**-**	-	**523.53**	983.57
Advance for land*	**-**	-	**150.00**	419.14
Others advances	**0.25**	0.25	**21.29**	3.47
	30.17	**8.85**	**1,095.93**	**1,596.92**

* Advance for land though unsecured, are considered good as the advances have been given based on arrangement/memorandum of understanding executed by the company and the company/seller/intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation.

11 Equity share capital

Particulars	31st March, 2019	31st March, 2018
(a) Authorised		
5,00,00,000 (31st March, 2018 : 5,00,00,000) equity shares of ₹10/- each (P.Y. ₹ 10/-)	**5,000.00**	5,000.00
(b) Issued, subscribed and fully paid-up		
3,52,33,550 (31st March, 2018 : 3,18,67,550) equity shares of ₹ 10/- each (P.Y. ₹ 10/-)	**3,523.36**	3,186.76

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	31st March, 2019		31st March, 2018	
	No. of shares	Amount	No. of shares	Amount
Outstanding at beginning of the year	**3,18,67,550**	**3,186.76**	2,84,09,307	2,840.93
Add :				
Exercise of share options under ESOS / ESOP	**3,66,000**	**36.60**	2,83,243	28.32
Shares issued pursuant to preferential share warrants	**30,00,000**	**300.00**	31,75,000	317.51
Outstanding at end of the year	**3,52,33,550**	**3,523.36**	**3,18,67,550**	**3,186.76**

(d) Terms / rights attached to the equity shares

(i) The company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of director is subject to the approval of the shareholders in the ensuing Annual General meeting.

(ii) In the event of liquidation of the company the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

(iii) During the year, company has allotted 30,00,000 (31st March, 2018: 31,75,000) equity shares of ₹ 10/- each at a premium of ₹ 168/- (31st March, 2018: ₹ 78) each pursuant to conversation of the warrants issued and allotted earlier on preferential basis to the promoter and promoter group entities.

(e) Number of shares held by holding company more than 5% shares in the company

Name of the shareholder	31st March, 2019		31st March, 2018	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of ₹ 10 each fully paid				
Aura Securities Private Limited	**1,87,12,646**	**53.11%**	1,59,12,646	49.93%

(f) Shares reserved for issue under options

Refer note 30 for details of shares to be issued under options.

12 Other equity

Particulars	31st March, 2019	31st March, 2018
(a) Securities Premium		
Balance at the beginning of the year	**12,065.55**	9,426.57
Add : Received during the year on issue of equity shares	**5,199.78**	2,638.98
Balance at the end of the year	**17,265.33**	**12,065.55**
(b) Share Based Payment Reserve		
Balance at the beginning of the year	**89.27**	163.25
Less : Transferred to securities premium on exercise of stock options	**(44.64)**	(73.98)
Balance at the end of the year	**44.63**	**89.27**
(c) Surplus in the statement of profit and loss		
Balance at the beginning of the year	**9,353.08**	6,381.51
Less: Impact of IndAS - 115 (Refer Note 38)	**(3,978.33)**	-
Add: Profit for the year	**4,603.21**	2,978.02
Add : Other comprehensive income for the year	**(2.85)**	(6.45)
Balance at the end of the year	**9,975.11**	**9,353.08**
(d) Money received against share warrants	**-**	4,806.00
	27,287.92	**26,313.90**

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

Notes to standalone financial statements for the year ended 31st March, 2019

13 Borrowings

(Amount in INR Lacs unless stated otherwise)

Particulars	Effective Rate of Interest	Maturity	31st March, 2019	31st March, 2018
Non-current borrowings				
Line of credit facility from NBFC (Secured)	HDFC CPLR minus 655 bps	2016-2021	**11,900.68**	8,015.30
Vehicle loans from banks (Secured)	9-10%	2014-2023	**132.89**	169.75
Term loans (Unsecured)	10.25%	2021	**4,975.65**	7,887.50
Total			**17,009.22**	**16,072.55**
Less : Current maturities - term loans from NBFC disclosed under the head "Other current financial liabilities"	HDFC CPLR minus 655 bps	2016-2021	**(8,900.68)**	(6,015.29)
Less : Current maturities - loans from banks disclosed under the head "Other current financial liabilities"	9-10%	2014-2023	**(41.83)**	(43.09)
Total			**8,066.71**	**10,014.17**
Current borrowings				
Inter-corporate deposits repayable on demand (Unsecured)	10%	On demand	**89.04**	-
Total			**89.04**	**-**

Nature of Securities on above loans :

1. The line of credit facility amounting to ₹ 11,900.68 lacs (March 31, 2018 : ₹ 8,015.30 lacs) from HDFC Limited is secured by first mortgage of project land named "Arvind Sporcia" bearing Revenue Survey Nos. 89/6, 90/1 and 90/2 all situated at Rachenahalli village, Krishnarajapuram Hobli, Bangalore East with the development with thereon- present and future and further secured by unsold units of "Arvind Citadel" project being developed on Plot no. 162, TPS 20, City Survey no. 555, Behind Super Mall, off C G Road, Navrangpura, Ahmedabad along with undivided share in land , further secured by unsold units of "Arvind Expansia" project being developed on Survey No. 55, Mahadevapura village, Krishnarajapuram Hobli, Whitefield Road, Bangalore along with undivided share in land and further secured by first mortgage pf project land named "Arvind Skylands" bearing Revenue Survey Nos. 40, 45/2B, & 45/2C, Jakkur Main Road, Shivanahalli, GKVK layout, Yelahanka Hobli, Bangalore along with construction thereon and together all rights appurtenant thereto.
2. Vehicle loans amounting to ₹ 132.89 lacs (March 31, 2018 : ₹ 169.75 lacs) are secured by vehicles.
3. Total term loan outstanding of ₹ 4975.65 lacs (March 31, 2018 : ₹ 4962.50 lacs) is secured against residential land at project owned by subsidiary. During the year, the Company has repaid loan amounting to ₹ 2925.00 lacs which was secured against pledged equity shares held by Aura Securities Private Limited

Terms of Repayment of Loans

Secured Loan

Line of Credit Facility

HDFC Limited	The Company will ensure at least 30% of sales receivable towards the principal repayment from the date of first disbursement; this percentage will be reviewed subsequently every quarter and will be mutually modified with company as per progress of work. However, the maximum principal of the loan will not exceed ₹ 3,000.00 lacs at the end of 48th month and will be repaid by 60th month.

Vehicle Loan

HDFC Bank Limited	Loan is repayable in monthly instalments on varied dates as mentioned above.

Term Loan

Bajaj Finance Limited	During the year company has availed loan of ₹ NIL (31st March, 2018 : ₹ 5,000.00 lacs) which is at the rate of 10.25% repayable at the end of March-2021.
Kotak Mahindra Investments Limited	Loan is at the rate of ranging between 7.8 - 9% and repayable at the end of Sept. - 2021, Interest is reviewed by the lander on the half yearly basis and changes are communicated to the Company. During the year the company has repaid loan of ₹ 2,925.00 lacs (31st March, 2018 ₹ NIL) in full.

Inter Corporate Deposit

Amazon Textiles Private Limited	During the year company has availed loan of ₹ 7200.00 lacs (31st March, 2018 : ₹ NIL) and repaid ₹ 7110.96 lacs (31st March, 2018 : ₹ NIL) which is at the rate of 10% repayable on demand.

Notes to standalone financial statements for the year ended 31st March, 2019

14 Trade payables

(Amount in INR Lacs unless stated otherwise)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Total Outstanding dues of micro and small enterprise	-	-	-	-
Total Outstanding dues of creditors other than micro and small enterprise				
For goods and services	-	350.96	1,686.58	1,049.62
For land	-	1,359.78	45.07	386.64
	-	1,710.74	1,731.65	1,436.26

1. Trade payables for goods and services are non-interest bearing and are normally settled on 45-day terms
2. Based on information available with company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till 31st March, 2019. Accordingly no disclosures are required to be made under said Act.

15 Other financial liabilities

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Security deposits	-	3.16	-	-
Current maturities of non-current borrowings (Refer Note 13)	-	-	8,942.51	6,058.38
Interest accrued and due on borrowings	-	-	15.74	-
	-	3.16	8,958.25	6,058.38

16 Other liabilities

Particulars	31st March, 2019	31st March, 2018
Advances from customers (Refer Note 38)	7,742.18	404.07
Statutory dues	69.07	128.82
Other payables	2.23	0.72
	7,813.48	533.61

17 Provisions

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Provision for employee benefits				
Provision for gratuity (Refer Note 29)	86.51	63.50	11.04	6.68
Provision for leave encashment	72.64	47.23	12.13	7.66
	159.15	110.73	23.17	14.34

18 Revenue from operations

Particulars	For the year 2018-19	For the year 2017-18
Sale of products		
Commercial and residential units	21,528.39	9,567.46
Transferrable development rights	127.62	1,130.94
Other operating revenue		
Share of profit from investments in Limited Liability Partnership firms	1,665.07	1,970.36
Plot cancellation and transfer fees	29.69	6.59
Miscellaneous	31.23	130.57
	23,382.00	12,805.92

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

19 Other income

Particulars	For the year 2018-19	For the year 2017-18
Interest income	94.44	275.63
Interest from investments in Limited Liability Partnership firms	1,425.61	1,132.89
Others	104.85	1.57
	1,624.90	1,410.09

20 Cost of construction materials and components consumed

Particulars	For the year 2018-19	For the year 2017-18
Inventory at the beginning of the year	276.71	187.61
Add : Purchases	717.67	1,271.93
Less : Inventory at the end of the year	(280.17)	(276.71)
Cost of construction materials and components consumed	714.21	1,182.83

21 Changes in inventories

Particulars	For the year 2018-19	For the year 2017-18
Closing Stock		
Unsold developed plots of land and units	728.34	935.76
Construction work-in-progress	23,976.49	15,444.42
	24,704.83	16,380.18
Opening Stock		
Unsold developed plots of land and units	935.76	2,191.36
Construction work-in-progress	15,444.42	11,604.52
	16,380.18	13,795.88
Less: Expenses recovered	(1,253.25)	(294.48)
Add: Ind AS 115 Adjustment (Refer Note 38)	16,143.90	-
Decrese/(Increase) in inventories	6,566.00	(2,878.78)

22 Employee benefit expenses

Particulars	For the year 2018-19	For the year 2017-18
Salaries, allowances & bonus	974.76	807.79
Contribution to provident & other funds	72.32	59.87
Gratuity (Refer note 29)	33.83	14.62
Staff welfare expenses	62.24	46.76
	1,143.15	929.04

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

23 Finance costs*

Particulars	For the year 2018-19	For the year 2017-18
Interest on		
Inter-corporate deposits	17.49	-
Term loan from NBFC	656.48	233.15
Line of credit facility from NBFC	1,297.47	1,198.38
Vehicle loans from banks	13.35	11.22
Others	-	5.74
	1,984.79	1,448.49
Other borrowing costs	28.77	16.73
	2,013.56	1,465.22

*Net of Interest amounting to ₹ 567.22 lacs/- (31st March, 2018: ₹ 303.09 lacs) inventorised to qualifying construction work-in-progress.

24 Other expenses

Particulars	For the year 2018-19	For the year 2017-18
Repairs and maintenance		
Buildings	-	3.13
Others	18.58	26.30
Rates and taxes	330.91	56.74
Travelling expenses	53.71	54.34
Power and fuel	40.46	41.00
Advertisement	359.39	134.30
Brokerage and commission charges	107.35	52.49
Legal and professional charges	357.48	1,046.65
Secretarial expenses	63.80	90.86
Information Technology expenses	10.94	10.35
Auditors' remuneration (Refer note a)	20.10	18.58
Insurance charges	37.08	20.19
CSR expenses (Refer note b)	27.50	43.00
Loss on sale of property, plant and equipment	7.43	4.28
Rent	20.42	27.95
Miscellaneous expenses	170.47	141.44
	1,625.62	1,771.60

a. Payment to Auditors

Particulars	For the year 2018-19	For the year 2017-18
Statutory audit fees	12.80	7.25
Limited review fees	5.70	5.15
Other services	1.60	6.00
Reimbursement of expenses	-	0.18
	20.10	18.58

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

b. Details of CSR expenditure

Particulars	For the year 2018-19			For the year 2017-18		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent during the year			**27.15**			25.74
Amount spent during the year						
Construction/acquisition of any asset	**-**	**-**	**-**	-	-	-
On purposes other than above	**27.50**	**-**	**27.50**	43.00	-	43.00
Total	**27.50**	**-**	**27.50**	**43.00**	**-**	**43.00**

25 Income Tax

(a) Tax expenses

The major components of income tax expenses for the years ended 31st March, 2019 and 31st March, 2018 are :

Statement of Profit and Loss :

Particulars	For the year 2018-19	For the year 2017-18
Profit or loss section :		
Current income tax		
Current income tax charge	**-**	536.17
Deferred tax		
Relating to origination and reversal of temporary differences	**1,212.23**	4.33
Income tax expense reported in the statement of profit or loss	**1,212.23**	**540.50**
OCI section :		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	**(1.17)**	(3.41)
Income tax effect recognised in OCI	**(1.17)**	**(3.41)**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2019 and 31st March 2018:

Particulars	For the year 2018-19	For the year 2017-18
Accounting profit before income tax	**5,815.44**	3,518.52
Tax on accounting profit at statutory income tax rate 29.12% (31st March, 2018: 34.61%]	**1,693.46**	**1,217.76**
Income exempt from taxes	**(484.87)**	(681.94)
Expenses disallowed	**3.64**	4.68
Tax expense reported in the statement of profit or loss	**1,212.23**	**540.50**

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

(c) Deferred tax

Particulars	Balance sheet		Statement of profit and loss	
	31st March, 2019	31st March, 2018	**For the year 2018-19**	For the year 2017-18
a) Deferred Tax Liabilities				
Impact of difference between tax depreciation and depreciation charged for the financial reporting	**39.57**	48.84	**9.26**	(0.28)
Gross deferred tax liabilities	**39.57**	**48.84**	**9.26**	**(0.28)**
b) Deferred Tax Assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**63.21**	65.90	**2.69**	(55.86)
Income offered for tax but recognized in the books	**415.64**	-	**1,217.63**	-
Share based payments	**-**	-	**-**	56.50
Gross deferred tax assets	**478.85**	**65.90**	**1,220.32**	**0.64**
Deferred tax expense/(income)			**1,211.06**	**0.92**
Deferred tax assets/(liabilities)	**439.27**	**17.06**		

Reconciliation of deferred tax liabilities/(assets) (net):

Particulars	31st March, 2019	31st March, 2018
Opening balance as at 1st April	**17.06**	17.99
On adoption of IndAs 115 on 1st April, 2018 (Refer Note 38)	**1,633.27**	-
Deferred tax credit/(charge) during the period recognised in profit or loss	**(1,212.23)**	(4.33)
Deferred tax credit/(charge) during the period recognised in OCI	**1.17**	3.41
Closing balance as at 31st March	**439.27**	**17.06**

26 Earnings per share

Particulars	For the year 2018-19	For the year 2017-18
Earnings per share (Basic and Diluted)		
Profit after tax	**4,603.21**	2,978.02
Total number of equity shares at the end of the year	**3,52,33,550**	3,18,67,550
Weighted average number of equity shares		
For basic EPS	**3,44,79,534**	3,01,48,813
For diluted EPS	**3,54,02,860**	3,11,04,430
Nominal value of equity shares	**10.00**	10.00
Basic earnings per share	**13.35**	9.88
Diluted earnings per share	**13.00**	9.57
Weighted average number of equity shares for basic EPS	**3,44,79,534**	**3,01,48,813**
Effect of dilution: stock options granted under ESOP	**2,49,413**	3,69,717
Effect of dilution: share warrants	**6,73,913**	5,85,900
Weighted average number of equity shares adjusted for the effect of dilution	**3,54,02,860**	**3,11,04,430**

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

27 Commitments and Contingencies

a. Commitments

As at March 31, 2019 the company has given net advance ₹ 937.94 lacs (31st March, 2018: ₹ 1207.08 lacs) for purchase of land. Under the agreements executed with the land owners, the company is required to make further payments based on the agreed terms.

b. Contingent liabilities

Particulars	31st March, 2019	31st March, 2018
Disputed demands in respect of -		
Income tax	**552.98**	460.02
Gujarat VAT	**-**	3.10

Notes:

The Company has not recognized and acknowledged the claims as liability in the books of account amounting to ₹ 552.98 (31st March, 2018: ₹ 460.02 lacs) which have been made against the company by Department of Income Tax since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The final outcome of such lawsuits filed against the company is resulted in favour of company in current period and accordingly no provision in respect thereof has been made in the books of account of the company.

