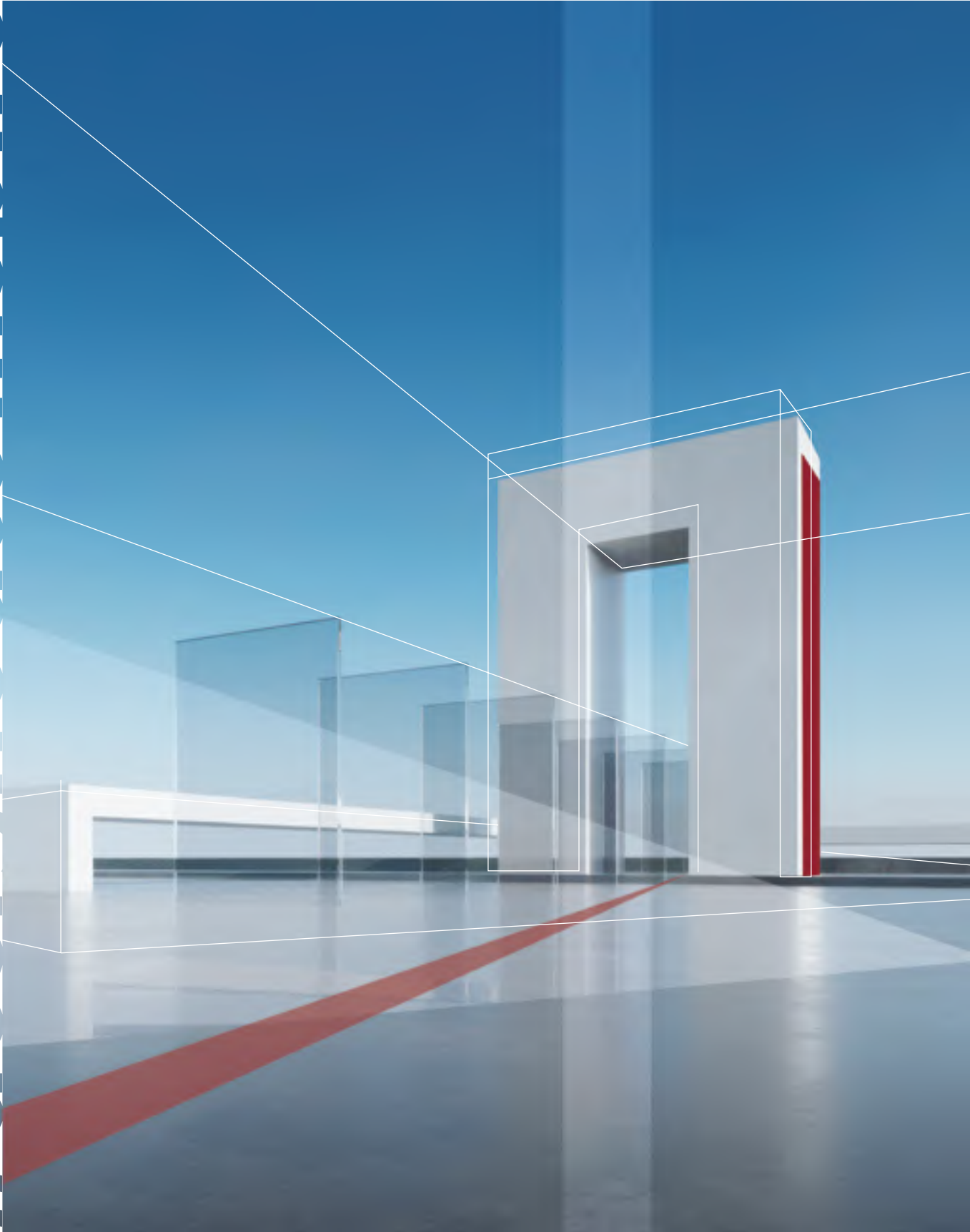


#designedtoinspire



16th Annual Report  
2023-24

**ARVIND**  
**SMARTSPACES**  
RESIDENTIAL • COMMERCIAL • HOSPITALITY

### Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report contains statements – written and oral – that we periodically, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’ believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

At Arvind SmartSpaces,  
we design not just to  
build.

**We design to inspire.**

Inspire our customers to  
graduate to a holistically  
superior lifestyle.

**Inspire the community  
to elevate to a  
sustainable, aesthetic  
environment.**

Inspire our internal and  
external stakeholders to  
push the frontier when it  
comes to institutionalise  
empathetic design.

**In view of this,  
‘Designed to inspire’ is  
about creating a better  
world by democratising  
design.**

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CORPORATE **SNAPSHOT**

**Arvind  
SmartSpaces  
Limited is  
not the usual  
real estate  
development  
company.**

It represents a new thinking related to the creation of distinctive and differentiated residential spaces.

It institutionalises our high design standards, and delivers them consistently, with scale, on schedule.

It balances spaciousness and aesthetics to provide an oasis-like quality of life in the midst of congested urban clusters.

It focuses on select cities (Ahmedabad, Bengaluru, Pune and Surat) through horizontal and vertical developments.

It validates our distinctive focus through healthy profitability, attractive operating cash flows and being net debt-free.

The result is that the Company has emerged as an inspirational model in a competitive (and often genericised) real estate sector.

It represents superior design not just in the way its properties are constructed but in an entirely distinctive way of doing things.

#designedtoinspire



**Vision**

To create value for all stakeholders by redefining standards of excellence and trust in the real estate industry.

**Mission**

To raise the standards of living by creating unique real estate solutions. To achieve customer delight through innovation and thoughtfulness in everything we build. To build from the ground up, a company that symbolises stability and prosperity in the real estate industry.

## Background

Arvind SmartSpaces is a prominent real estate development company in India, headquartered in Ahmedabad. Founded in 2008, it is the real estate arm of the Lalbhai Group. With over 75 Mn square feet in total projects portfolio across the country, the Company is committed to provide real estate solutions that enhance the quality of life for its customers. Arvind SmartSpaces is rapidly emerging as a major player in the corporate real estate sector in India.

## Our presence

Arvind SmartSpaces is a prominent player in the Indian real estate sector, operating in four major markets: Ahmedabad, Bangalore, Pune and Surat. The Company comprises a diverse portfolio that spans key real estate segments, including residential, industrial, commercial, and hospitality. With 21 projects at various stages of development, Arvind SmartSpaces offers a wide range of real estate solutions, such as residential villa townships, apartment complexes, plotted developments, commercial complexes, and industrial parks.

## Brand value

The 'Arvind' brand enjoys a strong presence across India, backed by the Lalbhai Group's 120-year-plus legacy. As a USD 2.0-plus Bn conglomerate managed by professionals, the Arvind Group is synonymous with values, reputation, governance and corporate social responsibility. The Group's diverse business portfolio includes textiles and clothing, branded apparel, technical textiles, water stewardship, omni-channel retail, telecommunications and heavy engineering.

Arvind SmartSpaces has built on this legacy by establishing value-accretive partnerships with landowners and vendors, strong bonds with customers and shareholders, and enduring

relationships with contractors and investors.

## Credit rating

India Ratings and Research (Ind-Ra) upgraded Arvind SmartSpaces' long-term issuer rating from IND A+/Positive to IND A+/Stable. This enhancement reflects the Company's improved credit indicators, strong operating performance, and reduced reliance on debt.

## Listing

The equity shares of Arvind SmartSpaces are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company was valued at Rs. 3,161.9 Cr as on March 31, 2024.

## Platform Partnership

Arvind SmartSpaces Limited and HDFC Capital Advisors entered into a partnership, creating a Rs. 900 Cr residential development platform with a revenue potential of between Rs. 4,000 and Rs. 5,000 Cr.

## Human capital

As of March 31, 2024, the Company comprised a talented workforce of 400 employees. The Company's focus on hiring highly talented individuals and providing them with an enabling environment and necessary skill augmentation ensured the creation of a strong, empowered and future-ready workforce capable of successfully delivering the ambitions of the Company.

## Offerings

Arvind SmartSpaces delivers distinctive, customer-centric residential solutions that combine comfort, convenience, practicality and luxury. With a diversified product portfolio that includes horizontal offerings such as plots and villas, vertical options like luxury and mid-income residential housing and world class mixed-use and township developments, Arvind SmartSpaces addresses wide customer preferences.

## Project classification (ongoing and planned) March 2024

RESIDENTIAL

98%

COMMERCIAL/  
INDUSTRIAL

2%

HORIZONTAL

80%

VERTICAL

20%

LUXURY

14%

MID-MARKET

81%

AFFORDABLE

5%

# How we enhanced peer respect and recognition

## CORPORATE RECOGNITION

### May 8, 2015

Arvind SmartSpaces won The 'Emerging Developer of the Year - Residential' around Uplands was awarded the 'Luxury Project of the Year' in Realty Plus Excellence Awards.



### February 20, 2016

Arvind SmartSpaces bagged the 'Emerging Developer of the Year - India' award in ABP News Real Estate Awards 2016

### April 11, 2016

Mr. Kamal Singal, Managing Director and Chief Executive Officer, was recognised as the 'Real Estate Most Enterprising CEO of the Year' by 'The Golden Globe Tigers Award 2016'



### January 24, 2017

Arvind SmartSpaces Ltd. was chosen as Asia's Greatest Brands 2016 by Asiaone Magazine for its performance (financial year 2015-16). Mr. Kamal Singal, , Managing Director and Chief Executive Officer, was adjudged among Asia's Greatest Leaders 2016.

### June 30, 2017

Mr. Kamal Singal was given the 'Scroll of Honour' at the 9<sup>th</sup> Realty Plus Conclave & Excellence Awards 2017.

### September 26, 2018

Arvind SmartSpaces Limited received the Prestigious Rising Brands - Real Estate at the Award Ceremony, presented by Her Excellency Mariam Al Rumaithi, Chairperson - Abu Dhabi Businesswomen Council, and Ms. Chaity Sen, Publishing Director - Herald Global.

### August 25, 2019

Arvind SmartSpaces was awarded 'Best Real Estate Company' by India News Gujarat at Gujarat First Conclave.

### March 15, 2022

Arvind SmartSpaces Ltd was recognised as the Developer of the Year - Residential at the CNBC Awaaz Real Estate & Business Excellence Awards.

### April 21, 2022

Arvind SmartSpaces Limited won the 'e4m Pride of India - The Best of Bharat' Awards 2022'.





## August 01, 2022

Mr. Kamal Singal was recognised as the Inspiring CEO of India 2022 @ 2<sup>nd</sup> Edition of The Economic Times CEO Conclave



## July 19, 2023

Arvind SmartSpaces Limited was recognised as Real Estate Brand of the Year at the prestigious 9<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2023

## Dec 16, 2022

Arvind SmartSpaces was recognised as the Fastest Growing Realty Brand of the Year at 14<sup>th</sup> Realty+ Conclave & Excellence Awards 2022 South



## July 6, 2023

Arvind SmartSpaces won Developer of the Year Townships at 15<sup>th</sup> Realty+ Conclave & Excellence Awards, 2023 – Gujarat

## July 19, 2023

Mr. Kamal Singal, Managing Director and Chief Executive Officer recognised as the Most Enterprising CEO of the Year at the prestigious 9<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2023

## December 21, 2023

Arvind Smartspaces Ltd. was awarded the prestigious 'Progressive Places to Work 2023' by ET NOW

## January 24, 2024

Arvind SmartSpaces Limited was recognised as "Developer of the Year – Residential" at the 10<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2024



**PROJECTS RECOGNITION**

**February 20, 2016**

Uplands won 'Integrated Township of the Year - India' award in ABP News Real Estate Awards 2016.