28 Segment Reporting

In accordance with Ind AS 108 'Operating Segment', segment information has been given in the Consolidated Financial Statements of the Company and therefore, no separate disclosure on segment information is given in the Standalone Financial Statements.

29 Disclosure pursuant to employee benefits

A. Defined contribution plans : Provident fund and employee state insurance

The company makes contribution towards employees' provident fund and employees' state insurance plan schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹ 72.32 lacs (31st March,2018: ₹ 59.87 lacs) as expense towards contributions to these plans.

B. Defined benefit plans

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a non funded plan.

31st March, 2019 : Changes in defined benefit obligation

Particulars	1st April, 2018	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	31st March, 2019
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	70.18	24.89	8.94	33.83	(10.48)	-	0.52	2.45	1.05	4.02	-	97.55
Benefit liability	**70.18**	**24.89**	**8.94**	**33.83**	**(10.48)**	**-**	**0.52**	**2.45**	**1.05**	**40.2**	**-**	**97.55**

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

31st March, 2018 : Changes in defined benefit obligation

Particulars	1st April, 2017	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	31st March, 2018
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	46.16	11.13	3.49	14.62	(0.46)	-	4.15	4.46	1.25	9.86	-	70.18
Benefit liability	**46.16**	**11.13**	**3.49**	**14.62**	**(0.46)**	**-**	**4.15**	**4.46**	**1.25**	**9.86**	**-**	**70.18**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	31st March, 2019	31st March, 2018
Discount rate	**7.47%**	7.78%
Future salary increase	**6%**	5%
Attrition rate	**7%**	5%
Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumptions is as shown below:

Gratuity

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		31st March, 2019	31st March, 2018
Gratuity			
Discount rate	1% increase	**(6.42)**	(5.34)
	1% decrease	**7.29**	6.12
Salary increase	1% increase	**7.32**	6.23
	1% decrease	**(6.56)**	(5.53)
Attrition rate	1% increase	**0.17**	0.73
	1% decrease	**(0.25)**	(0.88)

The following are the expected future benefit payments for the defined benefit plan :

Particulars	31st March, 2019	31st March, 2018
Gratuity		
Within the next 12 months (next annual reporting period)	**11.04**	6.68
2 to 5 years	**30.51**	17.98
Beyond 5 years	**42.05**	29.11
Total expected payments	**83.60**	**53.77**

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Years	
	31st March, 2019	31st March, 2018
Gratuity	**10**	13

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

30 Share-based payments

The company provides share-based payment schemes to its employees. During the year ended 31st March, 2019, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

The Company instituted an Employees Stock Option Scheme ('ESOP 2013') pursuant to the approval of the shareholders of the company at their Extraordinary General Meeting held on 8th March, 2013. As per ESOP 2013, the Company granted 10,32,972 (till 31st March, 2018: 10,32,972) options comprising equal number of equity shares in one or more tranches to the eligible employees of the company. The options under this grant would vest to the employees over a minimum period of 1 year and maximum 5 years based on continued service and certain performance parameters, with an exercise period of maximum five years from the date of respective vesting. The other relevant terms of the grant are as below:

The fair value of the share options is estimated at the grant date using Binomial Model taking into account the terms and conditions upon which the share options are granted and there are no cash settled alternatives for employees.

Expense recognised for employee services received during the year is shown in the following table:

Particulars	For the year 2018-19	For the year 2017-18
Expense arising from equity-settled share-based payment transactions	-	-
Total	-	-

* There were no cancellations or modifications to the plan during the year ended 31st March, 2019 or 31st March, 2018.

Movement during the year:
The following table illustrates the number and weighted average exercise price of share options during the year:

Particulars	31st March, 2019		31st March, 2018	
	No. of options	Weighted Avg. Ex Price (₹)	No. of options	Weighted Avg. Ex Price (₹)
Options				
Outstanding at the beginning of the year	7,39,729	41.50	10,22,972	41.50
Exercised during the year	3,66,000	41.50	2,83,243	41.50
Outstanding at the end of the year	3,73,729	41.50	7,39,729	41.50
Exercisable at the end of the year	3,73,729	41.50	7,39,729	41.50

For options exercised during the period, the weighted average share price at the exercise date was ₹ 116.02 per share (31st March, 2018: ₹ 164.59 per share). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2019 is 0.20 years (31st March, 2018: 1.96 years)

The Company instituted an Employees Stock Option Scheme ('ESOP 2016') pursuant to the approval of the shareholders of the company at their Annual General Meeting held on 23rd September, 2016. As per ESOP 2016, the Company granted 3,70,000 options comprising equal number of equity shares in one or more tranches to the eligible employees of the company. The options under this grant would vest to the employees over a minimum period of 1 year and maximum 5 years based on continued service and certain performance parameters, with an exercise period of maximum five years from the date of respective vesting.

The fair value of the share based payment options granted is determined using the binomial model using the following inputs at the grant date which takes in to account the exercise price, the term of the option, the share price at the grant date, and the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	31st March, 2019
Risk-free interest rate (%)	7.61%
Expected life (years)	5
Expected volatility	49.00%
Dividend yield	-
Share price	158.05

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

31 Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying amount		Fair value	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Financial assets measured at amortised cost				
Loans to others	**455.00**	1,280.00	**455.00**	1,280.00
Other financial assets	**6,341.49**	6,022.38	**6,341.49**	6,022.38
Total	**6,796.49**	**7,302.38**	**6,796.49**	7,302.38
Financial liabilities measured at amortised cost				
Borrowings	**17,009.22**	16,072.55	**17,009.22**	16,072.55
Trade payables	**1,731.65**	3,147.00	**1,731.65**	3,147.00
Security deposits	**8,958.25**	6,061.54	**8,958.25**	6,061.54
Total	**27,699.12**	**25,281.09**	**27,699.12**	**25,281.09**

The management assessed that the fair values of financial assets and financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

32 Fair value measurement hierarchy

The details of fair value measurement hierarchy of company's financial assets/liabilities are as below:

Particulars	Level	31st March, 2019	31st March, 2018
Assets disclosed at fair value			
Loans given	Level-2	**455.00**	1,280.00
Other financial assets	Level - 2	**6,341.49**	6,022.38
Liabilities disclosed at fair value			
Borrowings	Level - 2	**17,009.22**	16,072.55
Trade payables	Level - 2	**1,731.65**	3,147.00
Security deposits	Level - 2	**8,958.25**	6,061.54

There have been no transfers between Level 1 and Level 2 during the period.

33 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the Company seek to maintain a balance between the higher returns that might be possible with higher level of borrowings and advantages of a sound capital position.

The Company monitors capital using a net debt to equity ratio, which is as follows:

1. Equity includes equity share capital and all other equity components attributable to the equity holders.
2. Net debt includes borrowings (non-current and current) less cash and cash equivalents

Particulars	31st March, 2019	31st March, 2018
Borrowings	**17,009.22**	16,072.55
Less: Cash and cash equivalents	**(362.18)**	(226.98)
Net Debt (A)	**16,647.04**	**15,845.57**
Equity share capital	**3,523.36**	3,186.76
Other equity	**27,287.92**	26,313.90
Total Equity (B)	**30,811.28**	**29,500.66**
Net Debt to Equity Ratio (C=A/B)	**0.54**	**0.54**

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

34 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity/ real-estate risk.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2019 and 31st March, 2018. The sensitivity analysis has been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2019 and 31st March, 2018.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Interest rate. The entity's exposure to the risk of changes in Interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

The company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant for variable rate instruments. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	Changes in interest rate	Effect of profit before tax
31st March, 2019	+1%	(168.76)
	-1%	168.76
31st March, 2018	+1%	(159.03)
	-1%	159.03

2. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of following financial assets represents the maximum credit exposure.

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership. therefore, substantially eliminating the company's credit risk in this respect.

The ageing of trade receivables is as follows:

Particulars	31st March, 2019	31st March, 2018
More than 6 months	**54.94**	3689.47
Others	**4.24**	1945.88
Total receivables	**59.18**	**5635.35**

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The company's maximum exposure to credit risk for the components of the statement of financial position at 31st March, 2019 and 31st March, 2018 is the carrying amounts.

3. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the remaining contractual maturities of the company's financial liabilities at the reporting date.

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31st March, 2019					
Borrowings*	104.78	3,603.82	5,338.69	8,066.71	17,114.00
Trade payables	-	1,686.58	45.07	-	1,731.65
	104.78	**5,290.40**	**5,383.76**	**8,066.71**	**18,845.65**
Year ended 31st March, 2018					
Borrowings*	-	146.08	6,442.30	10,429.18	17,017.56
Trade payables	-	1,049.62	386.64	1,710.74	3,147.00
Other financial liabilities	-	-	-	3.16	3.16
	-	**1,195.70**	**6,828.94**	**12,143.08**	**20,167.72**

*Includes current maturities of non-current borrowings and interest accrued but not due on borrowings

35 Disclosure in respect interest in joint ventures and subsidiaries

(a) List of subsidiaries

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding	
			31st March, 2019	31st March, 2018
(i)	**Companies**			
1	Arvind Hebbal Homes Pvt. Ltd.	India	**100.00**	100.00
(ii)	**LLPs**			
1	ASL Facilities Management LLP	India	**99.00**	99.00
2	Arvind Altura LLP	India	**99.00**	99.00
3	Changodar Industrial Infrastructure (One) LLP	India	**99.00**	99.00
4	Ahmedabad Industrial Infrastructure (One) LLP	India	**99.00**	99.00
5	Ahmedabad East Infrastructure LLP*	India	**51.00**	51.00
6	Arvind Five Homes LLP	India	**99.00**	99.00
7	Arvind Infracon LLP	India	**99.00**	99.00
8	Arvind Beyond Five Club LLP	India	**99.00**	99.00
9	Yogita Shelters LLP	India	**99.79**	NIL

* Profit sharing of Arvind SmartSpaces Limited in Ahmedabad East Infrastructure LLP is 94% during 31st March, 2019 and 31st March 2018

(Amount in INR Lacs unless stated otherwise)

(b) List of joint ventures

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding	
			31st March, 2019	31st March, 2018
(i)	**LLPs**			
1	Arvind Bsafal Homes LLP	India	**50.00**	50.00
2	Arvind Integrated Projects LLP	India	**50.00**	50.00

In case of LLPs percentage of holding in the above table denotes the share of capital contribution in the LLP which is same as share of profit, unless stated otherwise.

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Arvind Bsafal Homes LLP	**Arvind Integrated Projects LLP**	**Arvind Bsafal Homes LLP**	**Arvind Integrated Projects LLP**
Assets	**301.51**	**0.52**	330.33	0.56
Liabilities	**0.18**	**0.16**	0.88	-
Income	**0.86**	**-**	2.22	-
Expense (Including depreciation and tax)	**8.98**	**0.21**	33.03	0.21
Contingent Liability	**30.30**	**-**	30.30	-
Capital Commitments to be executed	**-**	**-**	-	-

36 Issue of equity shares

During the year 2018-19, the Company has allotted 3,66,000 (2017-18: 2,83,243) equity shares of ₹ 10/- each to the eligible employee/s pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2013 (AIL ESOP 2013).

During the year 2018-19 the company has further alloted 30,00,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them of the Preferential issue made in January 2018.During the year 2017-18 the company has alloted 31,75,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them under Tranche II of the Preferential issue made in April 2016.

Consequently, the paid up equity share capital of the Company as at 31st March, 2019 stood at ₹ 35,23,35,500/- (31st March, 2018: ₹ 31,86,75,500) consisting of 3,52,33,550 (31st March, 2018: 3,18,67,550) equity shares of ₹ 10/- each.

37 Related party transactions

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the company are as follows :

A. Name of related parties and nature of relationship :

Entity name	Relationship
Arvind Hebbal Homes Pvt Ltd	Subsidiary Company
Arvind Integrated Projects LLP	Joint Venture
Arvind Bsafal Homes LLP	Joint Venture
ASL Facilities Management LLP	Subsidiary Entity (Partner in LLP)
Arvind Altura LLP	Subsidiary Entity (Partner in LLP)
Changodar Industrial Infrastructure (One) LLP	Subsidiary Entity (Partner in LLP)
Ahmedabad Industrial Infrastructure (One) LLP	Subsidiary Entity (Partner in LLP)

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Entity name	Relationship
Ahmedabad East Infrastructure LLP	Subsidiary Entity (Partner in LLP)
Arvind Five Homes LLP	Subsidiary Entity (Partner in LLP)
Arvind Infracon LLP	Subsidiary Entity (Partner in LLP)
Arvind Beyond Five Club LLP	Subsidiary Entity (Partner in LLP)
Yogita Shelters LLP	Subsidiary Entity (Partner in LLP)
Mr. Sanjay Lalbhai	Chairman & Non-Executive Director
Mr. Kamal Singal	Managing Director and Chief Executive Officer- Key Managerial Personnel
Mr. Kulin Lalbhai	Non-Executive Director
Mr. Prem Prakash Pangotra	Non-Executive Director
Mr. Pratul Shroff	Non-Executive Director
Ms. Indira Parikh	Non-Executive Director
Mr. Nirav Kalyanbhai Shah	Non-Executive Director
Mr. Mehul Shah	Chief Financial Officer - Key Managerial Personnel
Mr. Prakash Makwana	Company Secretary - Key Managerial Personnel
Mrs. Divya Mehul Shah	Relative of Key Managerial Personnel
Aura Securities Private limited	Holding Company (with effect from 2nd June, 2018)
Aura Securities Private limited	Enterprise having significant influence (Up to 1st June, 2018)
Arvind Lifestyle brands Ltd	Enterprise having significant influence by Key Management Personnel
Arvind and Smartvalue Homes LLP	Enterprise having significant influence by Key Management Personnel
Arvind Limited	Enterprise having significant influence by Key Management Personnel

B. Disclosure in respect of total amount of transactions that have been entered into with related parties :

Particulars	31st March, 2019	31st March, 2018
Remuneration		
Mr. Kamal Singal	**322.57**	201.84
Mr. Mehul Shah	**39.31**	30.88
Mr. Prakash Makwana	**28.55**	26.18
Director's Sitting Fees & Commission		
Mr. Prem Prakash Pangotra	**6.80**	6.70
Mr. Pratul Shroff	**5.80**	5.40
Ms. Indira Parikh	**5.90**	6.20
Mr. Nirav Kalyanbhai Shah	**5.90**	5.80
Revenue from operations		
Mr. Kamal Singal	**-**	155.12
Mrs. Divya Mehul Shah	**-**	39.15
Acquisition of development rights		
Arvind Limited	**-**	4,292.40
Expenses incurred		
Arvind Lifestyle Brands Ltd	**4.50**	4.31
Purchase of materials		
Arvind Limited	**37.67**	10.15

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Particulars	31st March, 2019	31st March, 2018
Reimbursement of Employee Benefit Expense		
Ahmedabad Industrial Infrastructure (One) LLP	**74.67**	60.23
Arvind Five Homes LLP	**35.77**	35.51
Ahmedabad East Infrastructure LLP	**676.10**	573.70
Arvind Infracon LLP	**200.26**	43.56
Reimbursement of expenses received (net)		
Arvind Limited	**29.95**	31.25
Arvind Bsafal Homes LLP	**0.90**	-
Arvind Infracon LLP	**98.97**	-
Interest income from Limited Liability Partnerships		
Ahmedabad East Infrastructure LLP	**424.88**	339.58
Arvind Five Homes LLP	**278.51**	248.61
Arvind Infracon LLP	**722.22**	544.69
Investments made during the year		
Ahmedabad East Infrastructure LLP	**2,735.00**	2,639.80
Ahmedabad Industrial Infrastructure (One) LLP	**397.00**	200.50
ASL Facility Management LLP	**-**	5.00
Arvind Five Homes LLP	**149.00**	1,638.00
Arvind Beyond Five Club LLP	**1.00**	57.75
Arvind Integrated Projects LLP	**-**	0.50
Arvind Infracon LLP	**1,202.50**	6,717.30
Changodar Industrial Infrastructure (One) LLP	**3.00**	-
Yogita Shelters LLP	**1,629.41**	-
Investments withdrawn during the year		
Ahmedabad East Infrastructure LLP	**1,665.00**	3,890.85
Arvind Bsafal Homes LLP	**20.00**	40.00
Arvind Five Homes LLP	**-**	753.50
Ahmedabad Industrial infrastructure (One) LLP	**-**	4.00
Arvind Infracon LLP	**287.50**	80.00
Arvind Beyond Five Club LLP	**-**	24.75
Arvind Altura LLP	**-**	1,000.00
Share of Profit/(Loss) from investments in LLP		
Ahmedabad East Infrastructure LLP	**1,668.51**	1,983.09
Arvind Bsafal Homes LLP	**(3.40)**	(12.63)
Arvind Integrated LLP	**(0.12)**	(0.10)
Preferential allotment of equity shares		
Aura Securities Pvt. Ltd.	**4,984.00**	2,609.20
Money received against share warrants		
Aura Securities Pvt. Ltd.	**498.40**	6,442.50
Exercise of share options under ESOS / ESOP		
Mr. Kamal Singal	**124.16**	59.81

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

C. Disclosure in respect of outstanding balance as at 31st March, 2019 :

Particulars	31st March, 2019	31st March, 2018
Receivables for common sharing expenses		
Ahmedabad Industrial Infrastructure (One) LLP	**160.37**	92.26
Arvind Five Homes LLP	**158.93**	116.72
Ahmedabad East Infrastructure LLP	**797.79**	995.23
Arvind Infracon LLP	**236.30**	107.05
Receivables for Interest accrued but not due		
Arvind Five Homes LLP	**658.65**	380.14
Ahmedabad East Infrastructure LLP	**1,896.08**	1,471.19
Arvind Infracon LLP	**1,261.84**	544.69
Trade Receivable		
Mrs. Divya Mehul Shah	**-**	6.88
Mr. Kamal Singal	**0.04**	-
Trade payables		
Arvind Hebbal Homes Pvt Ltd	**45.07**	45.07
Arvind Limited	**34.30**	24.39
Arvind Lifestyle Brands Limited	**-**	5.63
Arvind and Smartvalue Homes LLP	**-**	54.00
Mr. Prem Prakash Pangotra	**4.50**	4.50
Mr. Pratul Shroff	**4.50**	4.50
Ms. Indira Parikh	**4.50**	4.50
Mr. Nirav Kalyanbhai Shah	**4.50**	4.50
Mr. Kamal Singal	**130.46**	130.46
Advance to suppliers		
Arvind Limited	**12.86**	10.36
Capital Contributions (Initial and Additional)		
Ahmedabad East Infrastructure LLP	**9,273.36**	6,534.85
Arvind Bsafal Homes LLP	**159.16**	182.49
Ahmedabad Industrial Infrastructure (One) LLP	**814.44**	417.44
ASL Facility Management LLP	**26.49**	26.49
Arvind Altura LLP	**1.11**	1.11
Arvind Five Homes LLP	**2,857.80**	2,708.80
Arvind Infracon LLP	**7,553.10**	6,638.10
Changodar Industrial Infrastructure (One) LLP	**4.26**	1.26
Arvind Beyond Five Club LLP	**330.73**	329.73
Yogita Shelters LLP	**1,629.41**	-
Arvind Integrated Projects LLP	**0.28**	0.40
Investment in subsidiary company		
Arvind Hebbal Homes Private Limited	**1.00**	1.00
Money received against share warrants		
Aura Securities Pvt. Limited	-	4,485.60

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

D. Terms and conditions of transactions with related parties :

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any provision/ write-off of receivables relating to amounts owed by related parties.

2) In respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

E. Commitments with related parties :

The company has not provided any commitment to the related party as at 31st March, 2019₹ Nil (31st March, 2018: ₹ Nil)

F. Transactions with key management personnel :

Compensation of key management personnel of the Company

Particulars	31st March, 2019	31st March, 2018
Short-term employee benefits	**403.17**	258.89
Total compensation paid to key management personnel	**403.17**	**258.89**

The company creates provision for post-employment gratuity benefits based on actuarial valuation of such liability. Such an actuarial valuation is carried out on a company-level and not an individual level. Hence, expenses incurred on key management personnel during the year to this extent is not identifiable and has thus not been disclosed.

38 Disclosures for Ind AS 115

Revenue from contracts with customers:

The Company has adopted Ind AS 115 using the modified retrospective method and accordingly has provided the disclosures required by Ind AS 115 for the year ended 31st March, 2019 and the comparative information has not been disclosed. Also refer note 18.

1 Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers, which is in agreement with the contracted price.

Particulars	Note	Year Ended 31st March, 2019
Revenue from contracts with customers		
Commercial and residential units	18	21,528.39
Transferrable development rights	18	127.62
		21656.01
Other operating revenue		
Share of profit from investments in Limited Liability Partnership firms	18	1665.07
Plot cancellation and transfer fees	18	29.69
Miscellaneous	18	31.23
		1725.99
		23382.00

2 Contract balances

Particulars	Note	Year Ended 31st March, 2019	1st April, 2018
Trade and other receivables	6	**59.18**	93.43
Contract liabilities	17	**7,742.18**	16,617.74

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Trade receivables are generally on credit terms of upto 30-60 days. The decrease in trade receivables is primarily on account of improvement in collection period.

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to unsatisfied performance obligations. The outstanding balances of these accounts decreased primarily on account of deferred revenue pursuant to adoption of Ind AS 115.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year - 15,914.67

Revenue recognised in the reporting period from performance obligations satisfied in previous periods -

3 Performance obligations

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the current year **

Revenue to be recognised at a point in time - 14,352.33

** The entity expects to satisfy the performance obligations when (or as) the underlying real estate projects to which such performance obligations relate are completed. Such real estate projects are in various stages of development and are expected to be completed in the coming periods of upto four years.

4 The effect of adopting Ind AS 115 is as follows:

1 Assets/Liabilities as at 1st April, 2018

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Inventories	a	32,800.79	16,656.89	16,143.90
Trade Receivables	a	93.43	5,635.35	(5,541.92)
Deferred tax assets	b	1,650.33	17.06	1,633.27
Total assets				**12,235.25**
Liabilities				
Current liabilities - Advance from customers	a	16,617.74	404.07	16,213.67
Total liabilities				**16,213.67**
Net credit/(debit) to retained earnings				**(3,978.42)**

2 Income/Expenses for the year ended 31st March, 2019

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Income				
Revenue from operations	a	23,382.00	10,114.86	13,267.14
Expenses				
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	a	17,568.24	7,846.80	9,721.44
Tax expense - Deferred tax charge/(credit)	b	1,213.40	(4.23)	1,217.63
Tax expense - Current tax charge/(credit)	b	-	261.18	(261.18)
Profit after tax		**4,600.36**	**2,272.29**	**2,328.07**
				(1,650.35)
Impact on Earnings per share				
a. Basic - in Indian Rupees		13.35	6.60	6.75
b. Diluted - in Indian Rupees		13.00	6.43	6.57

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

3 Assets/Liabilities as at 31st March, 2019

Particulars	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Inventories	24,985.00	18,562.54	6,422.46
Trade Receivables	59.18	4,848.56	(4,789.38)
Deferred tax assets	439.27	23.64	415.63
Total assets			**2,048.71**
Liabilities			
Current liabilities - contract liabilities	7,742.18	4,043.12	3,699.06
Total liabilities			**3,699.06**
			(1,650.35)

4 Explanation of reasons for significant changes

a) The Company has deferred revenue and cost of sales as at 1st April, 2018 with respect to contracts that do not meet the revenue recognition criteria under Ind AS 115. The same has resulted in recognition of contract liabilities, recognition of inventories and trade receivables as at 1st April, 2018.

b) Represents tax effect of transitional adjustments made under Ind AS 115.

39 The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of
Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Arvind SmartSpaces Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Arvind SmartSpaces Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint ventures as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	**How our audit addressed the key audit matter**
(a) Adoption of Ind AS 115 - Revenue from Contract with Customers (Refer note 2.3 of the consolidated Ind AS financial statements)	
During the year ended March 31, 2019, the Group has adopted Ind AS 115 - Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018. The application of Ind AS 115 has impacted the Group's accounting for recognition of revenue from real estate projects and has resulted in debit to retained earnings as at April 1, 2018 by Rs. 8,034.68 lacs (net of taxes) as per the modified retrospective method. In accordance with the requirements of Ind AS 115, Group's revenue from real estate projects is recognised at a point in time, which is upon the Group satisfying its performance obligation and the customer obtaining control of the promised asset. Application of Ind AS 115, including the impact to retained earnings balance as at April 1,	As part of our audit procedures: - We have read the accounting policy for revenue recognition of the Company and assessed compliance of the policy in terms of principles enunciated under Ind AS 115. - We examined the adjustment to retained earnings balance as at April 1, 2018 in view of adoption of Ind AS 115 as per the modified retrospective method. - We obtained and understood management process and controls around transfer of control in case of real estate projects and tested the relevant controls over revenue recognition at a point in time. - We performed test of details, on a sample basis, and inspected the underlying customer contracts, sale deed and handover documents, evidencing the

2018 as per modified retrospective method, requires significant judgment in determining when 'control' of the goods or services underlying the performance obligation is transferred to the customer. As the revenue recognition involves significant judgement, we regard this as a key audit matter.	transfer of control of the asset to the customer based on which revenue is recognised at a point in time. - We assessed the the disclosures made in the consolidated Ind AS financial statements
Assessing the carrying value of Inventory (Refernote 2.3 of the consolidated Ind AS financial statements)	
As at March 31, 2019, the carrying value of the inventory of ongoing and completed real estate projects is Rs. 62,644.33 lacs. The inventories are held at the lower of the cost and net realisable value. We identified the assessment of whether carrying value of inventory were stated at the lower of cost and net realizable value ("NRV") as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole and the involvement of estimations in the assessment. The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs.	As part of our audit procedures, our procedures included the following: - Assessed the methods used by the management, in determining the NRV of ongoing and completed real estate projects. - Obtained, read and assessed the management's process in estimating the future costs to completion for stock of ongoing projects. - For sample of selected projects: • Compared the forecasted costs to complete the project to the construction costs of other similar projects. • Compared the NRV to recent sales in the project or to the estimated selling price. • Compared the carrying value to the NRV.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls 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 and its joint ventures 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 Ind AS 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 and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 and its joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 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 Matter

We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose Ind AS financial statements include total assets of Rs 11,737.91 lacs as at March 31, 2019, and total revenues of Rs 17.60 lacs and net cashinflows of Rs.116.58 lacs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 3.52 lacs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 2 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, 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.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, [based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, joint ventures, none of the directors of the Group's companies, its joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and joint ventures incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures in its consolidated Ind AS financial statements – Refer Note 27 to the consolidated Ind AS financial statements;

ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures during the year ended March 31, 2019.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: 2nd May, 2019

Annexure 2 to the Independent Auditor's Report of even date on The Consolidated Ind As Financial Statements of Arvind Smartspaces Limited

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

We have audited the internal financial controls over financial reporting of Arvind SmartSpaces Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India as of March 31, 2019 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Holding Company and its subsidiary companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, 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. 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 with reference to these consolidated financial statements 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 over financial reporting with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding 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 **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta

Partner

Membership Number: 101974

Place of Signature: Ahmedabad

Date: 2nd May, 2019

CONSOLIDATED BALANCE SHEET as at 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Notes	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current assets			
Property, plant, equipment	3.1	**962.29**	992.04
Capital work in progress		**1,411.99**	1,214.47
Intangible assets	3.2	**2.02**	2.07
Intangible assets under development		**2.29**	2.29
Investments in Joint Ventures	4	**0.28**	0.40
Financial assets			
Loans	5	**455.00**	-
Other financial assets	8	**377.23**	353.18
Deferred tax assets (net)	25	**3,115.18**	17.06
Income tax assets (net)		**452.99**	276.83
Other non-current assets	10	**46.75**	110.00
Total non-current assets		**6,826.02**	**2,968.34**
Current Assets			
Inventories	9	**62,644.33**	35,090.49
Investments in Joint Ventures	4	**159.16**	182.49
Financial assets			
Trade receivables	6	**112.60**	11,685.54
Cash and cash equivalents	7	**635.32**	607.73
Loans	5	**-**	1,280.00
Others financial assets	8	**4,633.69**	5,468.96
Other current assets	10	**2,693.50**	2,321.00
Total current assets		**70,878.60**	**56,636.21**
Total assets		**77,704.62**	**59,604.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	**3,523.36**	3,186.76
Other equity	12	**21,931.05**	26,313.22
Equity attributable to equity holders of the parent		**25,454.41**	**29,499.98**
Non-controlling interests		**1,046.03**	1,908.39
Total Equity		**26,500.44**	**31,408.37**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	**8,066.73**	10,014.17
Trade payables			
Total outstanding dues of micro enterprise and small enterprise	14	**-**	-
Total outstanding dues of creditors other than micro enterprise and small enterprise	14	**0.01**	1,874.77
Other financial liabilities	15	**-**	3.16
Long term Provisions	16	**159.15**	110.73
Deferred tax liabilities (net)	25	**0.69**	6.10
Total non-current liabilities		**8,226.58**	**12,008.93**
Current liabilities			
Financial liabilities			
Borrowings	13	**89.04**	-
Trade payables			
Total outstanding dues of micro enterprise and small enterprise	14	**-**	-
Total outstanding dues of creditors other than micro enterprise and small enterprise	14	**5,936.49**	4,764.33
Other financial liabilities	15	**9,904.65**	7,004.78
Other current liabilities	17	**26,576.00**	3,787.46
Current tax liabilities (net)		**448.25**	616.34
Short term Provisions	16	**23.17**	14.34
Total current liabilities		**42,977.60**	**16,187.25**
Total equity and liabilities		**77,704.62**	**59,604.55**
Summary of Significant Accounting Policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from contract with customers	18	**26,208.51**	19,824.63
Other income	19	**226.30**	399.44
Total Income		**26,434.81**	**20,224.07**
EXPENSES			
Land development costs/rights		**1,576.40**	10,693.67
Cost of construction materials and components consumed	20	**1,903.99**	1,850.31
Construction and labour costs		**8,914.29**	5,579.95
Changes in inventories	21	**578.03**	(10,059.02)
Employee benefits expenses	22	**2,135.89**	1,646.63
Finance costs	23	**2,126.36**	1,539.29
Depreciation and amortisation expense	3.1	**115.21**	109.39
Other expenses	24	**2,630.74**	2,499.01
Partners' Remuneration		**1,671.39**	1,518.11
Total Expenses		**21,652.30**	15,377.34
Share of profit/(loss) of joint ventures		**(3.52)**	**(12.74)**
Profit before tax		**4,778.99**	**4,833.99**
Tax expense:			
Current tax charge	25	**951.89**	1,679.47
Deferred tax charge/(credit)	25	**709.22**	10.44
Total tax expense		**1,661.11**	**1,689.91**
Profit for the year		**3,117.88**	**3,144.08**
Other Comprehensive Income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains/(losses) on defined benefit plans		**(4.02)**	(9.86)
Income tax effect		**1.17**	3.41
Total other comprehensive income for the year, net of tax		**(2.85)**	**(6.45)**
Total Comprehensive Income for the year		**3,115.03**	**3,137.63**
Profit for the year attributable to :			
Equity holders of the parent Company		**3,067.00**	3,017.50
Non-controlling interests		**50.88**	126.58
Other comprehensive income attributable to :			
Equity holders of the parent Company		**(2.85)**	(6.45)
Non-controlling interests		**-**	-
Total comprehensive income attributable to :			
Equity holders of the parent Company		**3,064.15**	3,011.05
Non-controlling interests		**50.88**	126.58
Earnings per equity share (nominal value per share ₹ 10/- (31st March 2018: ₹ 10/-))	26		
Basic		**8.90**	10.01
Diluted		**8.66**	9.70
Summary of Significant Accounting Policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of
Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

		Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
A.	**Cash flow from operating activities**			
	Profit for the year before taxation		**4,778.99**	4,833.99
	Adjustments for :			
	Share of (profit)/loss of joint ventures		**3.52**	12.74
	Depreciation and amortization expense		**115.21**	109.39
	Loss on sale of property, plant and equipment		**7.43**	4.28
	Finance cost		**2,126.36**	1,539.29
	Interest income		**(110.62)**	(275.63)
	Operating profit before working capital changes		**6,920.89**	**6,224.06**
	Adjustments for:			
	Increase/(decrease) in trade payables		**(702.62)**	(4,471.64)
	Increase in provisions		**57.25**	37.25
	Increase/(decrease) in other liabilities		**(5,418.90)**	2,725.37
	(decrease) in financial liabilities		**(3.16)**	(4.71)
	(Increase) in inventory		**1,716.87**	(8,509.88)
	Decrease in financial assets		**475.88**	244.85
	(Increase) in trade receivables		**(20.92)**	(8,648.47)
	(Increase)/Decrease in other assets		**(203.25)**	(788.01)
	Cash from / (used in) operations		**2,822.04**	(13,191.18)
	Direct taxes paid		**(1,296.14)**	(1,499.54)
	Net cash from / (used in) in operating activities	**[A]**	**1,525.90**	**(14,690.72)**
B.	**Cash flow from investing activities**			
	Investments in subsidiaries and joint ventures		**(1,151.00)**	-
	Withdrawal of additional capital contribution in joint ventures		**20.00**	39.50
	Investment in bank deposits (with original maturity of more than 12 months)		**(354.98)**	(130.00)
	Advance towards capital contribution in LLP		**-**	(250.00)
	Loan given		**(75.00)**	(269.00)
	Loans received back		**900.00**	787.86
	Purchase of property, plant and equipment		**(320.47)**	(280.27)
	Proceeds from sale of property, plant and equipment		**30.11**	15.52
	Interest received		**550.94**	-
	Net cash from / (used in) investing activities	**[B]**	**(400.40)**	**(86.39)**

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
C. Cash flow from financing activities			
Proceeds from long term borrowings		**9,878.67**	21,331.93
Repayment of long term borrowings		**(8,942.00)**	(13,728.01)
Proceeds from / (repayments of) short term borrowings		**89.05**	(874.00)
Capital contribution in LLP by minority partners		**3,629.50**	1,983.12
Withdrawal from LLP by minority partners		**(4,303.26)**	(856.06)
Finance costs paid		**(2,135.62)**	(1,600.48)
Advance against capital contribution		**(0.01)**	796.46
Money received / (issue of) equity shares against share warrants		**-**	4,806.00
Proceeds from issue of share capital through warrants & ESOPs (including securities premium)		**685.74**	2,212.34
Net cash from / (used in) financing activities	**[C]**	**(1,097.91)**	**14,071.30**
Net Increase/(Decrease) in cash and cash equivalents	**[A+B+C]**	**27.59**	(705.81)
Cash and cash equivalents at the beginning of the year		**607.73**	1,313.54
Cash and cash equivalents at the end of the year		**635.32**	**607.73**
Components of cash and cash equivalents (Refer Note 7)			
Balances with banks		**628.91**	277.37
Cash in hand		**6.41**	5.06
Cheques on hand		**-**	325.30
		635.32	**607.73**
Summary of Significant Accounting Policies	**2.3**		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

Consolidated Statement of Changes in Equity

for the year ended on 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

	Particulars	No. of shares	Amount
A.	**Equity share capital (Refer Note 11)**		
	As at 1st April, 2017	**2,84,09,307**	**2,840.93**
	Issued during the year pursuant to preferential share warrants	31,75,000	317.51
	Issued during the year pursuant to exercise of ESOP	2,83,243	28.32
	As at 31st March, 2018	**3,18,67,550**	**3,186.76**
	Issued during the year pursuant to preferential share warrants	30,00,000	300.00
	Issued during the year pursuant to exercise of ESOP	3,66,000	36.60
	As at 31st March, 2019	**3,52,33,550**	**3,523.36**

B. Other Equity

Particulars	Attributable to equity holders of the Company (Refer Note 12)						Non-controlling Interest	Total other equity
	Securities Premium	Capital Reserve	Share based Payment Reserve	Retained Earnings	Money received against share warrants	Total		
As at 1st April 2017	**9,426.57**	**38.36**	**163.25**	**6,302.99**	**698.50**	**16,629.67**	**1,654.74**	**18,284.40**
Profit for the year	-	-	-	3,017.50	-	3,017.50	126.58	3,144.08
Other comprehensive income	-	-	-	(6.45)	-	(6.45)	-	(6.45)
Total comprehensive income for the year	**9,426.57**	**38.36**	**163.25**	**9,314.04**	**698.50**	**19,640.72**	**1,781.32**	**21,422.03**
Issue of equity shares pursuant to exercise of preferential warrants and stock options	2,638.98	-	(73.98)	-	(698.50)	1,866.50	-	1,866.50
Issue of share warrants	-	-	-	-	4,806.00	4,806.00	-	4,806.00
Additional capital contribution by non controlling interests	-	-	-	-	-	-	127.07	127.07
As at 31st March, 2018	**12,065.55**	**38.36**	**89.27**	**9,314.04**	**4,806.00**	**26,313.22**	**1,908.39**	**28,221.61**
As at 1st April 2018	**12,065.55**	**38.36**	**89.27**	**9,314.04**	**4,806.00**	**26,313.22**	**1,908.39**	**28,221.61**
Profit for the year	-	-	-	3,067.00	-	3,067.00	50.88	3,117.88
Ind AS - 115 Adjustment (Refer Note 40)	-	-	-	(7,795.46)	-	(7,795.46)	(239.22)	(8,034.68)
Other comprehensive income	-	-	-	(2.85)	-	(2.85)	-	(2.85)
Total comprehensive income for the year	**12,065.55**	**38.36**	**89.27**	**4,582.73**	**4,806.00**	**21,581.91**	**1,720.05**	**23,301.96**
Issue of share warrants	-	-	-	-	(4,806.00)	4,806.00	-	(4,806.00)
Issue of equity shares pursuant to exercise of preferential warrants and stock options	5,199.78	-	(44.64)	-	-	5,155.14	-	5,155.14
Additional capital contribution by non controlling interests	-	-	-	-	-	-	(674.02)	(674.02)
As at 31st March, 2019	**17,265.33**	**38.36**	**44.63**	**4,582.73**	**-**	**21,931.05**	**1,046.03**	**22,977.08**

Summary of Significant Accounting Policies **2.3**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

Notes to consolidated financial statements for the year ended 31st March, 2019

1. Corporate Information

The consolidated financial statements comprise financial statements of Arvind SmartSpaces Limited ("Company" or "ASL") and its subsidiaries (collectively, the Group) for the year ended 31st March 2019. The Company is a public company domiciled in India and is incorporated on 26th December, 2008 under the provisions of the Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The registered office of the group is located at 24, Government Servant society, Nr Municipal Market, CG road, Navrangpura, Ahmedabad – 380009.

The Group is engaged in the development of real estate comprising of residential, commercial and industrial projects.

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on May 02, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below. Specifically, the Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described in note no. 40. There were several other new and amendments to standards and interpretations which are applicable for the first time in 2018, but either not relevant or do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities measured at fair value at the end of each reporting period, as explained in the accounting policies below. The consolidated financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

Changes in Accounting Policies and Disclosures

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below.

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing requirements of recognition of revenue. The application of Ind AS 115 have impacted the Group's accounting for revenue from real estate projects.

The Group has applied the modified retrospective approach to all contracts as of April 1, 2018 and has given impact of application of Ind AS 115 by debit to retained earnings and non-controlling interest as at the said date by Rs.8034.68 lacs (net of tax). Accordingly, the comparatives have not been restated and hence not comparable with previous period figures. The impact of application of Ind AS 115 for the year ended March 31, 2019 is as detailed in note 40.

2.2 Basis of consolidation

Subsidiaries are all 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 the 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 and are de-consolidated from the date that control ceases.

Consolidation procedure:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d. The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

e. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated balance sheet and consolidated statement of changes in equity, respectively.

2.3 Summary of Significant Accounting Policies

a. Business combination

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

b. Investment in Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an

Arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture is eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in joint venture, the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the consolidated statement of profit and loss. The financial statements of the joint venture is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

d. Current versus non-current classification

The Group presents assets and liabilities in the consolidated 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.

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

The Group's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

e. Property, Plant and Equipment

Property, plant and equipment, are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

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.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

f. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment are provided on straight line method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013.

Category of Asset	Useful Lives (in years)
Buildings	60
Equipments	15
Furniture and Fixtures	10
Office Equipments	5
Computer	3
Vehicle	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a written down value basis over a period of three years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when asset is derecognized.

h. Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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 capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to consolidated statement of profit and loss.

i. Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the consolidated statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii. Finished goods – unsold flats and plots: Valued at lower of cost and net realizable value.

iii. Construction material: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

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.

j. Land

Advances paid by the Group to the seller/ intermediary towards outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to The group, whereupon it is transferred to land stock under inventories.

Land/ development rights received under joint development arrangements ('JDA') is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The amount of non-refundable deposit paid by the Group under JDA is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress. Further, the amount of refundable deposit paid by the group under JDA is recognized as deposits under loans.

k. Revenue from contracts with customers

(i) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration and adjusted for discounts, if any, as specified in the contract with the customer. The Group presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration and the existence of significant financing components, if any.

Notes to consolidated financial statements for the year ended 31st March, 2019

Revenue from real estate development of residential or commercial unit is recognised at the point in time, when the control of the asset is transferred to the customer.

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Group as a single performance obligation, as they are highly interrelated/ interdependent.

The performance obligation in relation to real estate development is satisfied upon completion of project work and transfer of control of the asset to the customer.

For contracts involving sale of real estate unit, the Group receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Group under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Group has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the Group undertakes to develop properties on such land and in lieu of land owner providing land, the Group has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

(ii) Contract balances

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

Trade receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

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

(iii) Cost to obtain a contract

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The Group incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

(iv) Share in profit/ loss of Limited liability partnerships ("LLPs") and partnership firm

The Company's share in profits from LLPs and partnership firm, where the Company is a partner, is recognised as income in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Company in accordance with the terms of contract between the Company and the partnership entity.

(v) Interest income

Interest income, including income arising from other financial instruments measured at amortised cost, is recognised using the effective interest rate method.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

l. Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund, Employee State Insurance is defined contribution schemes (collectively the 'Schemes'). The Group has no obligation, other than the contribution payable to the schemes. The Group recognizes contribution payable to the schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its consolidated balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to consolidated statement of profit and loss. As required under Ind AS compliant Schedule III, the Group recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss. The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

m. Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the consolidated statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

I. **Current income tax -** Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

II. **Deferred income tax -** Deferred income tax is recognized using the balance sheet approach, 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.

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 income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to consolidated financial statements for the year ended 31st March, 2019

n. Share based payment

Employees (including senior executives) of the Group receives remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and the cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and The Group's best estimate of the number of equity instruments that will ultimately vest. The consolidated statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

o. Segment reporting

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

p. Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only 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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

q. Financial Instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in consolidated statement of profit and loss.

iii. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables

iv. Equity investment in subsidiaries and joint ventures

Investment in subsidiaries and joint ventures are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

vii. 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.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the consolidated statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ix. De-recognition of financial liability

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 consolidated statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

r. Impairment

a. Financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and /or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b. Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

s. Earnings per Share

Basic earnings per share 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.

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

t. Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances 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.

(a) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Classification of property

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the group develops and intends to sell before or during the course of construction or upon completion of construction.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates 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.

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

a) Identification of performance obligation

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Group as a single performance obligation, as they are highly interrelated/ interdependent. In assessing whether performance obligations relating to sale of undivided share of land and constructed area are highly interrelated/ interdependent, the Group considers factors such as:

- whether the customer could benefit from the undivided share of land or the constructed area on its own or together with other resources readily available to the customer.
- whether the entity will be able to fulfil its promise under the contract to transfer the undivided share of land without transfer of constructed area or transfer the constructed area without transfer of undivided share of land.

b) Timing of satisfaction of performance obligation

Revenue from sale of real estate units is recognised when (or as) control of such units is transferred to the customer. The entity assesses timing of transfer of control of such units to the customers as transferred over time if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If control is not transferred over time as above, the entity considers the same as transferred at a point in time.

For contracts where control is transferred at a point in time, the Group considers the following indicators of the transfer of control of the asset to the customer:

- When the entity obtains a present right to payment for the asset.
- When the entity transfers legal title of the asset to the customer.
- When the entity transfers physical possession of the asset to the customer.
- When the entity transfers significant risks and rewards of ownership of the asset to the customer.
- When the customer has accepted the asset.

c) Significant financing component

For contracts involving sale of real estate unit, the Group receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Group under the

Notes to consolidated financial statements for the year ended 31st March, 2019

contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Group has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

2.4 Standards issued but not yet effective

The amendment to standard issued up to the date of issuance of the Group's financial statements, but not yet effective as of the date of the Group's financial statements is disclosed below. The Group intends to adopt the amendment to standard when it becomes effective.

a) The below amendments have also became effective for the Group from Financial Year beginning April 1, 2018. However, the management has evaluated and determined that the adoption of these amendments will not have any material impact on the financial statements since there are no such transactions or the Group's existing policies are aligned to these amendments:

a. Amendment to Ind AS 12 Income Taxes – regarding recognition of deferred tax assets on unrealised losses

b. Applying Appendix B of Ind AS 21 The Effects of Changes in Foreign Exchange Rates

c. Amendment to Ind AS 28 Investments in Associates and Joint Ventures

d. Amendment to Ind AS 40 Investment Property - regarding transfer of investment property

e. Amendment to Ind AS 112 Disclosure of Interests in Other Entities – regarding disclosure requirements

b) Standards issued but not yet effective

Ind AS 116 – Leases

The new lease standard requires lessees to recognize assets and liabilities for most leases on their balance sheets. Lessees applying Ind AS 116 will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. The new standard will be applicable from the financial year beginning April 1, 2019, with limited early application permitted. The Group intends to adopt these standards from 1 April 2019. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its consolidated Financial Statements.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