**April 11, 2016**

Uplands was adjudged as 'Integrated Township of the Year' in yet another prestigious 'The Golden Globe Tigers Award 2016' held at Pullman City Center Hotels and Residences, Kuala Lumpur, Malaysia on April 11, 2016

**July 1, 2016**

Arvind Citadel was awarded the 'Residential Property of the Year' by Realty Plus Conclave & Excellence Awards (Gujarat) - 2016

**December 8, 2016**

Arvind Expansia won the Residential Property of the Year at Realty Plus Excellence Awards (South) 2016 held on December 08, 2016 at Bengaluru.

**June 30, 2017**

Uplands by Arvind SmartSpaces was awarded 'Design Project of the Year' at 9<sup>th</sup> Realty Plus Conclave & Excellence Awards 2017.

**July 6, 2017**

Arvind Expansia won 'Luxury Project of the Year' award at the National Awards for Marketing Excellence in Real Estate and Infrastructure organised by Times Network at Taj Land's End, Mumbai, on July 6, 2017

**June 14, 2019**

Arvind Aavishkaar won the 'Affordable Housing Project of the Year' award at the prestigious Realty Plus Conclave & Excellence Award 2019

**September 13, 2019**

Arvind SmartSpaces was awarded 'Best Golf Course Architecture (National award)' for Arvind Uplands at The Golden Brick Awards, Dubai

**March 31, 2021**

Arvind SmartSpaces was recognised as the 'Most Trusted Real Estate Brand of the Year'; Arvind Forreste was conferred 'Most Admired Project of the Year' at the CNN News 18 India Real Estate & Business Excellence Awards 2021.

**August 27, 2021**

Arvind Uplands was recognised as 'Ultra Luxury - Lifestyle Project of the Year' at the Realty+ Conclave 2021

**August 27, 2021**

Arvind Highgrove was recognised as 'Plotted Development of the Year' at the Realty+ Conclave 2021

**August 27, 2021**

Arvind Forreste was recognised as 'Villa Project of the Year' at the Realty+ Conclave 2021

## March 10, 2022

Arvind Uplands was recognised as the Residential Project of the year at The Economic Times Real Estate Awards - West

## March 12, 2022

Arvind Elan was recognised as the Iconic Project of the Year at Realty+Conclave 2022.

## March 15, 2022

Arvind Bel Air was recognised as the Residential Property of the Year at the Real Estate & Business Excellence Awards

## June 1, 2022

Arvind Bel Air was recognised as the Digital Innovation of the Year at the Realty+ Idea Awards.

## June 24, 2022

Arvind Forreste was recognised as the Themed Project of the Year at the 14<sup>th</sup> Edition of Realty+ Conclave & Excellence Awards 2022 Gujarat.

## June 24, 2022

Arvind Uplands was recognised as the ultra-luxury project of the year at the 14<sup>th</sup> Edition of Realty+ Conclave & Excellence Awards 2022 Gujarat.

## November 25, 2022

Uplands won the 'Integrated Township of the Year - India' award in DNA Real Estate & Infrastructure Round Table & Awards on November 25, 2016 at Taj Land Ends - Mumbai.

## December 16, 2022

Arvind Oasis won Themed Project Of The Year at 14<sup>th</sup> Realty+ Conclave & Excellence Awards 2022 South

## July 6, 2023

Arvind Highgrove won Plotted Development of the Year at 15<sup>th</sup> Realty+ Conclave & Excellence Awards, 2023 - Gujarat

## July 19, 2023

Arvind Bel Air was recognised as Residential Project of the Year at the 9<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2023

## January 24, 2024

Arvind Forest Trails, Sarjapur was recognised as 'Luxury Villa Project of the Year' at the 10<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2024



Elan, Pune

## Our journey across the years

**2024**  
sales  
crossed  
Rs. 1,100  
Cr

**2022** ▲

Rs. 900 Cr residential development platform was created with HDFC Capital Advisors (revenue potential up to Rs. 5000 Cr)

**2020** ▶

Commenced our first project (Forreste) under DM Development Management model

**2021** ▲

Sales crossed Rs. 500 Cr despite the pandemic disruption. A preferential issue of 7.4% equity was made to the Managing Director and Chief Executive Officer. A preferential issue of Rs. 85 Cr was made to HDFC Capital Advisors (8.8% on a fully diluted basis) and the promoters

**2018** ▶

Infusion of funds by Promoter and Promoter Group

**2019** ▲

Strategic partnership was entered into with HDFC Capital Advisors for long-term platform funding

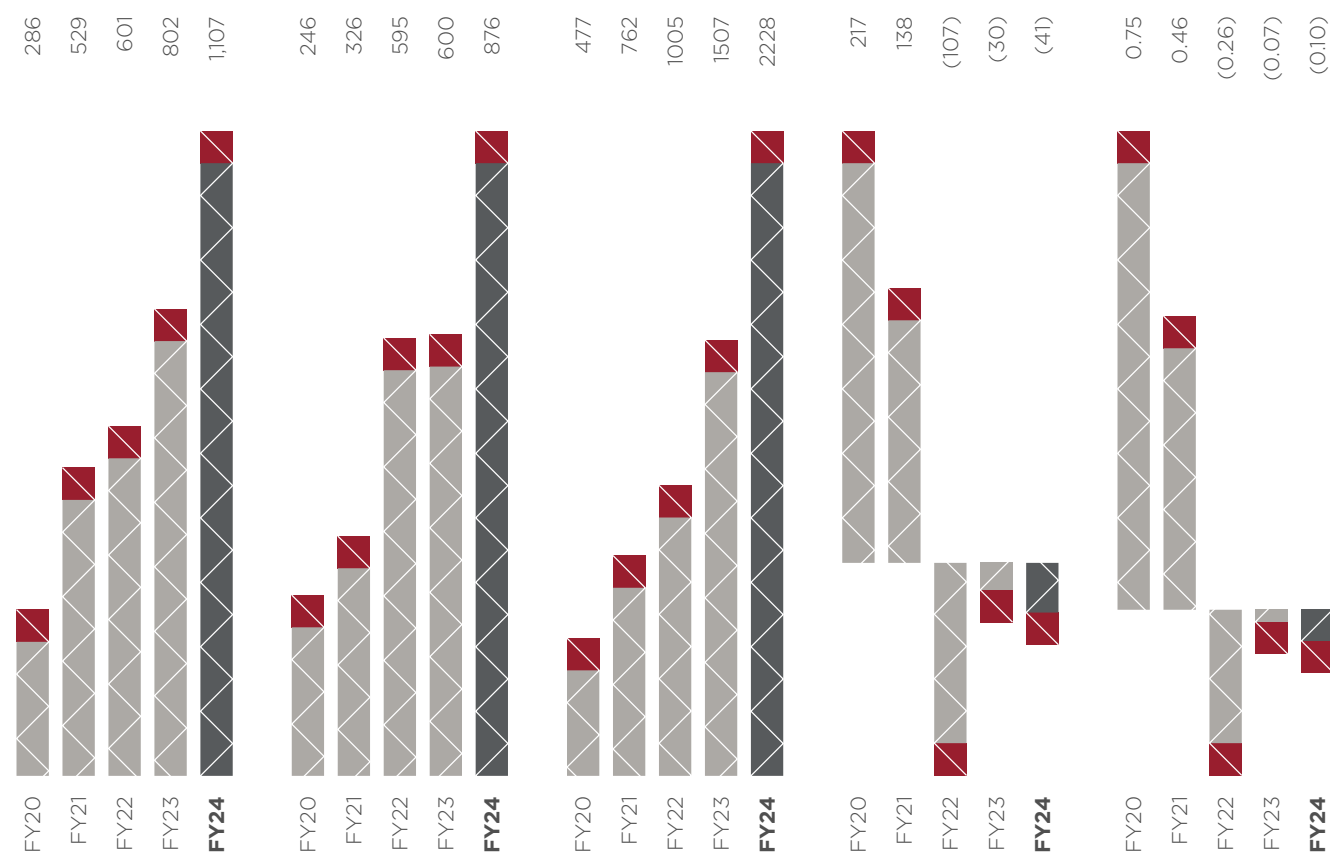
**2016** ▲

Infusion of funds by the Promoter and Promoter Group

**2015** ▲

Listed on NSE and BSE following a demerger from Arvind Limited

# How Arvind SmartSpaces has progressively strengthened its business



## Bookings

(Rs. Cr) growth:  
(YoY 38%)

### Definition

Bookings highlight indicate the value of real estate sold in a financial year, indicating existing and prospective revenues (until handover to the customer).

### Why we measure

Bookings by value provide an index of prospective revenues, collections and profit.

### Performance

The Company reported Rs. 1,107 Cr of booking value in FY23-24, the highest in any year.

## Collections

(Rs. Cr) growth:  
(YoY 46%)

### Definition

Collections are a financial indicator that measure a Company's ability to collect outstandings on schedule. The higher the collections, the stronger the cash flow.

### Why we measure

Collections provide an index of the Company's cash comfort in quantum terms.

### Performance

The Company reported Rs. 876 Cr in collections in FY23-24, its highest in a year, highlighting the strong operational cycle of new sales, construction and delivery

## Unrecognised revenue

(Rs. Cr)

### Definition

Unrecognised revenue indicates prospective revenues (until handover to the customer) that will flow into the P&L in the coming years

### Why we measure

Unrecognised revenue provides an index of the prospective size of the Company's P&L

### Performance

The Company reported Rs. 2,228 Cr of unrecognised revenue as on March 31, 2024.

## Net debt

(Rs. Cr)

### Definition

The quantum of debt after deducting cash and OCD / CCD / OCRPS / Zero Coupon NCD on the Company's books. The above statement does not include OCD of Rs. 40 Cr issued to HDFC Platform 2 (8 years original tenure + 2 years) for a joint project in Bangalore and the surplus accumulated towards land owners of High Grove and Chirping Woods

### Why we measure

This number provides a true and fair picture of the Company's intrinsic liquidity

### Performance

The Company's net debt increased from Rs. (30) Cr in FY22-23 to Rs. (41) Cr in FY23-24 due to increased internal accruals.

## Gearing

(x)

### Definition

This ratio measures net debt to net worth (fewer revaluation reserves).

### Why we measure

This is one of the defining measures of a Company's financial health, indicating the ability of the Company to remunerate shareholders after servicing debt providers (the lower the gearing the better).

### Performance

The Company's gearing stood at (0.10) as on March 31, 2024 from (0.07) as on March 31, 2023.



The financial year 2023-24 has been a strong year for the Company with highest ever bookings, collections and new project additions while maintaining a robust Balance Sheet.



In FY23-24, ASL registered a booking value of Rs. 1,107 Cr, a YoY growth of 38%, where the number of units sold stood at 1,241 units.

- Bangalore bookings stood at Rs. 420 Cr contributing 38% to the total annual bookings. New launches continued to perform well in new micro markets.
- In FY23-24, ASL launched four projects successfully, including Uplands 2.0 & 3.0, Forest Trails, Arvind Orchards and Rhythm Of Life, which contributed 71% (Rs. 784 Cr) in annual bookings value.



In FY23-24, ASL recorded its highest annual collections of Rs. 876 Cr, a YoY growth of 46%; highlighting its strong operational cycle of new sales, construction and delivery.

During the year, Operating Cash Flows stood at Rs. 458 Cr as against Rs. 201 Cr in the previous.

The net-debt equity ratio on a consolidated basis as on March 31, 2024 was (0.10) compared to (0.07) as on March 31, 2023.

During the year, ASL's consolidated revenue from operations grew by 33% to Rs. 341 Cr and profit attributable to equity holders increased by 62% to Rs. 41 Cr.

# THE YEAR

Uplands 2.0 & 3.0 Clubhouse, Ahmedabad



FY23-24 was a historic year for the Company from a project addition perspective with cumulative new business development topline potential -Rs. 4,150 Cr\* added during the year. ASL added four projects in Ahmedabad, and one each in Bengaluru and Surat.