3.1 Property Plant and Equipment

	Buildings	Equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
Cost or valuation							
At 1st April, 2017	**504.02**	**225.45**	**106.31**	**13.39**	**39.03**	**208.46**	**1,096.66**
Additions	-	11.99	7.61	0.44	7.52	94.56	122.12
Disposals	-	22.73	1.14	0.68	0.62	9.41	34.58
At 31st March, 2018	**504.02**	**214.71**	**112.78**	**13.15**	**45.93**	**293.61**	**1,184.20**
Additions	-	29.01	56.28	0.87	22.20	13.38	121.74
Disposals	-	6.52	10.08	0.70	6.19	26.64	50.85
At 31st March, 2019	**504.02**	**237.20**	**158.26**	**13.32**	**61.94**	**280.35**	**1,255.09**
Depreciation and impairment							
At 1st April, 2017	**17.50**	**23.56**	**17.96**	**2.11**	**14.57**	**24.02**	**99.72**
Depreciation for the year	17.50	24.41	18.83	2.77	11.74	31.96	107.21
Deductions	-	9.06	0.02	0.09	0.21	5.39	14.77
At 31st March, 2018	**35.00**	**38.91**	**36.77**	**4.79**	**26.10**	**50.59**	**192.16**
Depreciation for the year	17.50	21.59	21.70	2.60	11.71	38.85	113.95
Deductions	-	1.11	0.71	0.32	2.61	8.56	13.31
At 31st March, 2019	**52.50**	**59.39**	**57.76**	**7.07**	**35.20**	**80.88**	**292.80**
Net book value							
At 31st March, 2019	**451.52**	**177.81**	**100.50**	**6.25**	**26.74**	**199.47**	**962.29**
At 31st March, 2018	**469.02**	**175.80**	**76.01**	**8.36**	**19.83**	**243.02**	**992.04**

3.2 Intangible assets

	Software	Total
Cost		
At 1st April, 2017	**7.25**	**7.25**
Additions	-	-
Disposals	-	-
At 31st March, 2018	**7.25**	**7.25**
Additions	1.21	1.21
Disposals	-	-
At 31st March, 2019	**8.46**	**8.46**
Amortisation and impairment		
At 31st March, 2017	**3.00**	**3.00**
Amortisation for the year	2.18	2.18
At 31st March, 2018	**5.18**	**5.18**
Amortisation for the year	1.26	1.26
At 31st March, 2019	**6.44**	**6.44**
Net book value		
At 31st March 2019	**2.02**	**2.02**
At 31st March 2018	**2.07**	**2.07**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

4 Investments in joint ventures (accounted for using equity method)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Unquoted (carried at cost)				
In capital of Limited Liability Partnership firms (joint ventures)				
Arvind Bsafal Homes LLP	-	-	159.16	182.49
Arvind Integrated Projects LLP	0.28	0.40	-	-
Total investments	**0.28**	**0.40**	**159.16**	**182.49**
Aggregate value of unquoted investments	**0.28**	**0.40**	**159.16**	**182.49**

5 Loans (at amortised cost)
(Unsecured, considered good)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Loans to others	455.00	-	-	1,280.00
	455.00	**-**	**-**	**1,280.00**

6 Trade receivables
(Unsecured, considered good)

Particulars	31st March, 2019	31st March, 2018
Trade receivables	69.25	11,010.91
Trade receivables from related parties (Refer note 39)	43.35	674.63
	112.60	**11,685.54**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

7 Cash and cash equivalents

Particulars	31st March, 2019	31st March, 2018
Balances with banks:		
- On current accounts	628.91	277.37
Cheques on hand	-	325.30
Cash in hand	6.41	5.06
	635.32	**607.73**

8 Other financial assets (at amortised cost)
(Unsecured, considered good)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Security deposits	240.09	223.18	-	-
Interest accrued	7.14	-	80.77	528.23
Unbilled revenue	-	-	-	463.95
Advance towards capital contribution in Limited Liability Partnership firm	-	-	-	250.00
Loan given to partners (repayable on demand)	-	-	3,369.46	3,369.46
Advance for land, recoverable in cash	-	-	787.94	787.94
Bank deposits with original maturity of more than 12 months	130.00	130.00	354.98	-
Others	-	-	40.54	69.38
	377.23	**353.18**	**4,633.69**	**5,468.96**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

9 Inventories (At lower of cost and net realisable value)

Particulars	31st March, 2019	31st March, 2018
Construction work-in-progress	**61,449.54**	33,799.72
Unsold developed plots of land and units	**728.34**	935.77
Construction materials	**466.45**	355.00
	62,644.33	**35,090.49**

10 Other assets

(Unsecured, considered good)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Prepaid expenses	**29.92**	93.42	**119.91**	86.85
Advances recoverable in cash or kind or for value to be received	**-**	-	**1,303.65**	267.91
Balance with government authorities	**-**	-	**989.37**	1,178.34
Advance for land*	**15.53**	15.53	**254.10**	774.12
Others advances	**1.30**	1.05	**26.47**	13.78
	46.75	**110.00**	**2,693.50**	**2,321.00**

* Advance for land though unsecured, are considered good as the advances have been given based on arrangement/memorandum of understanding executed by the group and the group/seller/intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation.

11 Equity share capital

Particulars	31st March, 2019	31st March, 2018
(a) Authorised		
5,00,00,000 (31st March, 2018 : 5,00,00,000) equity shares of ₹10/- each (P.Y. ₹ 10/-)	**5,000.00**	5,000.00
(b) Issued, subscribed and fully paid-up		
3,52,33,550 (31st March, 2018 : 3,18,67,550) equity shares of ₹ 10/- each (P.Y. ₹ 10/-)	**3,523.36**	3,186.76

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	31st March, 2019		31st March, 2018	
	No. of shares	Amount	No. of shares	Amount
Outstanding at beginning of the year	**3,18,67,550**	**3,186.76**	2,84,09,307	2,840.93
Add :				
Exercise of share options under ESOS / ESOP	**3,66,000**	**36.60**	2,83,243	28.32
Shares issued pursuant to preferential share warrants	**30,00,000**	**300.00**	31,75,000	317.51
Outstanding at end of the year	**3,52,33,550**	**3,523.36**	**3,18,67,550**	**3,186.76**

(d) Terms / rights attached to the equity shares

(i) The company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of director is subject to the approval of the shareholders in the ensuing Annual General meeting.

(ii) In the event of liquidation of the company the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

(iii) During the year, company has allotted 30,00,000 equity shares of ₹ 10/- each at a premium of ₹ 168/- each pursuant to conversation of the warrants issued and allotted earlier on preferential basis to the promoter and promoter group entities.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

(e) Number of shares held by holding Company and holding more than 5% shares in the company

Name of the shareholder	31st March, 2019		31st March, 2018	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of ₹ 10 each fully paid				
Aura Securities Private Limited	**1,87,12,646**	**53.11%**	1,59,12,646	49.93%

(f) Shares reserved for issue under options

Refer note 30 for details of shares to be issued under options.

12 Other equity

Particulars	31st March, 2019	31st March, 2018
(a) Securities Premium		
Balance at the beginning of the year	**12,065.55**	9,426.57
Add : Received during the year on issue of equity shares	**5,199.78**	2,638.98
Balance at the end of the year	**17,265.33**	**12,065.55**
(b) Share Based Payment Reserve		
Balance at the beginning of the year	**89.27**	163.25
Less : Transferred to securities premium on exercise of stock options	**(44.64)**	73.98
Balance at the end of the year	**44.63**	**89.27**
(c) Surplus in the statement of profit and loss		
Balance at the beginning of the year	**9,314.04**	6,302.99
Less: Impact of IndAS - 115 (refer Note 40)	**(7,795.46)**	-
Add: Profit for the year	**3,067.00**	3,017.50
Add : Other comprehensive income for the year	**(2.85)**	(6.45)
Balance at the end of the year	**4,582.73**	**9,314.04**
(d) Capital reserve (arising on consolidation)	**38.36**	38.36
(e) Money received against share warrants	**-**	4,806.00
	21,931.05	**26,313.22**

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

Capital Reserve

Capital reserve on consolidation represents excess of fair value of net assets acquired over consideration paid.

Notes to consolidated financial statements for the year ended 31st March, 2019

13 Borrowings (at amortized cost)

(Amount in INR Lacs unless stated otherwise)

Particulars	Effective Rate of Interest	Maturity	31st March, 2019	31st March, 2018
Non-current borrowings				
Line of credit facility from NBFC (Secured)	HDFC CPLR minus 655 bps	2016-2021	**11,900.68**	8,015.30
Vehicle loans from banks (Secured)	9-10%	2014-2023	**132.89**	169.75
Term loans (Unsecured)	10.25%	2021	**4,975.65**	7,887.50
Total			**17,009.22**	**16,072.55**
Less : Current maturities - term loans from NBFC disclosed under the head "Other current financial liabilities"	HDFC CPLR minus 655 bps	2016-2021	**(8,900.68)**	(6,015.29)
Less : Current maturities - loans from banks disclosed under the head "Other current financial liabilities"	9-10%	2014-2023	**(41.81)**	(43.09)
Total			**8,066.73**	**10,014.17**
Current borrowings				
Inter-corporate deposits repayable on demand (Unsecured)	10%	On demand	**89.04**	-
Total			**89.04**	**-**

Nature of Security

1. The line of credit facility amounting to ₹ 11,900.68 lacs (31st March, 2018 : ₹ 8,015.29 lacs) from HDFC Limited is secured by first mortgage of project land named "Arvind Sporcia" bearing Revenue Survey Nos. 89/6, 90/1 and 90/2 all situated at Rachenahalli village, Krishnarajapuram Hobli, Bangalore East with the development with thereon- present and future and further secured by unsold units of "Arvind Citadel" project being developed on Plot no. 162, TPS 20, City Survey no. 555, Behind Super Mall, off C G Road, Navrangpura, Ahmedabad along with undivided share in land , further secured by unsold units of "Arvind Expansia" project being developed on Survey No. 55, Mahadevapura village, Krishnarajapuram Hobli, Whitefield Road, Bangalore along with undivided share in land and further secured by first mortgage pf project land named "Arvind Skylands" bearing Revenue Survey Nos. 40, 45/2B, & 45/2C, Jakkur Main Road, Shivanahalli, GKVK layout, Yelahanka Hobli, Bangalore along with construction thereon and together all rights appurtenant thereto.
2. Vehicle loans amounting to ₹ 132.89 lacs (31st March, 2018 : ₹ 169.75 lacs) are secured by vehicles.
3. Total term loan outstanding of ₹ 4975.65 lacs is secured against residential land at project owned by subsidiary. During the year, the Group has repaid loan amounting to ₹ 2925.00 lacs which was secured against pledged equity shares held by Aura Securities Private Limited

Terms of Repayment of Loans

Secured Loan

Line of Credit Facility

HDFC Limited	The Company will ensure at least 30% of sales receivable towards the principal repayment from the date of first disbursement; this percentage will be reviewed subsequently every quarter and will be mutually modified with company as per progress of work. However, the maximum principal of the loan will not exceed ₹ 2,000.00 lacs at the end of 48th month and will be repaid by 60th month.
Vehicle Loan	
HDFC Bank Limited	Loan is repayable in monthly instalments on varied dates as mentioned above.
Term Loan	
Bajaj Finance Limited	During the year company has availed loan of ₹ NIL (31st March, 2018 : ₹ 5,000.00 lacs) which is at the rate of 10.25% repayable at the end of March-2021.
Kotak Mahindra Investments Limited	Loan is at the rate of ranging between 7.8 - 9% and repayable at the end of Sept. - 2021, Interest is reviewed by the lander on the half yearly basis and changes is communicated to Group. During the year Group has repaid loan of ₹ 2,925.00 lacs (31st March, 2018 ₹ NIL) in full.
Inter Corporate Deposit	
Amazon Textiles Private Limited	During the year company has availed loan of ₹ 7200.00 lacs (31st March, 2018 : ₹ NIL) and repaid ₹ 7110.96 lacs (31st March, 2018 : ₹ NIL) which is at the rate of 10% repayable on demand.

Notes to consolidated financial statements for the year ended 31st March, 2019

14 Trade payables

(Amount in INR Lacs unless stated otherwise)

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Total outstanding dues of micro and small enterprise	-	-	-	-
Total outstanding dues of creditors other then micro and small enterprise	-	-	-	-
For goods and services	0.01	515.00	3,062.50	1,456.75
For land	-	1,359.77	2,873.99	3,307.58
	0.01	1,874.77	5,936.49	4,764.33

1. Trade payables for goods and services are non-interest bearing and are normally settled on 45-day terms
2. Based on information available with Group, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till 31st March, 2019. Accordingly no disclosures are required to be made under said Act.

15 Other financial liabilities

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Security deposits	-	3.16	-	-
Current maturities of non-current borrowings (Refer Note 13)	-	-	8,942.50	6,058.38
Interest accrued and due	-	-	15.74	-
Advances against capital contribution	-	-	946.41	946.40
	-	3.16	9,904.65	7,004.78

16 Provisions

Particulars	Non current portion		Current portion	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Provision for employee benefits				
Provision for gratuity (Refer Note 29)	86.51	63.50	11.04	6.68
Provision for leave encashment	72.64	47.23	12.13	7.66
	159.15	110.73	23.17	14.34

17 Other current liabilities

Particulars	31st March, 2019	31st March, 2018
Advances from customers	26,482.79	3,634.51
Statutory dues	87.98	145.90
Other payables	5.23	7.05
	26,576.00	3,787.46

18 Revenue from operations

Particulars	For the year 2018-19	For the year 2017-18
Sale from contract with customers		
Commercial and residential units	26,014.40	18,544.51
Transferrable development rights	127.62	1,130.94
Other operating revenue		
Plot cancellation and transfer fees	31.29	16.34
Miscellaneous	35.20	132.84
	26,208.51	19,824.63

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

19 Other income

Particulars	For the year 2018-19	For the year 2017-18
Interest income	110.62	275.63
Others	115.68	123.81
	226.30	399.44

20 Cost of construction materials and components consumed

Particulars	For the year 2018-19	For the year 2017-18
Inventory at the beginning of the year	355.00	303.13
Add : Purchases	2,015.45	1,902.18
Less : Inventory at the end of the year	(466.46)	(355.00)
Cost of construction materials and components consumed	1,903.99	1,850.31

21 Changes in inventories

Particulars	For the year 2018-19	For the year 2017-18
Closing Stock		
Unsold developed plots of land and units	728.34	935.76
Construction work-in-progress	61,449.54	33,799.72
	62,177.88	34,735.48
Opening Stock		
Unsold developed plots of land and units	935.76	2,191.36
Construction work-in-progress	33,799.72	24,317.95
	34,735.48	26,509.31
Less : Development rights renounced back to sellers at cost	-	(1,538.37)
Less: Expenses recovered	(1,253.25)	(294.48)
Add : Land development rights acquired on acquisition of Yogita Shelters LLP	1,320.85	-
Add: Ind AS 115 Adjustment (refer Note 40)	27,952.83	-
Decrease / (Increase) in inventories	578.03	(10,059.02)

22 Employee benefit expenses

Particulars	For the year 2018-19	For the year 2017-18
Salaries, allowances & bonus	1,961.55	1,520.79
Contribution to provident & other funds	72.32	59.87
Gratuity (Refer note 29)	33.83	14.62
Staff welfare expenses	68.19	51.35
	2,135.89	1,646.63

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

23 Finance costs*

Particulars	For the year 2018-19	For the year 2017-18
Interest on		
Inter-corporate deposits	**17.49**	-
Term loan from NBFC	**656.48**	233.15
Line of credit facility from NBFC	**1,297.47**	1,198.38
Vehicle loans from banks	**13.35**	11.22
Others	**112.80**	79.63
	2,097.59	**1,522.38**
Other borrowing costs	**28.77**	16.91
	2,126.36	**1,539.29**

*Gross of interest amounting to ₹ 1992.83 lacs (P.Y. ₹ 1,509.86 lacs) inventorised to qualifying construction work-in-progress.

24 Other expenses

Particulars	For the year 2018-19	For the year 2017-18
Repairs and maintenance		
Buildings	**-**	3.13
Others	**20.21**	28.47
Rates and taxes	**349.10**	65.77
Travelling expenses	**78.30**	63.47
Power and fuel	**92.39**	84.53
Advertisement	**857.36**	299.22
Brokerage and commission charges	**123.93**	77.20
Legal and professional charges	**632.02**	1,422.23
Secretarial expenses	**64.01**	91.71
Information Technology expenses	**12.59**	11.45
Auditors' remuneration (Refer note a)	**28.53**	25.13
Insurance charges	**45.43**	30.93
CSR expenses (Refer note b)	**27.50**	43.00
Loss on sale of property, plant and equipment	**7.43**	4.28
Rent	**20.42**	28.61
Miscellaneous expenses	**271.52**	219.88
	2,630.74	**2,499.01**

a. Payment to Auditors

Particulars	For the year 2018-19	For the year 2017-18
Statutory audit fees	**21.23**	13.59
Limited review fees	**5.70**	5.15
Other services	**1.60**	6.00
Reimbursement of expenses	**-**	0.39
	28.53	**25.13**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

b. Details of CSR expenditure

Particulars	For the year 2018-19			For the year 2017-18		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent during the year			**27.15**			25.74
Amount spent during the year						
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than above	27.50	-	27.50	43.00	-	43.00
Total	**27.50**	**-**	**27.50**	**43.00**	**-**	**43.00**

25 Income Tax

(a) Tax expenses

The major components of income tax expenses for the years ended 31st March, 2019 and 31st March, 2018 are :

Statement of Profit and Loss :

Particulars	For the year 2018-19	For the year 2017-18
Profit or loss section :		
Current income tax		
Current income tax charge	951.89	1,679.47
Deferred tax		
Relating to origination and reversal of temporary differences	709.22	10.44
Income tax expense reported in the statement of profit or loss	**1,661.11**	**1,689.91**
OCI section :		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(1.17)	(3.41)
Income tax effect recognised in OCI	**(1.17)**	**(3.41)**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2019 and 31st March 2018:

Particulars	For the year 2018-19	For the year 2017-18
Accounting profit before income tax	4,778.99	4,833.99
Tax on accounting profit at statutory income tax rate 29.12% (31st March, 2018: 34.61%]	**1,391.64**	**1,673.04**
On account of different tax rate in subsidiaries	71.27	-
On account of unabsorbed losses in subsidiaries	193.24	-
Expenses disallowed	3.64	4.68
Others	1.33	12.19
Tax expense at an effective tax rate of 29.12% (31st March, 2018: 34.96%)	**1,661.11**	**1,689.91**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

(c) Deferred tax

Particulars	Balance sheet		Statement of profit and loss	
	31st March, 2019	31st March, 2018	**For the year 2018-19**	For the year 2017-18
a) Deferred Tax Liabilities				
Impact of difference between tax depreciation and depreciation charged for the financial reporting	**45.19**	17.06	**(28.13)**	31.50
Gross deferred tax liabilities	**45.19**	**17.06**	**(28.13)**	**31.50**
b) Deferred Tax Assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**63.21**	28.02	**(35.19)**	(17.97)
IndAS 115 Adjustment (Refer Note 40)	**3,096.47**	-	**715.11**	-
Share based payments	-	-		56.50
Gross deferred tax assets	**3,159.68**	**28.02**	**679.92**	**38.53**
Deferred tax expense/(income)			**708.05**	7.03
Deferred tax assets/(liabilities)	**(3,114.49)**	**(10.96)**		

Reconciliation of deferred tax liabilities/(assets) (net):

Particulars	31st March, 2019	31st March, 2018
Opening balance as at 1st April	**10.96**	17.99
On adoption of Ind AS 115 on 1st April 2018 (Refer Note 40)	**3,811.58**	-
Deferred tax credit/(charge) during the period recognised in profit or loss	**(709.22)**	(10.44)
Deferred tax credit/(charge) during the period recognised in OCI	**1.17**	3.41
Closing balance as at 31st March	**3,114.49**	**10.96**

26 Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year 2018-19	For the year 2017-18
Earnings per share (Basic and Diluted)		
Profit after tax attributable to equity holders of the parent	**3,067.00**	3,017.50
Total number of equity shares at the end of the year	**3,52,33,550**	3,18,67,550
Weighted average number of equity shares		
For basic EPS	**3,44,79,534**	3,01,48,813
For diluted EPS	**3,54,02,860**	3,11,02,096
Nominal value of equity shares	**10.00**	10.00
Basic earnings per share	**8.90**	10.01
Diluted earnings per share	**8.66**	9.70
Weighted average number of equity shares for basic EPS	**3,44,79,534**	**3,01,48,813**
Effect of dilution: stock options granted under ESOP	**2,49,413**	3,69,717
Effect of dilution: share warrants	**6,73,913**	5,85,900
Weighted average number of equity shares adjusted for the effect of dilution	**3,54,02,860**	**3,11,04,430**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

27 Commitments and Contingencies

a. Commitments

As at March 31st, 2019 the Group has given ₹ 1,068.51 lacs (31st March, 2018: ₹ 1,577.59 lacs) as advances for purchase of land, under the agreements executed with the land owners. The Group is required to make further payments based on the agreed terms. As at 31st March, 2019, one of the subsidiaries has ₹ 3,369.46 lacs (31st March, 2018 : ₹ 3,369.46 lacs) outstanding as interest free loan given to its Land Managing Partners.

b. Contingent liabilities

Particulars	31st March, 2019	31st March, 2018
Disputed demands in respect of -		
Income Tax (Refer note a)	**552.98**	460.02
Gujarat VAT	**-**	3.10
Excise (Refer note b)	**4.90**	4.90
Service Tax (Refer note b)	**6.80**	6.80
Others	**0.72**	0.72

Notes:

a. The Group has not recognized and acknowledged the claims as liability in the books of account amounting to ₹ 552.98 (31st March, 2018: ₹ 460.02 lacs) which have been made against the Group by Department of Income Tax since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The final outcome of such lawsuits filed against the Group is resulted in favour Group in current period and accordingly no provision in respect thereof has been made in the books of account of the Group.

b. The Group has not recognized and acknowledged the claims as liability in the books of account amounting to ₹ 11.70 lacs (31st March, 2018: ₹ 11.70 lacs) which have been made against the Group by Department of Central Board of Excise and Customs since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The final outcome of such lawsuits filed against the Group is not presently ascertained and accordingly no provision in respect thereof has been made in the books of account of the Group.

28 Segment Reporting

The Group is primarily engaged in the development of real estate comprising of residential, commercial and industrial projects. Group's performance for operation as defined in Ind AS 108 are evaluated as a whole by chief operating decision maker ('CODM') of the Group based on which development of real estate activities are considered as a single operating segment. The Group reports geographical segment which is based on the areas in which major operating divisions of the Group operate and the entire operations are based only in India. During the year 2017-18 and 2018-19 , no single external customer has generated revenue of 10% or more of the Group's total revenue.

29 Disclosure pursuant to employee benefits

A. Defined contribution plans : Provident fund and employee state insurance

The Group makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Group is required to contribute a specified percentage of payroll costs. The Group during the year recognized ₹ 72.32 lacs (31st March, 2017: ₹ 59.87 lacs) as expense towards contributions to these plans.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

B. Defined benefit plans

(a) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a non funded plan.

31st March, 2019 : Changes in defined benefit obligation

Particulars	1st April, 2018	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	31st March, 2019
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	70.18	24.89	8.94	33.83	(10.47)	-	0.52	2.45	1.05	4.02	-	97.55
Benefit liability	**70.18**	**24.89**	**8.94**	**33.83**	**(10.47)**	**-**	**0.52**	**2.45**	**1.05**	**4.02**	**-**	**97.55**

31st March, 2018 : Changes in defined benefit obligation

Particulars	1st April, 2017	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	31st March, 2018
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	46.16	11.13	3.49	14.62	(0.46)	-	4.15	4.46	1.25	9.86	-	70.18
Benefit liability	**46.16**	**11.13**	**3.49**	**14.62**	**(0.46)**	**-**	**4.15**	**4.46**	**1.25**	**9.86**	**-**	**70.18**

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	**31st March, 2019**	31st March, 2018
Discount rate	**7.47%**	7.78%
Future salary increase	**6%**	5%
Attrition rate	**7%**	5%
Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)

(Amount in INR Lacs unless stated otherwise)

A quantitative sensitivity analysis for significant assumptions is as shown below:

Gratuity

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		31st March, 2019	31st March, 2018
Gratuity			
Discount rate	1% increase	**(6.42)**	(5.34)
	1% decrease	**7.29**	6.12
Salary increase	1% increase	**7.32**	6.23
	1% decrease	**(6.56)**	(5.53)
Attrition rate	1% increase	**0.17**	0.73
	1% decrease	**(0.25)**	(0.88)

The following are the expected future benefit payments for the defined benefit plan :

Particulars	**31st March, 2019**	31st March, 2018
Gratuity		
Within the next 12 months (next annual reporting period)	**11.04**	.68
2 to 5 years	**30.51**	17.98
Beyond 5 years	**42.05**	29.11
Total expected payments	**83.60**	**53.77**

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Years	
	31st March, 2019	31st March, 2018
Gratuity	**10**	13

30 Share-based payments

The Group provides share-based payment schemes to its employees. During the year ended 31st March, 2019, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

The Group instituted an Employees Stock Option Scheme ('ESOP 2013') pursuant to the approval of the shareholders of the Group at their Extraordinary General Meeting held on 8th March, 2013. As per ESOP 2013, the Group granted 10,32,972 (till 31st March, 2018: 10,32,972) options comprising equal number of equity shares in one or more tranches to the eligible employees of the Group. The options under this grant would vest to the employees over a minimum period of 1 year and maximum 5 years based on continued service and certain performance parameters, with an exercise period of maximum five years from the date of respective vesting. The other relevant terms of the grant are as below:

The fair value of the share options is estimated at the grant date using Binomial Model taking into account the terms and conditions upon which the share options are granted and there are no cash settled alternatives for employees.

Expense recognised for employee services received during the year is shown in the following table:

Particulars	**For the year 2018-19**	For the year 2017-18
Expense arising from equity-settled share-based payment transactions	**-**	-
Total	**-**	**-**

* There were no cancellations or modifications to the plan during the year ended 31st March, 2019 or 31st March, 2018.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Movement during the year:

The following table illustrates the number and weighted average exercise price of share options during the year:

Particulars	31st March, 2019		31st March, 2018	
	No. of options	Weighted Avg. Ex Price (₹)	No. of options	Weighted Avg. Ex Price (₹)
Options				
Outstanding at the beginning of the year	**7,39,729**	**41.50**	10,22,972	41.50
Exercised during the year	**3,66,000**	**41.50**	2,83,243	41.50
Outstanding at the end of the year	**3,73,729**	**41.50**	7,39,729	41.50
Exercisable at the end of the year	**3,73,729**	**41.50**	7,39,729	41.50

For options exercised during the period, the weighted average share price at the exercise date was ₹ 116.02 per share (31st March, 2018: ₹ 164.59 per share). The weighted average remaining contractual life for the stock options outstanding as at 31st March, 2019 is 0.96 years (31st March, 2018 1.96 years)

The Group instituted an Employees Stock Option Scheme ('ESOP 2016') pursuant to the approval of the shareholders of the company at their Annual General Meeting held on 23rd September, 2016. As per ESOP 2016, the Group granted 3,70,000 options comprising equal number of equity shares in one or more tranches to the eligible employees of the Group. The options under this grant would vest to the employees over a minimum period of 1 year and maximum 5 years based on continued service and certain performance parameters, with an exercise period of maximum five years from the date of respective vesting.

The fair value of the share based payment options granted is determined using the binomial model using the following inputs at the grant date which takes in to account the exercise price, the term of the option, the share price at the grant date, and the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	31st March, 2019
Risk-free interest rate (%)	**7.61%**
Expected life (years)	**5**
Expected volatility	**49.00%**
Dividend yield	**-**
Share price	**158.05**

31 Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying amount		Fair value	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Financial assets measured at amortised cost				
Loans to others	**455.00**	1,280.00	**455.00**	1,280.00
Other financial assets	**5,010.92**	5,822.14	**5,010.92**	5,822.14
Total	**5,465.92**	7,102.14	**5,465.92**	7,102.14
Financial liabilities measured at amortised cost				
Borrowings	**17,009.22**	10,014.17	**17,009.22**	10,014.17
Trade payables	**5,936.50**	6,639.10	**5,936.50**	6,639.10
Security deposits	**9,904.65**	7,007.94	**9,904.65**	7,007.94
Total	**32,850.37**	23,661.21	**32,850.37**	23,661.21

The management assessed that the fair values of cash and cash equivalents, loans, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

32 Fair value measurement hierarchy

The details of fair value measurement hierarchy of company's financial assets/liabilities are as below:

Particulars	Level	31st March, 2019	31st March, 2018
Assets disclosed at fair value			
Loan s to others	Level-2	**455.00**	1,280.00
Other financial assets	Level - 2	**5,010.92**	5,822.14
Liabilities disclosed at fair value			
Borrowings	Level - 2	**17,009.22**	10,014.17
Trade payables	Level - 2	**5,936.50**	6,639.10
Security deposits	Level - 2	**9,904.65**	7,007.94

There have been no transfers between Level 1 and Level 2 during the period.

33 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the Group seek to maintain a balance between the higher returns that might be possible with higher level of borrowings and advantages of a sound capital position.

The Group monitors capital using a net debt to equity ratio, which is as follows:

1. Equity includes equity share capital and all other equity components attributable to the equity holders.
2. Net debt includes borrowings (non-current and current) less cash and cash equivalents

Particulars	31st March, 2019	31st March, 2018
Borrowings	**17,009.22**	16,072.55
Less: Cash and cash equivalents	**635.32**	607.73
Net Debt (A)	**16,373.90**	**15,464.82**
Equity share capital	**3,523.36**	3,186.76
Other equity	**21,931.05**	26,313.22
Non-controlling interests	**1,046.03**	1,908.39
Total Equity (B)	**26,500.44**	**31,408.37**
Net Debt to Equity Ratio (C=A/B)	**0.62**	**0.49**

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

34 Financial risk management objectives and policies

The Group's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity/ real-estate risk.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2019 and 31st March, 2018. The sensitivity analysis has been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

The below assumption has been made in calculating the sensitivity analysis:

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2019 and 31st March, 2018.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Interest rate. The Group's exposure to the risk of changes in Interest rates relates primarily to the Group's operating activities (when receivables or payables are subject to different interest rates) and the Group's net receivables or payables.

The Group is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Group's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Group is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant for variable rate instruments. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	Changes in interest rate	Effect of profit before tax
31st March, 2019	+1%	(168.76)
	-1%	168.76
31st March, 2018	+1%	(159.03)
	-1%	159.03

2. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of following financial assets represents the maximum credit exposure.

Trade receivables

Receivables resulting from sale of properties:

Customer credit risk is managed by requiring customers to pay advances before transfer of ownership. therefore, substantially eliminating the company's credit risk in this respect.

The ageing of trade receivables is as follows:

Particulars	31st March, 2019	31st March, 2018
More than 6 months	**108.36**	6,999.42
Others	**4.24**	4,686.12
Total receivables	**112.60**	**11,685.54**

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Group's maximum exposure to credit risk for the components of the statement of financial position at 31st March, 2019 and 31st March, 2018 is the carrying amounts.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

3. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below summarises the remaining contractual maturities of the Group's financial liabilities at the reporting date.