- Entered Surat with a -Rs. 1,100 Cr horizontal multi asset township project, spread over 300 acres
- Acquired a new high rise project in Bengaluru with a top line potential of -Rs. 400 Cr\* comprising a saleable area of 4.6 Lac sq ft
- Signed a 500 acre project in NH 47 South Ahmedabad with a revenue potential of -Rs. 1,450 Cr\*
- Signed a 204-acre project in Bavla South Ahmedabad with a revenue potential of -Rs. 850 Cr\*. Project like Uplands 2.0 and 3.0 were successfully launched in Q2
- Added a new horizontal project in Ahmedabad spread over 40 acres with a top line potential of -Rs. 250 Cr. Project named Rhythm Of Life was launched in Q4 FY23-24.



The Board of Directors recommended a final dividend of Rs. 2.50 per equity share and special dividend of Rs. 1.00 per equity share, totaling Rs. 3.50 per equity share of Rs. 10 each (i.e. 35%). This marks consecutive years of dividend distribution

Concluded the first platform with HDFC Capital Advisors through HCARE 1 fund. The platform delivered strong returns in two-and-half years of operations

Successfully provided exit to HDFC Capital for the project Arvind Fruits of Life within a year. This project was housed under Platform 2

# THAT WAS





## THE CHAIRMAN'S MESSAGE

SANJAY LALBHAI, CHAIRMAN



## Overview

Customer-centric design was woven into the DNA of the Arvind Group from its inception. Arvind SmartSpaces continued this legacy by creating living spaces that inspire our customers to live better lives; lives that are enriched by the quality, aesthetic and functionality of the homes we build. Our guiding principle of #DesignToInspire is a call to action. It is a philosophy that guides all our actions from the selection of land to the design of the product; from the execution of project to the living experience in an Arvind home.

I am pleased to communicate that this positioning has resonated strongly with our customer base. The result of this distinctiveness in product curation was that the Company emerged as one of the fastest growing listed real estate development companies in India. The Company reported a 38% growth in bookings and 46% growth in collections compounded across the five years ending with the last financial year.

Drawing from the strengths and confidence in business performance, I am pleased to share that the Board of Directors recommended a final dividend of Rs. 2.50 per equity share and special dividend of Rs. 1.00 per equity share, totaling Rs. 3.50 per

equity share of Rs. 10 each (i.e. 35%). This marks consecutive years of dividend distribution.

## Profitable responsible growth

A strategic priority when we went into business was a commitment to market real estate differently. We would invest in creating products with a deep insight of customer needs and trends, focus on operational efficiency to deliver industry leading margins and invest in delivering class-leading customer ownership experience. At our Company, we resolved to deepen our niche recall and positioning through a simple approach: provide customers what they truly want. For instance, at the time of the pandemic and after, there was a general propensity to build larger apartments (vertical construction) on the grounds that prospective homeowners would seek to live better. This was in alignment with what we felt as well, with one difference. We felt that a larger number of homeowners would not only seek to live in larger homes but would be inclined to graduate from apartment-centric homes to villa-defined residences.

The result of this insight was that we were taking the conventional application a step ahead: we curated villa homes marked by spacious interiors and lush landscaping. The result is that we


did not service an existing market; it would be fair to state that we created one. The launch of a series of properties curated around this proposition proved to be a gamechanger at two levels - in terms of the consumer experience and superior profitability. We sold quicker since our product resonated with the customer's evolving needs; we sold at better realisations; we developed and delivered faster; we generated higher accruals for onward reinvestment, the start of a larger virtuous cycle.

## Core competence

While our land aggregation, Balance Sheet, digital marketing, HDFC platform, CRM, organisational culture and strengths are enunciated in the subsequent pages of the Annual Report, let me call attention to the product value proposition here. The success of the Company in building a brand for itself as a creation of tranquil living spaces within the context of urban congestion has emerged as a distinctive recall. The Company is seen as providing a luxury benchmark: the capacity to provide an elevated living experience within urban agglomerations.

This distinctive capability has been wrought through the development of strong operational capabilities - from the identification of large plots extending from 100 acres to 500 acres; the competence to convert land as a raw material into a finished product; the ability to aggregate resources leading to efficient construction (largely different from the templatised manner in which projects are constructed vertically) and the insight to balance the insides of homes with the outsides.

I am pleased to communicate that the Company deepened its competence and insight into this property development niche. The Company is being recognised as among the thought leaders in urban life quality; it is being



**The success of the Company in building a brand for itself as a creation of tranquil living spaces within the context of urban congestion has emerged as a distinctive recall.**

respected for the contrarian ability to graduate beyond cookie-cutter homes; it is being recognised for its capacity to create a market and then occupy the largest share.

The perceived value of the properties we developed was reflected in their occupancy. There has been a general trend of such plotted developments to be treated as second homes that are rarely visited by their owners, reducing them from to-be-lived-in assets to investable assets. The result is that most of such horizontal properties attract consumer traction at the outset only to be transformed into ghost towns thereafter.

The Company countered this probable threat into an opportunity. The Company constructed world-class club houses first within its plotted developments, creating a traction for buyers ('there is something to do in the evenings in engage with others'). The Company opened membership of these clubs to external members without ownership of the plotted properties, helping create a vibrant community. The result is that a number of our homeowners have made friends with other homeowners; the external members have been impressed enough to buy into our properties. The result is that every single of our properties has enjoyed a post-launch traction that has only grown; this has helped us liquidate available inventory; in turn, this has helped us generate progressively better realisations.

### **Stronger brand**

If there is one thing that we have successfully achieved in the last few years, it is the recall that 'This company is different.' The result of this positioning is that our customers have become our biggest brand ambassadors; they have been able to bring their friends and relatives to buy from us. In FY23-24, 22% of our bookings were through referrals.

What customers have told us is that we are not just another real estate development company releasing periodic inventory in a crowded market: we are being seen as a company that is willing to alter its product mix in response to changes in consumer preference. The Company promoted a vertical development before the pandemic, generating a majority of its bookings from this format; once social distancing and

**41%**

CAGR FY20-24 in  
bookings



Rhythm Of Life Clubhouse, Ahmedabad

the need to live better emerged during the lockdown and after, the Company pivoted with speed to the horizontal development format, now generating a majority of its work-in-progress from this differentiated offering. We are again seeing a shift in consumer sentiment and a potential reversal of this trend, a reality for which the Company proactively prepared by being able to see ahead of the curve.

The stronger brand at our Company has had an eco-system effect. We are now not just attracting more customers willing to pay better; we are also attracting landowners seeking to enter into joint development projects with our Company.

By the virtue of being able to bring properties to market quicker and market them quicker as well, we have set into motion a

sustainable momentum where our brand is translating into superior cash flows and higher capital efficiency. This was visible during the last financial year: the Company stayed zero debt while net operating cash flows more than doubled. We believe that we are among select real estate development companies in the country to possess net cash on the books despite an increasing size of the gross development value of our portfolio by 3X in the last year.

### Conservation over construction

The commitment to ESG is perhaps more relevant to our sector than most. The real estate development sector needs to consistently engage with nature; we build in nature, we build on nature and we build around nature. The extent to which we can moderate our impact on nature represents an overarching priority. The result is an ongoing interplay between construction and conservation.

At Arvind SmartSpaces, we have ensured that in this interplay, conservation has won each time. I have no doubt that because of this consistent outcome, we have grown in our business and outperformed our sector. Much as it may appear to most that we performed creditably on the basis of what we built, I have no doubt that it was the other way around; we performed creditably and built a brand on the basis of what we consciously selected not to build. The result is that 'Designed to Inspire' is not a reference to the brick and mortar dimension of our existence; it is a reference to the way we have treated nature instead.

At Arvind SmartSpaces, we designed our real estate properties by seeking minimal biodiversity disturbance. Our designs were directed towards retaining or planting local tree species; our properties were designed around floral sequences and patterns that enhanced our project and inspired stakeholders. By committing to

inspire – the bottomline of all that we were or are engaged in – we created properties that would not just qualify as the flavour of the day but remain evergreen and enduring. Our properties have been built around eco-friendly products, designed around natural daylight, low on environment load, enhancing value for all those who live within. I have no doubt that by building such homes, we are playing a responsible role in enhancing the lives of our customers.

### Outlook

The outlook of the Company remains optimistic. India appears to have entered a new economic phase with growth in some quarters during the year under review being higher than 8%, making it the fastest growing global economy. The Company is engaged in the execution of 27 mn sq ft of projects with a pipeline of 44 mn sq ft. We estimate an unrealised operating cash flow exceeding Rs. 2,563 Cr coming from the current pipeline of projects.

The Company is optimistic on account of strategic business-strengthening initiatives likely to enhance value across the foreseeable future. We believe that during the last couple of years, we strengthened a platform for sustainable growth; we are optimistic that this platform will empower our next round of growth that enhances value for all those associated with our Company.

**Sanjay Lalbhai**  
Chairman

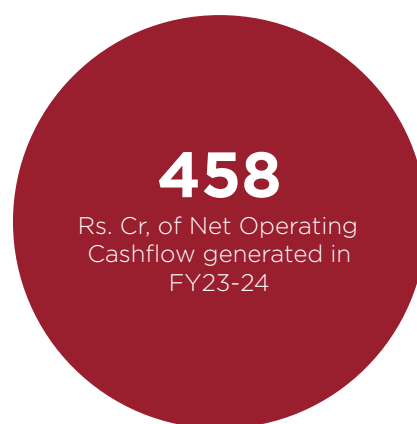




**PERFORMANCE  
REVIEW**



**We have reached an inflection point in the Company's growth story and we are well poised operationally to capitalise on the opportunities being thrown up by the sector.**



**MR. KAMAL SINGAL**  
MANAGING DIRECTOR  
AND CEO

#### **Overview**

FY23-24 was a landmark year of the Company with milestones achieved across bookings, collections and business development.

This improvement was a positive outcome driven by sectorial consolidation and churn that resulted in a widening opportunity for organised real estate players on the one hand, and your Company's capacity to capitalise on this transforming sectorial reality.

My communication to shareholders addresses these two subjects: how the sectorial has transformed in the last seven years and how the Company is geared to capitalise on this transformation.

#### **Sectorial consolidation**

The introduction of RERA in India's real estate sector in 2016 represented a seminal point in treating the sector as a responsible asset class. This watershed created a new set of rules directed to enhance sectorial credibility. This structural shift resulted in unorganised players (who accounted for a disproportionately large part of the sector) beginning to yield ground, reduced to small real estate developments or being compelled to transform their identities from real estate players into land aggregators.

The transition resulted in a tailwind for organised real estate players in India. Before RERA, large real estate players accounted for a single-digit percentage share of



Highgrove Clubhouse, Ahmedabad

5,000-  
5,500

Rs. Cr. of Business  
Development planned  
in the coming year

India's real estate sector, having to share space with unorganised players who often worked outside the confines of law.

The result is that a new phase has begun for the country's organised real estate sector. There is an increased propensity for buyers to own homes being offered by branded players; there is a greater assurance of the home being treated as a responsible asset class; there is a greater assurance that their rights as buyers will be protected; there is a greater focus on real estate companies being bound by specific deliverables protecting the interests of consumers.

Even post-RERA, some organised players have grown faster than the others. Companies that deepened their brand relevance, maintained their fiscal prudence and focused on customer interest grew faster in revenues and surpluses and created a foundation for sustainable growth.

What provides optimism about the organised real estate companies consistently outperforming the unorganised is the vast sectorial

room waiting to be converted. Around 80% of India's real estate sector continues to be unorganised, which is still a long way from developed economies where the unorganised sector is closer to 20-30%. As more urban home buyers seek to buy into our trusted brand, we see the share of the organised sector in India's real estate sector growing faster.

This fundamental ground reality of the sector is being catalysed by the health of the national economy. When people buy into homes – the single largest investment for most – they do so more frequently when there is an overall optimism in the long-term trajectory of the country's economy. This assurance is inspired by stable government policies, controlled commodity inflation and stable interest rates that promise a healthy multi-year surplus in their hands that can be channelised into longterm asset creation.

This macro-economic stability and related consumer optimism translated into a larger number of homes being acquired across the country. It is not just the larger



Designed To Inspire is about Democratising design. At Arvind Smartspaces, we combine the innate design sense that is in our DNA, with the power and credibility of an industrial house.

number of homes being sold that is proving to be a sectorial game-changer; we find buyers also turning to larger homes, more expensive homes and discretionary second or weekend homes. The result is that we are seeing homes turn from the completely functional to life style assets; we are seeing people seek homes that extend beyond shelter to providing an enhanced lifestyle; we are seeing homes transform from the basic into personality statements.

The result is that after an extended sectorial downtrend that lasted through the second half of the last decade, the Indian real estate sector entered a long-term growth phase. What is remarkable is that after years of stable real estate realisations, home prices have started trending higher. More buyers are willing to pay a premium for better project design, superior and holistic community living. The result is that there is a discernible difference in the way real estate offerings are being perceived: offerings by the unorganised sector are being constrained by scale and scope;

offerings by the organised sector are being identified by elevated living where a convergence of amenities has helped create a completely transformed residential universe.

The big question is what kind of real estate companies are likely to outperform in this transforming environment.

My answer: a company that is cognizant of customer preferences and designs, and delivers products centered around those preferences. A company that has carved out a niche by delivering an exceptionally high quality of living through thoughtfully designed and meticulously executed homescapes. A company that places customer values and trust at the core of its operations. The result is that a company that is recognised as a thought leader in urban life quality and respected for the ability to deliver an exceptional life quality through the creation of landmarks within a cluttered urban landscape.

At Arvind SmartSpaces, this has contributed to enhancing our brand. Companies like ours that

build robustly credible brands are likely to outperform the sector. During the last few years, we invested in our brand around the following priorities.

**One**, we would stand for a distinctive recall of design, indicative that in a conventional sector we would provide a differentiated offering (by space, scope, scale and experience). Designed To Inspire is about democratising design. At Arvind Smartspaces, we combine the innate design sense that is our DNA, with the power and credibility of an industrial house. This allows us to institutionalise our high design standards, and deliver them consistently, with scale, on schedule.

We use our understanding of customers to deliver design that both delights and is in tune with customer needs. We believe good design – which raises the level of aesthetics and living – should be accessible to all. Our aim is to create a positive impact by bringing this standard of design thinking to all products. This positioning has become increasingly relevant, and I am

**HOW WE STRENGTHENED OUR BUSINESS STRATEGY IN FY23-24**

- The Company prepared to enter the Surat market (as large as Ahmedabad)
- The Company seeks to enter the Mumbai Metropolitan market, a sign of strategic maturity
- The Company strengthened senior management talent
- The Company will re-balance its portfolio in line with emerging trends
- The Company entered into focused labour contracts, liberating contractors from material purchases
- The Company's managerial structure turned increasingly federal with enhanced delegation to branch offices



**2,000-2,500**  
Rs. Cr of new projects/  
phases to be launched  
in the coming year

pleased to communicate that this positioning was validated yet again during the last financial year.

**Two**, we will strengthen our partnerships with the supports of land (our raw material) and develop our internal capabilities to shorten our time-to-market.

**Three**, we will remain committed to fiscal prudence and balancing growth with healthy profitability.

**Four**, we continue to put the customer at the center of all our activities with a focus on not just sales but creating a differentiated ownership experience.

Arvind SmartSpaces Limited represents a new age Indian real estate company synonymous with design, brand, governance, trust, legacy and track record of quality & ontime delivery. The combination of a structural sectorial shift and strategic corporate differentiation translated into a year of record performance in FY23-24. Your Company recorded its highest annual

booking of Rs. 1,107 Cr, a growth of 38% over the previous year even as the Indian economy grew around 8% during the last financial year.

Brand Arvind continues to be received strongly by homebuyers across newer micro markets. New launches, including Uplands 2.0 & 3.0, Forest Trails, Arvind Orchards and Rhythm Of Life, contributed ~70% of booking value in FY23-24. Our Bangalore presence remained strong with bookings of Rs. 420 Cr contributing 38% to our total annual bookings.

In FY23-24, the Company made an orbital change in business development, acquiring new projects with a projected topline of ~Rs. 4,150 Cr as against Rs. 930 Cr in FY22-23. The Company added four projects in Ahmedabad, and one each in Bengaluru and Surat. Surat will be the third city in Gujarat apart from Ahmedabad and Gandhinagar, where ASL operates. We are confident of the large opportunity that the Surat





market presents and look forward to expand our presence there. This strategic move underscores our proactive approach to growth and our focus in seizing opportunities in emerging markets.

While all launches were horizontal, the deliveries were majorly in high-rise apartments. So historically, we have developed both horizontal and vertical real estate and expect to maintain an equilibrium going forward.

In FY23-24, collections were Rs. 876 Cr, a growth of 46% year-on-year and the highest in the Company's history. This performance was the result of efficient execution of the virtuous process of sales, registrations, construction and deliveries.

In FY23-24, we reported a revenue of Rs. 341 Cr, up 33% on a year-on-year basis. EBITDA grew at 57% to Rs. 85.5 Cr. while PAT for the FY23-24 grew 62% to Rs. 41.6 Cr. What was creditable is that even as the Company grew its business

during the last financial year, the Company deepened its financial discipline. Net Debt remained negative at Rs. (41) Cr as on March 31, 2024 from a net debt position of Rs. (30) Cr as on March 31, 2023. Net operating cash flow was Rs. 458 Cr in FY23-24 as against Rs. 201 Cr in FY22-23.

With an all-time low inventory overhang and a decadal high average pricing growth, demand optimism in the residential markets is likely to continue in the medium term. At Arvind SmartSpaces, we have entered a virtuous cycle. The sustainability of our growth is derived from the fact that outperformance during the last financial year was not the result of a temporary arbitrage; it was the of result of a systemic maturing. The complement of people, processes, systems, protocols and priorities now represents a base that will be scaled within our prudential financial discipline.

We also believe that should any outsized opportunities emerge,

we will be equipped to leverage the under-borrowed nature of our Balance Sheet. In view of this, we are optimistic of sustaining our momentum or raising our game should realities warrant

The best is yet to come

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**Mr. Kamal Singal,**  
Managing Director and CEO

## Sales and marketing



Oasis, Bengaluru

### Overview

The Indian economy demonstrated resilience in FY23-24, reinforcing the prospects of India's real estate sector. The landscape of India's real estate sector market appears promising. The sector's trajectory over the past few years has created the foundation for sustainable growth, catalysed by shifting demographics, technological advancements, and favourable policies.

In India, buyer preferences have evolved across segments - from affordable housing to luxury homes. The middle-income group (MIG) and upper MIG seek

smart homes, sustainability, and community-centric offerings, a shift towards integrated lifestyles.

The long-term optimism for the sector is derived from the fact that around 80% of India's real estate sector is unorganised. As urban home buyers increasingly prefer well-planned communities brought to the market by reputed brands over standalone homes constructed by unorganised players, the share of the organised sector in India's real estate market is expected to grow rapidly.

Arvind SmartSpaces Limited has capitalised on this favourable transition. The Company's

impressive FY23-24 performance highlights its preparedness. The Company is at the forefront of changes, offering innovative and sustainable housing solutions that address the evolving needs of modern home buyers. The Company continues to focus on smart, sustainable, and community-centric development that positions it as a key player in India's dynamic real estate sector.

### Highlights, FY23-24

- The Company achieved its highest bookings in a single year of Rs. 1,107 Cr, a 38% growth
- The Company recorded bookings of 7.3 Mn square feet and 1,241 units, compared to 3.4 Mn square feet and 1,108 units in the previous year
- The Company retained its position as the Ahmedabad leader in horizontal developments on account of its strong brand, design excellence, and post-sales price appreciation on account of premium conveniences like golf courses and large clubhouses.
- The Company increased its presence in Bangalore; Bangalore bookings reached Rs. 420 Cr, accounting for 38% of the total annual bookings.
- New launches - Uplands 2.0, 3.0 Forest Trails, Arvind Orchards and Rhythm of Life - performed creditably in emerging micro-markets. These projects contributed 70% (Rs. 784 Cr) of the Company's booking value in FY23-24
- The Company's Uplands 2.0 launch in Adroda (South Ahmedabad) received an outstanding response. The first phase (about 4 Mn square feet) sold completely in three days and generated sales of more than Rs. 300 Cr.
- The Company's Forest Trails launch in Sarjapur (Bengaluru), featuring premium 5 BHK villas, generated sales of over Rs. 154 Cr in the first phase, clearing over 30% of the launched inventory.
- The Company's Arvind Orchards launch in Bengaluru sold the entire first phase of inventory of Rs. 163 Cr within seven hours. The Company's launch of Rhythm of Life and Laxmanpura at the end of March, 2024, achieved sales of over Rs. 70 Cr, accounting for 75% of the inventory.
- The Company achieved a creditable referral rate of 23% (12% in FY22-23).

### Marketing initiatives, FY23-24

- Cost of acquired sales was less than 1.75% for most new launches, indicating the speed and effectiveness with which the Company marketed new launches
- Arvind SmartSpaces invested in digital marketing initiatives, generating 25% of its revenue from online leads.
- State of art in-house call center set up with a 15-member dedicated team
- Vast network of channel partners comprised > 1,200 with detailed CP management systems
- Channel partners contributed 36% to sales. Annual Operating Plan partnerships with key channel partners deepened, contributing more than 40% of the channel partner business.
- A full-scale 360-degree marketing campaign (above the line, below the line, digital and channel partner activation) was launched
- The inaugural Arvind RunToInspire10K marathon was promoted through digital and above-the-line channels, attracting more than 600 participants

### Outlook, FY24-25

Arvind SmartSpaces plans to sustain its historic growth rate of 30-35% across operating parameters. The Company aims to launch projects and phases valued at Rs. 2000-2500 Cr. The Company aims to augment its market share and leadership in Ahmedabad, expand its presence in Bangalore, and deepen its presence in Pune. Additionally, Arvind SmartSpaces intends to enter the Mumbai Metropolitan Region, introducing horizontal projects and exploring vertical projects through outright purchases, joint development agreements and redevelopment.

# Our business development



Belair, Bengaluru

## Asset light approach

 <p><b>Strong oversight and approval mechanism:</b> Robust system overseen directly by the Managing Director &amp; Chief Executive Officer for comprehensive project evaluation.</p>	 <p><b>Due diligence process:</b> Engaging reputable law firms for comprehensive legal assessments, ensuring regulatory compliance and risk mitigation.</p>	 <p><b>Legal team:</b> An in-house team of legal experts ensuring compliance, mitigating risks, and expediting processes.</p>	
 <p><b>Experienced team:</b> An experienced team proficient in identifying and securing prime land parcels.</p>	 <p><b>Detailed viability model:</b> A meticulous and conservative financial model ensuring project sustainability and profitability.</p>	 <p><b>Terms and safeguards:</b> Negotiating favorable terms and implementing robust safeguards to protect the company's interests.</p>	 <p><b>Solid relationships:</b> Deepening ties with landowners and channel partners, fostering trust for prospective ventures.</p>

## Overview

At Arvind SmartSpaces, the commitment to foster sustainable growth is evident in investments in new development initiatives. The Company deepened its presence in focused geographies and is consciously evaluating new micro markets to expand its presence. The strategic approach focuses on identifying markets that optimise a price-value proposition and help build enduring partnerships, allowing the Company to cultivate a robust pipeline that sustains continuous expansion and success.