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31st March, 2019					
Borrowings*	104.78	3,603.82	5,338.69	8,066.71	17,114.01
Trade payables	-	3,062.50	2,873.99	0.01	5,936.50
Other financial liabilities	946.41	-	-	-	946.41
	1,051.19	**6,666.32**	**8,212.68**	**8,066.72**	**23,996.92**
Year ended 31st March, 2018					
Borrowings*	-	146.08	6,442.30	10,429.18	17,017.56
Trade payables	-	1,456.75	3,307.58	1,874.77	6,639.10
Other financial liabilities	946.40	-	-	3.16	949.56
	946.40	**1,602.83**	**9,749.88**	**12,307.11**	**24,606.22**

*Includes current maturities of non-current borrowings and interest accrued but not due on borrowings

35 Investments in subsidiaries

List of subsidiaries

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding	
			31st March, 2019	31st March, 2018
(i)	**Companies**			
1	Arvind Hebbal Homes Pvt. Ltd.	India	**100.00**	100.00
(ii)	**LLPs**			
1	ASL Facilities Management LLP	India	**100.00**	100.00
2	Arvind Altura LLP	India	**100.00**	100.00
3	Changodar Industrial Infrastructure (One) LLP	India	**100.00**	100.00
4	Ahmedabad Industrial Infrastructure (One) LLP	India	**100.00**	100.00
5	Ahmedabad East Infrastructure LLP (Refer Note)	India	**51.00**	51.00
6	Arvind Five Homes LLP	India	**100.00**	100.00
7	Arvind Infracon LLP	India	**100.00**	100.00
8	Arvind Beyond Five Club LLP	India	**100.00**	100.00
9	Yogita Shelters LLP	India	**99.79**	NIL

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Note:

In case of LLPs, percentage of holding in the above table denotes the share of capital contribution in the LLP which is the same as the share of profit, except for investment in Ahmedabad East Infrastucture LLP where share of profit of company is 94% and remaining profit is shared among other co-partners namely Sharad Govindbhai Patel, Dinesh Jasraj Jain and Arvind Infrabuild LLP.

Summarised financial information of subsidiaries having material non-controlling interests:

Management has determined that Ahmedabad East Infrastructure LLP (AEILLP) has material non controlling interests. The summarised financial information of AEILLP is provided below. This information is based on amounts before inter-company eliminations.

a. Summarised balance sheet information:

Particulars	31st March, 2019	31st March, 2018
Current assets	**23,534.79**	13,980.54
Non - current assets	**4,131.02**	1,426.52
Current liabilities	**22,113.47**	6,804.26
Non - current liabilities	**-**	159.56
Total equity	**5,552.34**	**8,443.24**
Attributable to:		
Equity holders of the parent	**4,533.64**	6,534.85
Non controlling interests	**1,018.70**	1,908.39

b. Summarised statement of profit and loss information:

Particulars	31st March, 2019	31st March, 2018
Revenue	**4,502.24**	8,647.46
Project development expenses	**2,145.05**	2,347.10
Depreciation and amortization expense	**18.21**	17.20
Other expense (including finance cost)	**1,041.98**	3,048.72
Profit before tax	**1,297.00**	3,234.44
Tax expenses	**448.95**	1,124.77
Total comprehensive income	**848.04**	**2,109.67**
Attributable to:		
Equity holders of the parent	**797.16**	1,983.09
Non controlling interests	**50.88**	126.58

c. Summarised cash flow information:

Particulars	31st March, 2019	31st March, 2018
Operating activities	**(324.29)**	1,621.12
Investing activities	**(201.77)**	(165.36)
Financing activities	**300.30**	(1,187.34)
Net increase in cash and cash equivalents	**(225.76)**	**268.42**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

36 Investment in joint ventures

List of joint ventures

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding	
			31st March, 2019	31st March, 2018
(i)	**LLPs**			
1	Arvind Bsafal Homes LLP*	India	**50**	50
2	Arvind Integrated Projects LLP	India	**50**	50

*Profit sharing of Arvind SmartSpaces Limited in Arvind Bsafal Homes LLP is 41% during 31st March, 2019 and 31st March,2018.

Management has determined its investments in joint ventures are individually immaterial. Aggregate information of the above joint ventures are as follows:

Particulars	31st March, 2019	31st March, 2018
Group's share in:		
Net profit/(loss)	**(3.52)**	(12.74)
Other comprehensive income	**-**	-
Total comprehensive income	**(3.52)**	(12.74)
Aggregate carrying value of the investments (Refer Note 4)	**159.44**	182.89

37 Disclosures as per Schedule III of Companies Act, 2013

Name of the Enterprise	2018-19							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consoli-dation net assets	Amount	As a % of consolidated share in profit and loss	Amount	As % of consolidated share in other comprehensive income	Amount	As a % of consolidation comprehensive income	Amount
Parent								
Arvind SmartSpaces Limited	121%	30,811.27	150%	4,603.21	100%	(2.85)	150%	4,600.36
Subsidiaries								
Arvind Hebbal Homes Pvt. Ltd.	0%	45.08	0%	(0.98)	0%	-	0%	(0.98)
Ahmedabad East Infrastructure LLP	22%	5,668.72	28%	848.04	0%	-	28%	848.04
Ahmedabad Industrial Infrastructure (One) LLP	3%	789.72	0%	(4.34)	0%	-	0%	(4.34)
ASL Facilities Management LLP	0%	26.46	0%	0.09	0%	-	0%	0.09
Arvind Altura LLP	0%	(0.03)	0%	(0.20)	0%	-	0%	(0.20)
Arvind Beyond Five Club LLP	1%	327.87	0%	(0.69)	0%	-	0%	(0.69)
Arvind Five Homes LLP	10%	2,517.92	-9%	(264.94)	0%	-	-9%	(264.94)
Arvind Infracon LLP	29%	7,265.99	-9%	(270.57)	0%	-	-9%	(270.57)
Changodar Industrial Infrastructure (One) LLP	0%	0.62	0%	(2.71)	0%	-	0%	(2.71)
Yogita Shelters LLP	6%	1,537.57	-4%	(120.42)	0%	-	-4%	(120.42)
Joint Ventures (investment accounted for using equity method)								
Arvind Bsafal Homes LLP	0%	(3.40)	0%	(3.40)	0%	-	0%	(3.40)
Arvind Integrated Projects LLP	0%	(0.12)	0%	(0.12)	0%	-	0%	(0.12)
Non controlling interests								
Ahmedabad East Infrastructure LLP	-4%	(1,018.70)	-2%	(50.88)	0%	-	-2%	(50.88)
Yogita Shelters LLP	0%	(27.32)	0%	-	0%	-	0%	-
Intercompany elimination	-88%	(22,487.24)	-54%	(1,665.09)	0%	-	-54%	(1,665.09)
Total	**100%**	**25,454.41**	**100%**	**3,067.00**	**100%**	**(2.85)**	**100%**	**3,064.15**

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Name of Entities	2017-18							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consoli-dation net assets	Amount	As a % of consolidated share in profit and loss	Amount	As % of consolidated share in other comprehensive income	Amount	As a % of consolidation comprehensive income	Amount
Parent								
Arvind SmartSpaces Limited (formerly Arvind Infrastructure Limited)	100%	29,500.66	99%	2,978.01	100%	(6.45)	99%	2,971.56
Subsidiaries								
Arvind Hebbal Homes Pvt. Ltd.	0%	46.06	0%	(1.00)	0%	-	0%	(1.00)
Ahmedabad East Infrastructure LLP	29%	8,443.23	70%	2,109.67	0%	-	70%	2,109.67
Ahmedabad Industrial Infrastructure (One) LLP	2%	468.16	2%	59.60	0%	-	2%	59.60
ASL Facilities Management LLP	0%	26.37	0%	0.02	0%	-	0%	0.02
Arvind Altura LLP	0%	0.17	0%	(0.20)	0%	-	0%	(0.20)
Arvind Beyond Five Club LLP	1%	327.56	0%	(0.82)	0%	-	0%	(0.82)
Arvind Five Homes LLP	9%	2,633.86	0%	(2.12)	0%	-	0%	(2.12)
Arvind Infracon LLP	22%	6,621.56	-1%	(15.79)	0%	-	-1%	(15.79)
Changodar Industrial Infrastructure (One) LLP	0%	0.33	0%	(0.20)	0%	-	0%	(0.20)
Joint Venture (investment as per equity method)								
Arvind Bsafal Homes LLP	0%	(12.63)	0%	(12.63)	0%	-	0%	(12.63)
Arvind Integrated Projects LLP	0%	(0.10)	0%	(0.10)	0%	-	0%	(0.10)
Non controlling interests								
Ahmedabad East Infrastructure LLP	-6%	(1,908.39)	-4%	(126.58)	0%	-	-4%	(126.58)
Intercompany elimination	-56%	(16,646.83)	-65%	(1,970.36)	0%	-	-65%	(1,970.36)
Total	**100%**	**29,499.98**	**100%**	**3,017.50**	**100%**	**(6.45)**	**100%**	**3,011.05**

38. Issue of equity shares

During the year 2018-19, the Group has allotted 3,66,000 (2017-18: 2,83,243) equity shares of ` 10/- each to the eligible employee/s pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2013 (AIL ESOP 2013).During the year 2018-19 the group has further alloted 30,00,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them of the Preferential issue made in January 2018.During the year 2017-18 the group has alloted 31,75,000 equity shares of ` 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them under Tranche II of the Preferential issue made in April 2016.Consequently, the paid up equity share capital of the Group as at 31st March, 2019 stood at ` 35,23,35,500/- (31st March, 2018: ₹ 31,86,75,500) consisting of 3,52,33,550 (31st March, 2018: 3,18,67,550) equity shares of ` 10/- each.

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

39 Related party transactions

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Group are as follows :

A. Name of related parties and nature of relationship :

Entity name	Relationship
Mr. Sanjay Lalbhai	Chairman & Non-Executive Director
Mr. Kamal Singal	Managing Director and Chief Executive Officer- Key Managerial Personnel
Mr. Kulin Lalbhai	Non-Executive Director
Mr. Prem Prakash Pangotra	Non-Executive Director
Mr. Pratul Shroff	Non-Executive Director
Ms. Indira Parikh	Non-Executive Director
Mr. Nirav Kalyanbhai Shah	Non-Executive Director
Mr. Mehul Shah	Chief Financial Officer - Key Managerial Personnel
Mr. Prakash Makwana	Company Secretary - Key Managerial Personnel
Mrs. Divya M. Shah	Relative of Key Managerial Personnel
Mr. Dinesh Jasraj Jain	Land Managing Partner
Mr. Sharad Govindbhai Patel	Land Managing Partner
Mrs. Kavita Dinesh Jain	Relative of Land Managing Partner
Mr. Neel Dinesh Jain	Relative of Land Managing Partner
Mrs. Rashmi Sharadbhai Patel	Relative of Land Managing Partner
Mr. Jignesh Govindbhai Patel	Relative of Land Managing Partner
Aura Securities Private limited	Entity exercising significant influence in the Group (Up to 1st June, 2018)
Aura Securities Private limited	Holding Company (with effect from 2nd June, 2018)
Aura Business Ventures LLP	Enterprise having significant influence
Arvind Lifestyle brands Ltd	Enterprise having significant influence
Arvind Infrabuild LLP	Company under common control of Key Managerial Personnel
Arvind and Smartvalue Homes LLP	Enterprise having significant influence by Key Management Personnel
Arvind BSafal Homes LLP	Co-venturer in Joint venture
Arvind Limited	Enterprise having significant influence by Key Management Personnel

B. Disclosure in respect of total amount of transactions that have been entered into with related parties :

Particulars	31st March, 2019	31st March, 2018
Remuneration		
Mr. Kamal Singal	**322.57**	201.84
Mr. Mehul Shah	**39.31**	30.88
Mr. Prakash Makwana	**28.55**	26.18
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**1671.39**	1,518.11
Director's Sitting Fees & Commission		
Mr. Prem Prakash Pangotra	**6.80**	6.70
Mr. Pratul Shroff	**5.80**	5.40
Ms. Indira Parikh	**5.90**	6.20
Mr. Nirav Kalyanbhai Shah	**5.90**	5.80

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Particulars	31st March, 2019	31st March, 2018
Revenue from operations		
Mr. Kamal Singal	-	155.12
Mrs. Divya Mehul Shah	-	39.15
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	1,745.57	818.85
Aura Business Ventures LLP	570.27	128.16
Partner's contribution received		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	1,671.39	1,964.88
Partner's contribution paid		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	2,339.47	700.00
Arvind Infrabuild LLP	33.00	-
Share of profit		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	35.32	42.19
Land development rights given back		
Arvind Limited	-	1,538.36
Acquisition of development rights		
Arvind Limited	-	4,292.40
Reimbursement of expenses received (Net)		
Arvind Limited	29.95	31.25
Advance for land (received back)		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	-	787.86
Others - Relatives of Land Managing Partners	-	5.54
Land purchased		
Others - Relatives of Land Managing Partners	-	30.04
Expenses incurred		
Arvind Lifestyle Brands Ltd	4.50	4.31
Purchase of materials		
Arvind Limited	37.67	10.15
Preferential allotment of equity shares		
Aura Securities Pvt. Ltd.	4,984.00	2,609.20
Money received against share warrants		
Aura Securities Pvt. Ltd.	-	6,442.50
Receipts from customers		
Mr. Kamal Singal	77.47	67.75
Mrs. Divya Mehul Shah	-	28.50
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	2,030.52	1,089.64
Aura Business Ventures LLP	86.44	208.03
Exercise of share options under ESOS / ESOP		
Mr. Kamal Singal	124.16	59.81

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

C. Disclosure in respect of outstanding balance:

Particulars	31st March, 2019	31st March, 2018
Advance for Land		
Others - Relatives of Land managing partners	**1.09**	1.09
Loans Given		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**3,369.46**	3,369.46
Trade Receivable		
Aura Business Ventures LLP	**43.35**	-
Mr. Kamal Singal	**0.04**	92.75
Mrs. Divya Mehul Shah	**-**	6.88
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**-**	575.01
Capital Contributions (Initial and Additional)		
Arvind Bsafal Homes LLP	**159.16**	182.49
Arvind Integrated Projects LLP	**0.28**	0.40
Trade payables		
Others - Relatives of Land managing partners	**49.98**	49.98
Arvind Limited	**1,213.76**	1,203.86
Arvind Lifestyle Brands Limited	**-**	5.63
Arvind and Smartvalue Homes LLP	**-**	54.00
Mr. Prem Prakash Pangotra	**4.50**	4.50
Mr. Pratul Shroff	**4.50**	4.50
Ms. Indira Parikh	**4.50**	4.50
Mr. Nirav Kalyanbhai Shah	**4.50**	4.50
Mr. Kamal Singal	**130.46**	130.46
Mr. Mehul Shah	**-**	6.05
Advance to suppliers		
Arvind Limited	**12.86**	10.36
Money received against share warrants		
Aura Securities Pvt. Limited	**-**	4,485.60
Advance from customers		
Mr. Kamal Singal	**139.85**	-
Aura Business Ventures LLP	**137.08**	219.70
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**9.83**	-
Short term loans and advances		
Arvind Limited	**10.15**	10.15

Notes to consolidated financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

D. Terms and conditions of transactions with related parties :

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group has not recorded any provision/ write-off of receivables relating to amounts owed by related parties.

2) In respect of the transactions with the related parties, the Group has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

E. Commitments with related parties :

The Group has not provided any commitment to the related party as at 31st March, 2019 (31st March, 2018: ₹ Nil)

F. Transactions with key management personnel :

Compensation of key management personnel of the Group:

Particulars	31st March, 2019	31st March, 2018
Short-term employee benefits	**403.17**	258.89
Total compensation paid to key management personnel	**403.17**	**258.89**

The Group creates provision for post-employment gratuity benefits based on actuarial valuation of such liability. Such an actuarial valuation is carried out on a company-level and not an individual level. Hence, expenses incurred on key management personnel during the year to this extent is not identifiable and has thus not been disclosed.

40 Disclosures for Ind AS 115

Revenue from contracts with customers:

The Group has adopted Ind AS 115 using the modified retrospective method and accordingly has provided the disclosures required by Ind AS 115 for the year ended 31st March, 2019 and the comparative information has not been disclosed. Also refer note 18.

1 Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers, which is in agreement with the contracted price.