## Highlights, FY23-24

- The year proved to be a milestone in terms of project expansions, marked by the addition of business development with a topline potential of approximately Rs. 4,150 Cr (previous year Rs. 930 Cr); the Company introduced four projects in Ahmedabad in addition to one each in Bengaluru and Surat.
  - In the first quarter, the Company entered into a 500-acre project deal along NH 47 South Ahmedabad, with a projected revenue potential of around Rs. 1,450 Cr under a 50% revenue share model.
  - In the second quarter, the Company secured a 204-acre project in Bavla (South Ahmedabad) called Uplands 2.0 and 3.0, with a projected revenue potential of Rs. 850 Cr (55% revenue share).
  - In the first quarter, the Company entered into an agreement with a subsidiary of Arvind Ltd. to develop a 16-acre township at Moti Bhoyan, with a projected revenue potential of Rs. 116 Cr (under the Development Management model).
  - In the second quarter, the Company acquired a 43-acre high-rise project in Bengaluru with a projected revenue potential of Rs. 400 Cr covering a saleable area of 4.6 Lac square feet.
  - In the fourth quarter, the Company expanded its portfolio with a 40-acre horizontal project in Ahmedabad called Rhythm Of Life with a projected topline potential of Rs. 250 Cr.
  - In the third quarter, the Company entered the Surat realty market with a 300 acre horizontal multi-asset township project possessing a revenue potential of Rs. 1,100 Cr (joint development model with 55% revenue share).
- The Company's business development team conducted comprehensive micro-market evaluation to assess attractiveness, potential realisations and sales velocity before landing new projects.

## Our strategy

At Arvind SmartSpaces, we recognise the role of visualisation in assessing land parcels and estimating prospective growth potential.

The Company envisions not just the physical landscape but also community growth, resulting in lifecycle projects understanding.

The Company's competence lies in designing three distinct project types: short-term, medium-term, and long-term.

Short-term projects offer quick returns, characterised

by streamlined process of development, sale, and exit.

Medium-term projects span four to five years, allowing for comprehensive planning and execution.

Long-term projects unfold across 8-10 years, developed in phases to align with market dynamics and evolving community needs with the opportunity to extract greater value across the project life cycle.

The essence of the Company's strategy lies in deepening revenue sustainability. For long-term projects, the Company initiates proactive land acquisition, leveraging the potential for

enhanced profitability on project maturing. By anticipating market shifts and diligent project management, the Company ensures that developments endure and flourish, delivering enduring stakeholder value.

The Company is committed to allocate Rs. 1,000 Cr towards the acquisition of 6-7 projects, which could collectively generate a cumulative topline of approximately Rs. 5,000 Cr within 12 months.



### **Drone-enhanced land analysis for precision design**

The Company implemented cutting-edge drone technology to analyze prospective land parcel topography. This advanced approach empowered the Company to derive comprehensive insights into terrains, facilitating informed decision-making.

Moreover, the Company employed rigorous topographic mapping methodologies to ascertain natural water flow across the land. By understanding these hydrological dynamics, the Company customised designs for water bodies and golf courses to harmonise seamlessly with the peripheral terrain. This approach ensured that developments not only complemented the natural landscape but also enhanced aesthetic appeal and ecological sustainability.

### **Our joint ventures**

At Arvind SmartSpaces, joint developments offer a multitude of benefits.

**Firstly**, they empower the Company to expand operations without significant capital outlay. **Secondly**, these joint developments (JDs) mitigate land-related risks. **Thirdly**, they expedite project timelines as the land acquired through JDs is typically ready for development, eliminating regulatory hurdles. **Fourthly**, JDs enhance Internal Rate of Returns by minimising upfront investments.

### **Outlook, FY24-25**

Arvind SmartSpaces aims to undertake business development activities to add a GDV of Rs. 5,000-5,500 Cr in the coming year. The Company aims to increase market share and leadership in Ahmedabad, expand its presence in Bangalore, deepen presence in Pune and venture into the MMR. The Company seeks to rebalance its portfolio around an equal presence in vertical and horizontal developments and increase the proportion of outright projects over joint development agreements.

The Company is confident of prospects, considering that its geographical presence is influenced by extensive studies of the long-term growth of those urban clusters and micro-markets. As a matter of caution, the Company selects to deepen its presence in existing urban clusters before entering new developed markets.

# Finance



Belair, Bengaluru

## Overview

The Company's financial foundation has been structured around adequate net worth, absence of debt and a promoter commitment to infuse capital whenever necessary (Rs. 51 Cr in May 2016, Rs. 53 Cr in February 2018, and Rs. 35 Cr in October 2021) in addition to an exercise of 28,50,000 warrants of the Company by the CEO, investing Rs. 29 cr into the Company's net worth. The result is that at Arvind SmartSpaces there is a complete alignment of senior management interests with the corporate priority and strategic direction.

The Company has been built around financial discipline. This discipline has been marked by cost efficiency (sourcing new projects or leveraging digital sales to optimise marketing expenditure or the procurement of building material). Besides, this discipline has been reinforced through checks, balances, industry benchmarking and data-driven decision making.

The outcome of this discipline is manifested in the Company's consistent outperformance. The Company's robust cash flows and profitability are higher than the industry benchmark; they underscore the management's

oversight across acquisition, launch, and execution cycles, driving projects and corporate profitability.

## Our strategic goal

At Arvind SmartSpaces, we believe that business sustainability is catalysed by competent cash flow management coupled with a low borrowing. At the Company, these realities have been derived through accelerated sales within a compressed period; the Company focuses on 30-40% sales during the pre-launch and launch stages to create an initial momentum that moderates subsequent working capital borrowing and ensures

that the project sustains largely through advances provided by buyers. This negative working capital approach ensures that the Company's debt-to-equity ratio remains well below its guardrail of 1:1 (also assisted by timely equity infusions by the promoters).

### Partnership with HDFC Capital

At Arvind SmartSpaces, we believe in creating, enduring and eventually beneficial partnerships, whether it is with landowners, vendors, contractors or financial partners. The availability of large funding lines makes it possible for the Company to capitalise on opportunities related to land acquisition and timely project development.

In 2019, the Company entered an 80/20 venture with HCARE 1, a Special Purpose Vehicle entity directed at mid-market and affordable housing development. The first project, a plotted development, was acquired at Devanahalli, Bengaluru, in 2020. This platform was concluded within two-and-a-half years.

In 2021, HDFC Capital Advisors participated in a preferential issue, HCARE 1 subscribing to 8.8% equity in Arvind SmartSpaces (fully diluted basis).

In 2022, Arvind SmartSpaces raised Rs. 900 Cr with HDFC under HCARE III to create a residential development platform with a revenue potential in excess of Rs. 4,000 Cr. The proposed investments in this platform by Arvind SmartSpaces and HCARE III are Rs. 300 Cr and Rs. 600 Cr, respectively (three projects acquired under the platform). The Company provided a successful exit to HDFC in one project during the last financial year.

### Outlook, FY24-25

The Company's long-term credit rating improved to A+

## Highlights, FY23-24

Arvind SmartSpaces reported a 33% growth in topline and 62 increase in profit after tax during the year under review. The fact that the Company reported profitable growth is a validation of its business model and competitiveness. During the year under review, Arvind SmartSpaces remained one of few companies in its sector with negative net debt, a rarity in a business marked by sizable capital investments. The Company's net debt decreased to Rs. (41) Cr as of March 31, 2024, from Rs. (30) Cr as of March 31, 2023. This under-borrowed nature of the business, at a time when it is growing attractively year-on-year, indicates the robustness of the Company's strategic approach and business direction.

The growth of the Company during the last financial year cascaded into increased liquidity, critical to business acceleration and sustainability. The Company made record collections of Rs. 876 Cr, a 46% year-on-year growth, the highest in its existence. This

outperformance was attributed to the seamless process execution encompassing sales, registrations, construction, and deliveries. Strong collections resulted in net operating cash flows of Rs. 458 Cr in FY23-24. This liquidity will empower the Company to sustain project progress and generate an Net Estimated Unrealised Operating Cashflow of Rs. 2,563 Cr from its projects across the foreseeable future.

Consequently, the Company's long-term credit rating improved to A+ with a Stable outlook compared to its previous rating of IND A with a Positive outlook in December 2022.

In view of the improvements in business model and projected outlook, the Board of Directors have recommended a final dividend of Rs. 2.50 per equity share and special dividend of Rs. 1.00 per equity share, totaling Rs. 3.50 per equity share of Rs. 10 each (i.e. 35%). This announcement marked two consecutive years of dividend distribution.

with a Stable outlook. Arvind SmartSpaces is attractively positioned to generate sustainable growth. The Company aims to sustain 30-35% growth across relevant metrics, comprising bookings, collections, revenue, EBITDA, and PAT; EBITDA margins are likely to be sustained around 25%, indicating business model predictability.

Leveraging the growth headroom available within its Balance Sheet without stretching its financial hygiene and its existing funding line available from HDFC, the

Company plans to expand its projects pipeline. The Company is committed to multi-fold bookings growth without compromising profitability. The Company will focus on creating long-term value by transforming large land parcels into attractive destinations. Driven by this aspiration, Arvind SmartSpaces aims to emerge among India's leading real estate players.



# Design



## Overview

The role of design is becoming increasingly critical in modern real estate development. The focus is no longer on 'How big is my home going to be?' This conventional focus has been replaced by 'How aligned is my home to my and my family's evolving needs'?

This difference in perspective has been inspired by the integration of a holistic lifestyle deeper into gated residential living. As an extension of this lifestyle redefinition, the incidence of larger plotted villas and multi-use townships within expansive communities is gaining traction,

offering a range of outdoor amenities and an elevated lifestyle. The result is that operative lifestyle indicators in such offerings inside gated complexes factor into account the ratio of open spaces to closed space and density of people per square feet.

The result is that horizontal developments – by nature spacious and sprawling – have emerged as an ideal choice for weekend homes, primary residences, and urban investment opportunities, especially across congested urban clusters like Ahmedabad, Surat, Bengaluru, Pune and the Mumbai Metropolitan Region.

These planned real estate developments distinguish themselves over traditional residential facilities by addressing the customer's need for land ownership, greater privacy and engagement. Contemporary horizontal developments, encompassing plots, villas and townships, also address a growing need for smart, secure, and luxurious living while fostering a sense of community.

Arvind SmartSpaces has been a pioneer in this distinctive space, comprising the plotting, villa, villament and townships. Following the pandemic, the Company recognised an opportunity for spacious living. The Company launched relevant horizontal properties in Ahmedabad and Bengaluru, marked by a focus on design, sporting amenities (golf course), luxury clubhouses, personal open areas, modern amenities, uncrowded recreational facilities and a green landscape - a distinctively superior lifestyle.

The Company institutionalised its approach to horizontal development; the Company distilled inputs from within and without before arriving at property launch dimensions. The Company's sales and customer relationship management teams provided real-time feedback on evolving marketplace realities and sales offtake trends, ensuring continuous improvement.

### Challenges and its mitigation

Non-contiguous and asymmetrical land parcels affect the growth of large scale property development. Some design regulations are counterintuitive and affect the design process.

Arvind SmartSpaces collaborates with a team of international architects and liaison partners. The Company partnered best-in-class global design firms like Woods Bagot, HOK, RSP, and AAA, supported by a robust in-house team of architects. This combined expertise empowered the Company to navigate design complexities and deliver superior outcomes.

### Our design-first philosophy

Our overarching philosophy is to ensure our products are designed around the stated and unstated aspirations of customers. This design-first approach emphasises a greater role for aesthetics, life quality and construction efficiency. The Company embarks on project design with a comprehensive customer understanding matched by customised design.

Over the years, some design-driven innovations comprised the following:

- Use of local tree species warranting minimal maintenance that helped create urban forests in larger projects
- Switch heights in rooms adjusted based on their utility.
- Flexibility of small rooms used as study areas, offices, recreation rooms, and larger layouts.

The Company enhanced the aesthetic appeal and functionality of projects while maintaining key design ratios like saleable area/FSI, carpet area/FSI, and the percentage of built-up-to-carpet area.

The Company's emphasis on sustainability from the design phase comprised eco-friendly designs that optimised ventilation, oriented projects around the sun path, used green resources and moderated water use. Our projects prioritise design quality over cost moderation.

### Commitment to sustainability

At Arvind SmartSpaces, sustainability sits at the core of operations, minimising ambient impact. The Company's projects minimised biodiversity disturbance or disruption; they comprised extensive landscaping, enhancing ambient air integrity. The Company prioritised the use of designs that maximised the use of daylight, improving occupant health and productivity.

The Company's energy-efficient projects incorporated eco-friendly materials like AAC blocks, RCC pavers, fly ash, fiber-reinforced plastic, organic waste converters, solar lights, water harvesting structures, and sewage treatment plants.

The diverse elements of sustainability within the Company's projects comprise the following:

- Solar lighting in common areas; motion sensors in car parks
- Rainwater harvesting and percolation pits to enhance the water balance

- Smart water meters to track resource consumption
- Sustainable cleaning materials to moderate chemicals runoff
- Low VOC paints etc.

### Fostering innovation and collaboration

The Company's decision-making process is designed to nurture curiosity within product teams, encouraging a culture of continuous learning and engagement with the industry's thought leaders. The Company motivated teams to visit real estate development projects across cities for a wider understanding of successful projects and emerging trends.

The Company entered into collaborations with prominent architects like Perkins Eastman, Apurva Amin, WATG, Woods Bagot and Amitabh Teotia to deepen design orientation leading to project differentiation and excellence.

### Unique features of our high-rise projects

In the high-rise projects, the Company's thoughtful design process incorporated elements to ensure that the building continued to maintain its looks despite occupation (all facades were designed to conceal air conditioning units so that aesthetics were not compromised by functionalities), preserving the building's aesthetics. Each project was developed around unique selling propositions leading to distinctive experiences:

**Uplands:** Executive golf course and Disney clubhouse

**Sporcia:** Homes centered around sports amenities

**Skylands:** Jogging track in the sky

**Belair:** Exclusive club in the air

**Highgrove:** Three acres of lily pond

**Forreste:** Urban forest

**Fruits of Life:** Community fruit orchards

### Outlook, FY24-25

In the year ahead, ASL aims to further push the boundaries of design to create world class developments that become destinations and not just Projects.



# Customer relationship management and success at ASL

## Overview

At Arvind SmartSpaces, we extended our customer engagement to encompass every touch point with the customer. Over time, this approach manifested in extending beyond mere sale to engaging experiences. Even as promised delivery was essential, the commitment extended to delight customers at every touchpoint, deepening trust, loyalty, and satisfaction.

The Company seeks to delight at every touch point in the customer life cycle through customer-centric offerings, timely property handover, self-service convenience (through the customer portal), value-added maintenance services and innovative Pro-Res services.

## Customer feedback survey process

The Company employed a survey system triggered from the Salesforce (SFDC) platform, where customers provided feedback on experiences covering property registration, onboarding, handover and service request closures.

## Customer centricity

At Arvind SmartSpaces, the focus lies in delivering a seamless customer experience. The dedicated service request modules recorded customer interactions, ensuring that every call and email generated a timely organisational response. The Company shared monthly construction progress updates with customers, keeping them completely informed about when their home would be complete.

Since happy customers represented the Company's most potent ambassadors, the Company

introduced customer referral and loyalty programs to encourage customers to refer the properties to others. The Company's user-friendly customer portal put the power in client hands; they could access information and get quicker resolutions.

SFDC, the Company's licensed access platform, served as a comprehensive repository for all customer information. Access to this tool was controlled, restricted solely to authorised CRM personnel. This control ensured the integrity and confidentiality of customer data.

### Enhancing the customer experience

Proactive communication	Customer engagement activities
Internal processes around SOPs	Team empowerment through confidence and skill building
Reduced manual engagement through enhanced automation	Prompt response to customer queries

## Key initiatives, FY23-24

- The Company established a dedicated relationship management process where each customer was allocated a single point of contact for the resolution of queries or issues

- The Company conducted events and activities in handed-over projects to enhance the living experience, fostering a strong sense of community. The Company's relationship managers wished customers on their birthdays and anniversaries

- The Company tracked the turnaround time on calls and service requests
- The Company launched a dedicated customer portal to provide expedited access and a swift resolution of issues for the benefit of customers.

# How ASL is strengthening workforce resilience



## Overview

At Arvind SmartSpaces, we are committed to create a work culture that is engaging, resilient and joyous. The Company's focus is on investing in people, empowering them to realise their full potential and true purpose. The enhanced stakeholder value is then the outcome of consistent efforts in creating an innovative, process-oriented and high-performing organisation.

The Company prioritised the recruitment cum engagement of the best-fit individuals for roles rather than the generalised seeking of the most talented candidates. The Company ensured that each person was deployed in the right place at the right time, optimising capabilities. As a part of the approach to job enlargement, the Company progressively widened employee roles; it provided job enrichment

opportunities that fostered professional development. This approach was evident in the leadership pipeline that grew from within, an index of the Company's capacity to delegate and plan responsible succession.

The Company fostered a balanced employee lifestyle through flexible work timings, employee-friendly leave policy, comprehensive medical and sick leave benefits, women-centric policies, training programs, and periodic engagement activities.

## Enhancing HR initiatives at Arvind SmartSpaces

**Implementation of Darwin Box HRIS System:** The Company made significant progress in adapting to the Darwin Box HRIS System, particularly in HR operations. The Company is integrating the recruitment module, ensuring

a larger involvement of line managers in utilising the system.

**Expansion of learning and development opportunities:** The Company expanded the range of learning and development opportunities through the One Arvind - Skill Development platform. This included technical, soft skills, and managerial programs offered by external agencies like the Ahmedabad Management Association and Princeton University. The Company will provide access to offline trainings in South India by collaborating with Bengaluru Management Association. The Company is exploring internal resources for technical training aligned with business objectives.

**Employee engagement and welfare activities:** The Company prioritised employee engagement through activities like festival



celebrations, birthday events, sports days, and social media initiatives. It focused on employee well-being by organising yoga camps, Medi Buddy programs, women’s day celebrations, and sports events.

**Talent recognition and recruitment:** The Company conducted annual Town Hall meetings and leadership enclaves to recognise talent. It ensured the recruitment of best-fit candidates through employee referrals, job portals, campus interviews, and support to hiring managers.

**Enhancing employee management and engagement:** The Company implemented initiatives such as Chat with MD, employee suggestion programs, and CLAP Cards to inspire, motivate, and recognise employee strengths.

**Advancing organisational growth**

The Company’s full-time equivalent headcount increased from 289 (April 1, 2023) to 400 (March 31, 2024), a 38% rise in line with widening organisational objectives.

Timely attrition monitoring sensitised heads of department, prompting the creation of a leadership pipeline and succession planning. Various team engagements across functional departments fostered closer collaboration, emphasising inter-dependence.

The Company comprised a relatively young workforce with the average age of employees in FY23-24 at 35 years.

**Safety standards**

The Company’s safety manual was crafted to ensure employee well-being and prevent safety-related incidents. The objective was to minimise accidents by adhering to safety codes and maintaining high safety standards.

The Company implemented measures to ensure employee safety, including:

**Education and training:** The Company conducted periodic training to educate employees about safety precautions and standards

**Appointment of safety officers:** The Company hired safety officers responsible for overseeing safety protocols and sensitising employees around safety practices

The Company upheld safety measures through the following:

**Utilising appropriate equipment:** The Company ensured the use of suitable equipment equipped with proper safety features to mitigate potential hazards.

**Conducting regular site inspections:**

The Company inspected construction sites to identify and address safety hazards, ensuring a safe working environment for all employees.

**Implementing emergency response plans:**

The Company’s emergency response plans managed accidents or injuries, enabling appropriate actions to minimise risks and ensure workforce well-being.

**Employees**

Year	FY24
Employees	400

**Employees by age group**

Year	FY24
Age group 22-35	254 (63%)
Age group 36-45	107 (27%)
Age group 46-60	39 (10%)

**Employees by tenure**

Year	FY24
More than 5 years (as % of total)	15.25

**Employees by gender**

Year	FY24
Male	328 (82%)
Female	72 (18%)

**Average age**

Year	FY24
Average age	35

**Employees by position**

Year	FY24
Graduates	120 (30%)
Masters	28 (7%)
Engineers	191 (48%)
MBAs	56 (14%)
Chartered accountants	5 (1%)

# Building a greener future: Arvind SmartSpace's commitment to ESG excellence



## Highlights FY23-24

**47,173**

kWh renewable energy consumed

**6.25**

% increase in renewable electricity from last year

**9,000**

trees planted

**75**

Rs. Lac spent on CSR activities

## Overview

At Arvind SmartSpaces, we are dedicated to building sustainable communities through innovative design, advanced technology and resource-efficient practices. As we progress on our sustainability journey, we are committed to becoming leaders in this field by setting new standards for environmentally conscious development. Our commitment to sustainability ensures that our spaces not only enhance the well-being of their occupants but also preserve or enrich the natural environment. We strive to create living and working environments that are environmentally responsible and conducive to a higher quality of life, leaving a richer legacy for future generations.

## Environment

At Arvind SmartSpaces, our unwavering commitment to environmental sustainability drives every aspect of our operations. We are dedicated to reducing our ecological footprint through innovative design, adoption of advanced technology, and responsible resource management. Last year, we embarked on initiatives aimed at conserving natural resources and enhancing green cover in all our projects. Our efforts reflect our mission to create resilient and eco-friendly spaces. This section outlines our key environmental aspects and our strategic approach to sustainability, ensuring a positive impact on people and the planet.

**Arvind is a fashion powerhouse that is also building new age homes;**

**A global leader in apparel manufacturing that is also transforming water management;**

**A denim pioneer that is a trailblazer in advanced materials;**

**A wearable technology manufacturer that is also delivering state-of-the-art engineering solutions.**

The Group's commitment to sustainability and environmental management is inspirational. From utilising 100% of recycled water in the production of textiles to ensuring zero liquid discharge in the manufacturing process, from empowering over 75,000 farmers in sustainable farming methods to partnering agencies to convert textile waste into virgin quality products, Arvind has been at the forefront of sustainability and environmental management.

Recently, Arvind partnered Gap Inc., global apparel retailer, to unveil a new water treatment facility that will eliminate the use of freshwater at Arvind's denim manufacturing unit in Ahmedabad. This initiative will help in preserving local freshwater resources. The new facility will save 8 Mn liters of fresh water per day, or 2.5 Bn liters of freshwater on an annual basis.

Taking that legacy forward, Arvind SmartSpaces Ltd partnered Sprih, a leading carbon management and accounting platform, to bolster sustainability. Sprih is a technology-focused startup specialising in a carbon management platform. It assists organisations in their sustainability journey by providing essential support to make informed decisions towards achieving net-zero goals. Its comprehensive offerings include computing carbon emissions, industry benchmarking, setting reduction targets, recommending intelligent action items for

emission reduction and offsetting, constant monitoring to measure impact, auditable accounting, easy disclosures, and compliance management. This partnership is aimed at bringing complete transparency, measurability and seamless collaboration to enhance environmental stewardship and contribute to a sustainable future.

We are dedicated to implementing innovative practices and technologies across all aspects of our operations to achieve sustainability goals. Our efforts are focused on four areas: Energy, Emissions, Water, and Sustainable Materials.

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### **Energy**

Energy efficiency is the cornerstone of our sustainability strategy at Arvind SmartSpaces. We recognise the critical importance of minimising energy consumption to reduce our carbon footprint and enhance operational efficiency. To this end, we undertook initiatives to optimise energy across our projects.

### **Renewable energy integration:**

We increased our reliance on renewable energy sources. In FY23-24, our total electricity consumption from renewable sources was 170 GJ, up from 160 GJ in FY22-23. This shift towards renewable energy helped reduce our dependence on fossil fuels and lowered our greenhouse gas emissions.