Particulars	Note	Year Ended 31st March, 2019
Revenue from contracts with customers		
Commercial and residential units	18	26,014.40
Transferrable development rights	18	127.62
		26142.02
Other operating revenue		
Plot cancellation and transfer fees	18	31.29
Miscellaneous	18	35.20
		66.49
		26208.51

2 Contract balances

Particulars	Note	Year Ended 31st March, 2019	1st April, 2018
Trade and other receivables	6	**112.60**	101.39
Contract liabilities	17	**26,482.79**	31,849.30

Notes to standalone financial statements for the year ended 31st March, 2019

(Amount in INR Lacs unless stated otherwise)

Trade receivables are generally on credit terms of upto 30-60 days. The decrease in trade receivables is primarily on account of improvement in collection period.

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to unsatisfied performance obligations. The outstanding balances of these accounts decreased primarily on account of deferred revenue pursuant to adoption of Ind AS 115.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year - 20,400.67

Revenue recognised in the reporting period from performance obligations satisfied in previous periods -

3 **Performance obligations**

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the current year **

Revenue to be recognised at a point in time - 47,370.44

** The Group expects to satisfy the performance obligations when (or as) the underlying real estate projects to which such performance obligations relate are completed. Such real estate projects are in various stages of development and are expected to be completed in the coming periods of upto four years.

4 **The effect of adopting Ind AS 115 is as follows:**

1 **Assets/Liabilities as at 1st April, 2018**

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Inventories	a	63,043.32	35,090.49	27,952.83
Trade Receivables	a	101.24	11,685.54	(11,584.30)
Deferred tax assets	b	3,828.64	17.06	3,811.58
Total assets				**20,180.11**
Liabilities				
Current liabilities - Advance from customers	a	31,849.30	3,634.51	28,214.79
Total liabilities				**28,214.79**
Net credit/(debit) to retained earnings				**(8,034.68)**

2 **Income/Expenses for the year ended 31st March, 2019**

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Income				
Revenue from operations	a	26,208.51	16,580.79	9,627.72
Expenses				
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	a	21,431.20	12,771.36	8,659.84
Tax expense - Deferred tax charge/(credit)	b	710.39	(4.72)	715.11
Tax expense - Current tax charge/(credit)	b	951.89	1,528.21	(576.32)
Profit after tax		**3,115.03**	**2,285.94**	**829.09**
				(7,205.59)
Impact on Earnings per share				
a. Basic - in Indian Rupees		8.90	6.49	2.41
b. Diluted - in Indian Rupees		8.66	6.32	2.34

(Amount in INR Lacs unless stated otherwise)

3 Assets/Liabilities as at 31st March, 2019

Particulars	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Inventories	62,644.33	43,351.49	19,292.84
Trade Receivables	112.60	11,154.47	(11,041.87)
Deferred tax assets	3,115.18	(557.61)	3,672.79
Total assets			**11,923.76**
Liabilities			
Current liabilities - contract liabilities	26,482.79	7,353.44	19,129.35
Total liabilities			**19,129.35**
			(7,205.59)

4 Explanation of reasons for significant changes

a) The Group has deferred revenue and cost of sales as at 1st April, 2018 with respect to contracts that do not meet the revenue recognition criteria under Ind AS 115. The same has resulted in recognition of contract liabilities, recognition of inventories and trade receivables as at 1st April, 2018.

b) Represents tax effect of transitional adjustments made under Ind AS 115

41 The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 2nd May, 2019

For and on Behalf of Board of Directors of
Arvind SmartSpaces Limited

Sanjay S. Lalbhai (DIN-00008329) Chairman
Kamal Singal (DIN-02524196) MD & CEO
Mehul Shah Chief Financial Officer
Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 2nd May, 2019

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 or Associate Companies or Joint Ventures

Part "A" : Subsidiaries

(₹ in Lacs)

Sr. no.	Name of Subsidiary	Reporting Period	Exchange Rate	Share Capital /Capital	Reserves & Surplus	Total Assets	Total Liabilities	Details of Investment	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Share Holding /capital contribution
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(I)	(j)	(k)	(l)	(m)
1	Arvind Hebbal Homes Private Limited	31st March, 2019	INR	1.00	44.08	46.03	0.95	0.07	-	(0.98)	-	(0.98)	Nil	100.00
2	Arvind Infracon LLP	31st March, 2019	INR	1.00	(287.13)	10,105.20	10,391.33	-	-	(270.57)	-	(270.57)	Nil	100.00
3	Arvind Five Homes LLP	31st March, 2019	INR	1.00	(339.88)	5,282.35	5,621.24	-	-	(264.94)	-	(264.94)	Nil	100.00
4	Changodar Industrial Infrastructure (one) LLP	31st March, 2019	INR	1.00	(3.67)	0.80	3.47	-	-	(2.71)	-	(2.71)	Nil	100.00
5	Arvind Beyond Five Club LLP	31st March, 2019	INR	1.00	(2.98)	890.67	892.65	-	-	(0.69)	-	(0.69)	Nil	100.00
6	Arvind Altura LLP	31st March, 2019	INR	1.00	(1.17)	0.15	0.32	-	-	(0.20)	-	(0.20)	Nil	100.00
7	ASL Facilities Management LLP (formerly Arvind Alcove LLP)	31st March, 2019	INR	1.00	(0.07)	27.92	26.99	-	-	0.09	-	0.09	Nil	100.00
8	Ahmedabad Industrial Infrastructure (one) LLP	31st March, 2019	INR	1.00	72.11	2,267.46	2,194.34	-	174.48	33.82	11.84	21.98	Nil	100.00
9	Ahmedabad East Infrastructure LLP	31st March, 2019	INR	1.00	-	17,375.61	17,374.61	-	7,950.95	2714.59	948.65	1765.94	Nil	51.00
10	Yogita Shelters LLP	31st March, 2019	INR	1,404.10	(119.16)	1,603.84	318.90	-	-	(120.22)	(0.20)	(120.42)	Nil	99.79

Notes The following information shall be furnished at the end of the statement:

1. Name of subsidiary which are yet to commence the operations • Arvind Altura LLP
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B" : Joint Venture

(₹ in Lacs)

Sr. No.	Particulars	Arvind Bsafal Homes LLP	Arvind Integrated Projects LLP
1	Latest Audited Balance Sheet Date	31st March, 2019	31st March, 2019
2	Shares of Joint Ventures Held by the Company on the year end		
	i) Number	Not Applicable	Not Applicable
	ii) Amount of Investment in joint Ventures	0.50	0.50
	iii) Extend of Holding %	Capital Contribution Ratio : 50% Profit Sharing Ratio : 41%	Capital Contribution Ratio : 50% Profit Sharing Ratio : 50%
3	Description of how there is significant influence	LLP Agreement allows the Company to exercise significant influence in the operating and financial decision making	LLP Agreement allows the Company to exercise significant influence in the operating and financial decision making
4	Reason why the joint venture is not consolidated	Not Applicable as accounts are consolidated	Not Applicable as accounts are consolidated
5	Net worth attributable to shareholding as per latest Audited Balance sheet	123.55	0.28
6	Profit/(Loss) for the year		
	i) Considered in Consolidation	(3.33)	(0.10)
	ii) Not Considered in Consolidation	(4.79)	(0.10)

Name of joint ventures which are yet to commence the operations

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai	**Kamal Singal**	**Mehul Shah**	**Prakash Makwana**
Director	MD & CEO	Chief Financial Officer	Company Secretary
Ahmedabad	Ahmedabad	Ahmedabad	Ahmedabad
2nd May, 2019	2nd May, 2019	2nd May, 2019	2nd May, 2019

ATTENDANCE SLIP

ARVIND SMARTSPACES LIMITED

(CIN: L45201GJ2008PLC055771)

Regd. Office: 24, Government Servant's Society, Nr. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380009.
Phone: 079 6826 7000 Fax: 079 6826 7021 Email: investor@arvindinfra.com Website: www.arvindsmartspaces.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OFTHE MEETING HALL.
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER ______________________________

____

I hereby record my presence at the 11TH **ANNUAL GENERAL MEETING** of the Company held on Monday, 5th August, 2019 at 10:00 a.m. at H. T. Parekh Hall, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, Ahmedabad-380015, Gujarat, India

* Applicable for investors holding shares in electronic form.

____
Signature of Shareholder / Proxy

PROXY FORM

ARVIND SMARTSPACES LIMITED

(CIN: L45201GJ2008PLC055771)

Regd. Office: 24, Government Servant's Society, Nr. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380009.
Phone: 079 6826 7000 Fax: 079 6826 7021 Email: investor@arvindinfra.com Website: www.arvindsmartspaces.com

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

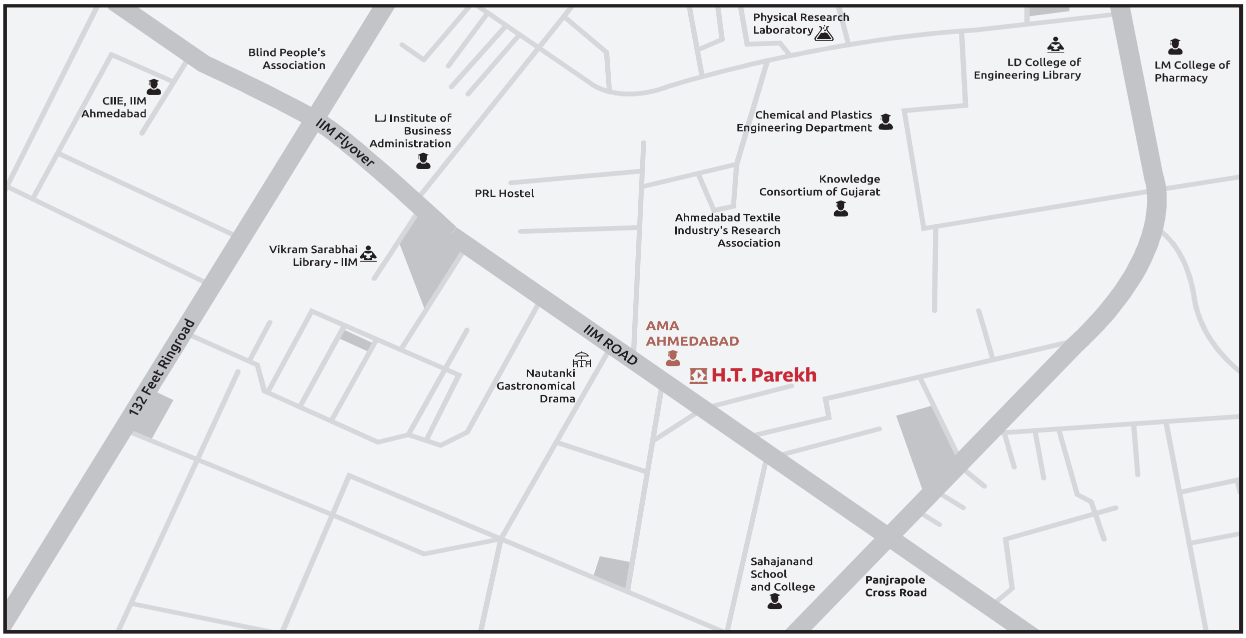
Name of the member(s)	
Registered address	
E-mail Id	
Folio No. / Client ID	

I/We, being the member (s) of above named Company, hold ____________ shares hereby appoint

1. Name: ______________ Address: ______________
   E-mail Id: ______________ Signature: ______________ or failing him;
2. Name: ______________ Address: ______________
   E-mail Id: ______________ Signature: ______________ or failing him;
3. Name: ______________ Address: ______________
   E-mail Id: ______________ Signature: ______________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11TH **ANNUAL GENERAL MEETING** of the Company to be held on Monday, 5th August, 2019 at 10:00 a.m. at H. T. Parekh Hall, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, Ahmedabad-380015, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below

Route Map



Resolutions No.	Resolutions	Optional *	
Ordinary Business:		For	Against
1	Ordinary Resolution for adoption of Audited Standalone Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2019 and Reports of Director and Auditors there on.		
2	Ordinary Resolution for declaration of dividend on Equity Shares for the financial year ended 31st March, 2019.		
3	Ordinary Resolution for re-appointment of Mr. Kulin S. Lalbhai (DIN 05206878) as Director of the Company, liable to retire by rotation.		
Special Business:			
4	Ordinary Resolution for Ratification of Remuneration of M/s. Kiran J. Mehta & Co., Cost Accountants for the financial year ending 31st March, 2020.		

Signed this________ day of____________, 2019

Signature of Shareholder________________________________

Signature of Proxy holder(s)_____________________________

Affix Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 11th Annual General Meeting.

*3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. Please complete all details including details of member(s) in above box before submission.

OUR MAJOR DEVELOPMENTS

Arvind Oasis

Arvind aavishkaar

elan by Arvind

Arvind expansia

Arvind SPORCIA

UPLANDS

beyondfive

Arvind SKY LANDS

Arvind MEGATRADE

Arvind MEGAESTATE

Trade Square

Arvind MEGAPARK

Arvind ALCOVE
your plan for second life

Arvind | Citadel

Parishkaar

AWARDS 2018-19

Arvind Uplands
Awarded for 'Creating High Quality Lifestyle Villas in Gujarat' at 3rd edition of Gujarat Real Estate Awards.
April 2018

Arvind Uplands
Realty Plus Award for 'Design Project of the Year'
June 2018

Arvind SmartSpaces
Awarded as the 'Prestigious Arising Brands of Asia 2018 - Real Estate', at the Global Business Symposium 2018 held at Madinat Jumeirah, Dubai
September 2018

Arvind Aavishkaar
ET Now Award for 'Best Affordable Housing Project'
February 2019

Arvind Oasis
ET Now Award for 'Residential Project of the Year'
February 2019

If undelivered.please return to:
Arvind SmartSpaces Limited
CIN: L45201GJ2008PLC055771
24, Government Servant's Society,
Near Municipal Market, Off C.G. Road,
Phone No. 079-68267000 Fax No. 079-68267021
Website: www.arvindsmartspaces.com

ARVIND SMARTSPACES LIMITED

(Incorporated under the Indian Companies Act, 1956)
(CIN: L45201GJ2008PLC055771)
Registered Office: 24, Government Servant's Society, Nr. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380009.
Website: www.arvindsmartspaces.com,
Phone No. : 079 - 68267000, Fax No. : 079 - 68267021

Name of sole / first named Member	
Address	
Joint Holder(s) Name	
Registered Folio No./DP ID No./Client ID No.	
No. of shares held	

Dear Member,

Subject: Process and Manner for availing e-Voting facility.

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL).

The e-Voting facility is available at the link https://www.evoting.nsdl.com/

The electronic voting particulars are set out below:

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD / PIN
110919		

The remote e-Voting facility will be available during the following voting period:

Commencement of e-Voting	**2nd August, 2019 at 9:00 a.m. IST**
End of e-Voting	**4th August, 2019 at 5:00 p.m. IST**

Please read the instructions printed below before exercising your vote.

These details and instructions form integral part of the Notice for the 11th Annual General Meeting to be held on Monday, 5th August, 2019.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the below instructions to cast their vote through e-Voting:

The way to vote electronically *on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholder's section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS Login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to Login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based Login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful Login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Arvind SmartSpaces Limited to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcs.buchassociates@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions:

I. The e-Voting period commences on Friday, 2nd August, 2019 (9.00 a.m. IST) and ends on Sunday, 4th August, 2019 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, 29th July, 2019, i.e. cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

II. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-Voting or voting at the AGM through electronic voting system or poll paper.

III. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the Login ID and password by sending a request at evoting@nsdl.co.in However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.

IV. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-Voting, may exercise their right to vote at the AGM.

V. A member may participate in the AGM even after exercising his/her right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.

VI. A Member can vote either by remote e-Voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-Voting shall prevail and the votes cast at the AGM shall be considered invalid.

VII. Mr. Hitesh Buch, Practicing Company Secretary (Membership No. FCS 3145/ COP 8195) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process in a fair and transparent manner.

VIII. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

IX. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.arvindsmartspaces.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Registered Office:

Arvind SmartSpaces Limited
24, Government Servent's Society,
Nr. Municipal Market, Off C. G. Road,
Navrangpura, Ahmedabad – 380009

Date: 2nd May, 2019

By Order of Board

Prakash Makwana
Company Secretary