**Energy-efficient design:** Our buildings are designed with energy efficiency in mind. Our layouts are designed to optimise the use of natural light and wind, reducing the need for artificial lighting and cooling. We are constantly adopting technological solutions to optimise the use of natural resources like the utilisation of solar-coated glasses in building facades to minimise solar heat gain, reducing the need for air conditioning and artificial cooling systems. This not only lowers energy consumption but enhances indoor comfort.

“  
**If you can't  
measure it,  
you can't  
manage it**  
”

Peter Drucker

”



**Advanced insulation materials:**

We use China Mosaics and heat insulating exposed acrylic coatings for heat insulation, which helps maintain comfortable indoor temperatures and reduces the need for heating and cooling systems. This approach results in significant energy savings and contributes to our sustainability goals.

**Motion sensor lighting:** To reduce electricity consumption, we installed motion sensor lights in landscaping and common areas. These sensors ensure that lights are only used, when necessary, conserving energy.

Our efforts to reduce energy consumption not only contribute to environmental sustainability but also result in cost savings and improved operational efficiency.

**Emissions**

Reducing greenhouse gas (GHG) emissions is a core focus at Arvind SmartSpaces as part of our commitment to combat climate change. We implemented measures to monitor, report, and mitigate our emissions.

**Emission monitoring and reporting:**

Partnering with Sprih, we have enhanced our ability to measure and report our emissions accurately. This collaboration provided us with valuable insights into our carbon footprint. We started measuring our Scope 3 emissions as well from this year for some key categories like business travel, services purchased and waste generated.

**Sustainable construction materials:**

By utilising materials like Fiberglass Reinforced Polymer bars instead of traditional steel reinforcement, we reduced carbon emissions associated with material production and transportation.

**Fly ash utilisation:** Incorporating fly ash, a byproduct of coal combustion, into our concrete mix reduces the need for traditional cement, a significant source of carbon emissions. This practice

promotes waste utilisation and resource efficiency.

Our ongoing commitment to emission reduction is evident in the significant measures we implemented, which contribute to a cleaner and healthier environment.

**Water**

Water conservation is a critical aspect of our sustainability efforts at Arvind SmartSpaces. Recognising the importance of water as a valuable resource, we implemented various measures to minimise water consumption and promote efficient water use.

**Efficient curing techniques:** In our construction activities, we employ advanced curing compounds and technologies to optimise water use during the curing process. This reduces water wastage and ensures the strength and durability of our concrete structures.

Through this initiative, we significantly reduced our water consumption, demonstrating our commitment to sustainable water management.

**Sustainable materials**

At Arvind SmartSpaces, we are committed to using sustainable materials that minimise environmental impact and enhance the sustainability of our projects. We prioritise materials that are resource-efficient, recyclable, and with a lower carbon footprint.

**Fly ash utilisation:** By incorporating fly ash into our concrete mix, we reduce the demand for traditional cement, a major source of carbon emissions. Fly ash utilisation promotes the recycling of industrial byproducts, contributing to a circular economy.

**FRP bars:** The use of Fiberglass Reinforced Polymer bars instead of traditional steel reinforcement offers several environmental benefits, including corrosion resistance and reduced material usage. FRP bars have a lower

environmental impact compared to steel, making them a sustainable choice for construction.

**Alternative waterproofing materials:** We explore eco-friendly alternatives such as High-Density Polyethylene (HDPE) liner and Shahabad Stones for waterproofing applications. These materials are durable and environmentally friendly, reducing a reliance on conventional waterproofing methods.

**Recycled materials:** We incorporate materials made from recycled content, such as LDPE sheets, in our construction processes. This practice not only reduces waste but also supports the market for recycled materials.

By focusing on sustainable materials, we aim to reduce our environmental footprint and promote resource efficiency across our projects.

**Arvind SmartSpaces' comprehensive approach to sustainability encompasses energy efficiency, emission reduction, water conservation, and the use of sustainable materials. Through these efforts, we strive to create value for our stakeholders while protecting the environment and promoting a sustainable future.**



**Social**

Arvind SmartSpaces is guided by a steadfast commitment to Corporate Social Responsibility (CSR). We strive to foster holistic development in the communities where we operate. Through strategic partnerships and innovative initiatives, we aim to empower individuals, uplift marginalised communities, and promote sustainable growth. This section showcases our collaborative efforts in rural and educational advancement, environmental stewardship, livelihood enhancement, and promoting health and well-being. Additionally, we highlight our commitment to employee welfare, underscoring our holistic approach to social responsibility and our vision for a brighter, inclusive future.

**Partnerships for progress**

In line with our CSR policy, Arvind SmartSpaces collaborates with Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust and Arvind Foundation to implement impactful projects focused on rural and educational advancement. We recognize that sustainable progress is rooted in empowering local communities and enhancing their quality of life.

**Empowering rural communities**

Our real estate project, Arvind Highgrove, situated in the Sanand taluka of Ahmedabad, serves as the epicenter of our rural development initiatives. We are actively engaged in four villages - Moti Devti, Nani Devti, Moraiya, and Motipura - where we endeavor to uplift marginalised communities through comprehensive interventions. These efforts have positively impacted over 15,000 residents, predominantly from scheduled castes, other backward castes, and tribal communities.

**Education, environment, and livelihood**

Our long-term rural advancement strategy encompasses education, environment, and livelihood initiatives. Under the education component, we support digital literacy programs and supplementary education initiatives to enhance learning outcomes and foster skill development among local residents. Over 1700 primary school students and women benefited from our digital literacy program, facilitated through a partnership with Hewlett-Packard (HP) and Arvind Foundation.

**Environmental stewardship**

Arvind SmartSpaces remains committed to environmental conservation through extensive plantation drives and sustainable agricultural practices. We planted over 9000 trees across locations, including individual homes, schools, and communal spaces, promoting biodiversity and environmental sustainability.

### Livelihood enhancement

Recognising the importance of economic empowerment, we focus on strengthening livelihood opportunities in the communities we serve. Through dairy farming training programs and agricultural workshops, we empower local farmers with knowledge and resources to enhance productivity and improve their socio-economic status. Our initiatives supported 67 dairy farmers in Nani Devti and Moti Devti, with 37 farmers receiving loans for buying additional animals.

### Promoting health and well-being

Arvind SmartSpaces prioritises the health and well-being of community members by organising health camps and eye check-up initiatives. We partner government agencies and healthcare providers to deliver essential medical services, ensuring access to quality healthcare for all. Our health camps benefited 347 individuals, with 36 cataract cases identified and treated, and dental health check-ups conducted for 280 students.

### Employee welfare

In addition to our community-focused initiatives, we are committed to the well-being

of our employees. We provide comprehensive health and accident insurance coverage to employees, ensuring their safety and security in the workplace. This initiative reflects our dedication to fostering a supportive and inclusive work environment where employees feel valued and protected.

Arvind SmartSpaces remains steadfast in its dedication to driving positive social change and creating sustainable impact in the communities we serve. Through collaborative partnerships, innovative initiatives, and a commitment to employee welfare, we are committed to building a brighter and more inclusive future for all.

## Governance

At Arvind SmartSpaces, our corporate governance framework is rooted in values of fairness, transparency, and accountability. We strive to exceed regulatory requirements and uphold the highest standards of integrity in all our operations. Our governance philosophy is based on the following principles:

Satisfy the spirit of the law and not just the letter of the law. Our corporate governance standards extend 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 the Company is performing.

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.

### Composition of Board of Directors

Our Board of Directors comprise of eight Directors that include a Non-Executive Chairman and a Vice-Chairman; Managing Director & CEO; Independent Directors including a Woman Director and a Nominee Director. The Board comprises renowned professionals drawn from diverse fields with requisite skills/expertise/

competencies required in the context of business and the sector in which the Company operates.

### Decision making on sustainability

Arvind SmartSpaces conducts periodic joint assessments led by the Managing Director, COO, and functional heads to address environmental and social issues impacting business continuity.

These assessments ensure that sustainability-related decisions are integrated into the overall governance framework.

# Management discussion and analysis



Uplands Golfcourse, Ahmedabad

## Global economy

**Overview:** Global economic growth weakened from 3.5% in 2022 to around 3.1% in 2023 and this may have been worse but for growth from Asia, which was marked by a weaker-than-expected recovery in China and a better than expected growth in India.

The global economy was marked by a sustained weakness in USA, Britain and Japan entering a recession and most economies of Europe grappling with high energy costs, weak global consumer sentiment on account of the Ukraine-Russia war, and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into

increased policy rates and interest rates for new loans.

The growth rate in advanced economies decelerated to 1.6% in 2023 but is projected to gradually increase to 1.7% in 2024 and further to 1.8% in 2025. This growth trajectory will be tempered by a modest slowdown in emerging market and developing economies, which are anticipated to decrease from 4.3% in 2023 to 4.2% in both 2024 and 2025. Global inflation is expected to decline steadily from 6.8% in 2023 and 5.9% in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases.

The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

The volume of world merchandise trade is expected to increase by 2.6% in 2024 and 3.3% in 2025 after falling 1.2% in 2023. However, significant risks are on the horizon, including regional conflicts, geopolitical tensions, and economic policy uncertainties, all of which could have a considerable impact on this projection. In terms of value, the merchandise exports experienced a more pronounced decline, dropping by 5% to USD 24.01 Trn. Conversely, there was a more positive trend in commercial services exports, which increased by 9% to USD 7.54 Trn, partially offsetting the downturn in goods trade. The cost of Brent crude

oil averaged USD 83 per barrel in 2023, down from USD 101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate

cuts by the US Fed and other Central banks.

**Outlook:** Asia is expected to continue to account for the bulk of global growth in FY24-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years

(Source: World Bank).

Regional growth (%)	2024	2023
World output	3.1	3.5
Advanced economies	1.6	2.5
Emerging and developing economies	4.3	3.8

(Source: UNCTAD, IMF)

## Performance of major economies, 2023

<b>United States:</b> Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022	<b>China:</b> GDP growth was 5.2% in 2023 compared to 3% in 2022	<b>United Kingdom:</b> GDP grew by 0.4% in 2023 compared to 4.3% in 2022	<b>Japan:</b> GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022	<b>Germany:</b> GDP contracted by 0.3% in 2023 compared to 1.8% in 2022
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(Source: PWC report, EY report, IMF data, OECD data, Livemint)

## Indian economy

**Overview:** The Indian economy was estimated to grow 7.8% in the 2023-24 fiscal against 7.2% in FY22-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. As per the IMF, India is likely to become the third-largest economy in 2027 (in USD at market exchange rate) and it also estimated that India's contribution to global growth will rise by 200 basis points in 5 years

In FY23-24, the CPI inflation averaged 5.4% with rural inflation

exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5%, a sharp decline from 6.2% in FY22-23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching USD 648.5 Bn as on April 5, 2024. The credit quality of Indian companies remained strong between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades

continued to surpass rating downgrades in H2 FY23-24. UPI transactions in India posted a record 56% rise in volume and 43% rise in value in FY23-24.

## Growth of the Indian economy

	FY21	FY22	FY23	FY24
Real GDP growth (%)	-6.6%	8.7	7.2	7.8 E

E: Estimated

## Growth of the Indian economy quarter by quarter, FY23-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24E
Real GDP growth (%)	8.2	8.1	8.4	8 E

(Source: Budget FY23-24; Economy Projections, RBI projections, Deccan Herald)

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5% in FY23-24 compared to 1.3% in FY22-23. The Indian mining sector growth was estimated at 8.1% in FY23-24 compared to 4.1% in FY22-23. Financial services, real estate and professional services were estimated to record a growth of 8.9% in FY23-24 compared to 7.1% in FY22-23.

Real GDP or GDP at constant prices in FY23-24 was estimated at Rs. 171.79 Lac Cr as against the provisional GDP estimate of FY22-23 of Rs. 160.06 Lac Cr (released on May 31, 2023). Growth in real GDP during FY23-24 was estimated at 7.3% compared to 7.2% in FY22-23. Nominal GDP or GDP at current prices in FY23-24 was estimated at Rs. 296.58 Lac Cr against the provisional FY22-23 GDP estimate of Rs. 272.41 Lac Cr. The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2% as of September 2023, following a decline from 3.9% at the end of March 2023.

India's exports of goods and services were expected touch USD 900 Bn in FY23-24 compared to USD 770 Bn in the previous year despite global headwinds. Merchandise exports were expected to expand between USD 495 Bn and USD 500 Bn, while services exports were expected to touch USD 400 Bn during the year. India's net direct tax collection increased 19% to Rs. 14.71 Lac Cr by January 2024.

The gross collection was 24.58% higher than the gross collection for the corresponding period of the previous year. Gross GST collection of Rs. 20.2 Lac Cr represented an 11.7% increase; average monthly collection was Rs. 1,68,000 Cr, surpassing the previous year's average of Rs. 1,50,000 Cr.

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94% of its long-term average rainfall. The agriculture sector was expected to see a growth of 1.8% in FY23-24, lower than the 4% expansion recorded in FY22-23. Trade, hotel, transport, communication and services related to broadcasting segment are estimated to grow at 6.3% in FY23-24, a contraction from 14% in FY22-23. The Indian automobile segment was expected to close FY23-24 with a growth of 6-9%, despite global supply chain disruptions and rising ownership costs.

The construction sector was expected to grow 10.7% year-on-year from 10% in FY22-23. Public administration, defence and other services were estimated to grow by 7.7% in FY23-24 compared to 7.2% in FY22-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9%, down from 7% in FY22-23.

India reached a pivotal phase in its S-curve, characterised by acceleration in urbanisation, industrialisation, household incomes and energy consumption. India emerged as the fifth largest economy with a GDP of USD 3.6

Trn and nominal per capita income of INR 123,945 in FY23-24.

India's Nifty 50 index grew 30% in FY23-24 and India's stock market emerged as the world's fourth largest with a market capitalisation of USD 4 Trn. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

**Outlook:** India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 Trn in FY24-25.

**Union Budget FY24-25:** The Interim Union Budget 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In FY24-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at Rs. 6,21,541 Cr, accounting for 13% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%).

(Source: Times News Network, Economic Times, Business Standard, Times of India)

The Interim Budget for FY24-25 underscores a strong commitment to infrastructure development, with an 11.1% increase in capital expenditure outlay to INR 11.11 Lac Cr (3.4% of GDP). These allocations align with positive trends in the financial sector, including rebounding bank credit growth and a decline in bad loans as reported by the RBI in

December 2023, indicating the readiness of healthy financial institutions to support the capital expenditure cycle. The budget also maintains its focus on capital expenditure, directing investments towards solar energy, tourism, the medical ecosystem, and technology. This consolidated approach highlights the government's strategic priorities in promoting robust economic

growth and development through targeted investment in key sectors.

### Indian real estate sector review

According to Knight Frank, the real estate industry in India is estimated to have been valued at USD 330 Bn in 2024 and is anticipated to reach USD 1.04 Trn by the year 2029, growing at a CAGR of 25.60% during this time period.

The COVID-19 pandemic significantly impacted the country's real estate market; however, there has been a notable recovery post-pandemic. Real estate prices have shown a steady increase, with the average annual growth rate rising from 2.3% in fiscal year 2022 to 3.8% in fiscal year 2023 and further to 4.3% in the first half of fiscal year 2024 with company micro markets

growing in excess of 7% YOY in last 2 years. . Despite this upward trend in prices and the impact of higher interest rates, there has been a continued uptick in housing sales and new project launches, underscoring the resilience of income recovery and positive sentiment toward future prospects in the real estate sector.

Industry leaders and analysts predict that the Indian residential sector will continue its robust growth trajectory into CY 2024.

It is forecasted that sales will increase by 10-15%, exceeding 300,000 units this year, driven by a significant pipeline of new projects. This surge is supported by numerous reputable developers securing land for future projects and expanding into new regions to

leverage the surge in demand for housing.

The year 2023 marked a historic peak, exceeding the highs of 2010 by 24-25%. Sales momentum from 2023 is anticipated to carry on, with an expected annual growth of 10-15%, potentially reaching between 310,000 and 315,000 units.

Going forward, the real estate sector is estimated to reach USD 1.3 Trn, or 13.8% of projected GDP, by fiscal 2034 and USD 5.17 Trn (17.5% of GDP) by 2047, as per Confederation of Real Estate Developers' Association of India. The association has projected an additional demand for 70 Mn housing units by 2030.

### Industry trend

City	Project launches			Sales		
	FY22-23	FY23-24	Changes	FY22-23	FY23-24	Changes
Mumbai	92,611	92,579	0%	83,921	90,314	8%
NCR	64,836	63,056	-3%	58,833	60,137	2%
Bengaluru	45,387	52,188	15%	53,090	53,789	1%
Pune	40,960	44,190	8%	43,473	50,730	17%
Hyderabad	44,577	47,139	6%	32,353	34,130	5%
Ahmedabad	21,201	22,307	5%	14,182	16,561	17%
Chennai	15,648	16,670	7%	14,522	15,220	5%
Kolkata	12,035	18,573	54%	12,791	15,435	21%
<b>Total</b>	<b>3,37,254</b>	<b>3,56,702</b>	<b>6%</b>	<b>3,13,165</b>	<b>3,36,316</b>	<b>7%</b>

Based on a report by CBRE, the Indian residential real estate market is witnessing a significant shift, with over 40% of the homes sold in 2023 being from newly launched projects. This indicates a move away from the earlier preference for ready-to-move or near-completion properties. The sale of 40% of the newly launched homes in top cities highlights a growing confidence among homebuyers in investing in new projects. This shift can be attributed to the dominance of financially robust branded developers known for their reliable project completion history over the last two to three years, especially after facing project delays in the past.

During the year gone by, India's premium and luxury real estate market witnessed remarkable activity, demonstrating a 75% year-on-year growth primarily fueled by strong demand for properties valued at INR 2 Cr or more. This specific segment emerged as an appealing investment avenue, particularly for high-net-worth individuals (HNIs) and non-resident Indians (NRIs) seeking portfolio diversification amidst global economic uncertainties. In fact properties valued at INR 1 Cr. or more grew from 26% of the market in 2022 to 40% of the market in 2024.

In terms of regional performance, the Mumbai Metropolitan Region (MMR) led with 27% of the sales

amongst top 8 cities, amounting to 90,314 units in 2023. Bangalore ranks third in the list, contributing to 18% of sales, with an estimated 53,709 units. Amhedabad and Pune showed strongest YoY growth of 17%.

Additionally, the year saw at least 97 land transactions covering over 2,707 acres nationwide, with at least 72% of the land designated for residential projects.

Finally, the interest rate cycle has also peaked and is expected to come down in the current year in response to lower inflation. This will result in lower borrowing cost which is very positive for real estate demand.

(Source: Economic Times, Zeebiz, Anarock)

### Key demographics

**Ahmedabad:** According to the Knight Frank Affordability Index 2023, Ahmedabad is the most affordable housing market in India. This distinction can be principally credited to the government's urban planning efforts designed at accommodating the city's expanding population. Since 2006, the municipal area of the city has extended from 186 sq km to its present 466 sq km. This enlargement has played a critical role in maintaining an equilibrium between population growth and the city's built-up area. Ahmedabad has majorly succeeded in avoiding the high congestion often seen in the city centers of other Indian cities, while enabling low-density planned development in its outskirts.

The city witnessed a 17% increase in housing sales in the fiscal year 2023 as compared to 2022. Moreover, it witnessed an 5% increase in housing project launches. New home launches increased by 5% YoY from 21,201 units in FY22-23 to 22,307 units in FY23-24, recording a decadal high for the city. While the city saw the share of home sales valued at

Rs. 50 Lac and higher increasing, it saw a decline in office space transactions in 2023.

2023 has ended on a strong note for the Ahmedabad office market as occupier sentiments have improved, and their increased willingness to ink longer term commitments bodes well for the market. Office space completions grew by 34% from 1.4 Mn square feet in CY 2022 to 1.9 Mn square feet in CY2023. Rents have also grown by 4% YoY in tandem, pushed by the record volumes seen in H2 CY23. India-facing businesses remained the dominant occupier in the city. Strong thrust by both the state and central governments to transform Ahmedabad into an economic hub, coupled with its affordable real estate and widespread connectivity infrastructure, ensures Ahmedabad as an appealing choice for office occupiers

High affordability, comparatively low prices per square foot and an improving local economic environment remain compelling drivers for the Ahmedabad residential real estate market and should help support market volumes this year.

(Source: Times of India, Knight Frank India)

**Bangalore:** 2023 marked another year of unprecedented growth in Bengaluru's real estate sector, with residential sales volume of 54,046 units, a nine year high. The performance is fuelled by a focused approach towards sustainability, technological progress, and significant infrastructure enhancements. Upcoming infrastructure projects include the Blue Metro Line which will connect the central Silkboard to Kempegowda International Airport, the upcoming suburban rail corridors which will connect Bengaluru to Yelahanka and the peripheral ring road, which will encircle Bengaluru, alleviating traffic.

According to Knight Frank, in terms of ticket size, the sales as well as the launches were concentrated in the mid and the premium segment. During H2 2023, 49% of the sales were concentrated in the mid segment (INR 5-10 mn) and 41% of sales were concentrated in the premium segment (above INR 10 mn), a significant improvement from 28% of the total sales during H2 2022.





Forest Trails, Bengaluru

The rise of the gig economy and changing lifestyle preferences have made branded co-working and co-living spaces highly sought after among Bengaluru's young professionals and students. These spaces offer community, affordability, and flexibility, catering to the preferences of Gen Z consumers. While the tech sector primarily dominates the city's employment profile, the economic activities of Bengaluru are diverse. The city hosts many non-tech industries such as life sciences, defence and aerospace, educational institutions, consulting firms etc. which keep the city's income growth well balanced, thus driving the consumption demand including that for real estate.

The traditional East and South East Bengaluru micro-market continued to lead sales comprising a share of 39% of the total sales in the city in 2023. This micro-market is connected to the large employment hubs located in Electronic City, Outer Ring Road (ORR) etc. Additionally,

the ongoing construction of the metro-lines, i.e., Yellow Line on the Hosur Road and the extension of Purple Line to Bannerghatta Road, enhances transport infrastructure of this micro-market. The North Bengaluru micro-market is an evolving and one of the rapidly growing clusters in the city. In 2023, the micro-market saw 22% of sales, with a sharp rise in the absolute volumes. The Blue Line metro connecting North Bengaluru via ORR is one of the fastest developing metro projects in the city and is expected to be operational from 2026. Further, the operation of Kempegowda International Airport Terminal 2 has led to infrastructure investment in this pocket.

Bengaluru's real estate developers have been pioneers in creating mixed-use townships over the last two decades, blending offices, retail, leisure facilities, and sometimes even educational and healthcare facilities within residential communities. This model has revolutionised the

concept of work-life balance, offering residents the convenience of short commutes and onsite amenities. Bengaluru's market has warmly embraced this model, with an increasing number of such developments on the horizon.

**Pune:** Pune's progress as a flourishing Information Technology hub, coupled with the government's focus on infrastructure development, has positioned the city as a crucial housing destination. Several pivotal infra developments are taking place in Pune, including the ring road project, the expansion of the metro line, and the ongoing Pune international airport project.

In 2023, Pune's real estate market displayed continued growth, achieving its highest-ever residential sales figures in the last eleven years. The total sales in the Pune residential sector surged 13% YoY to reach 49,266 units.

The most popular category among residential purchases was properties priced between Rs. 50

Lac and Rs. 1 Cr, accounting for 34% of all housing transactions by the year's end. Properties in the Rs. 25 Lac to Rs. 50 Lac price range were also in high demand, making up 31% of the sales, falling merely short off the leading category.

Moreover, apartments sized between 500 to 800 square feet represented a significant 40% of the market share by the end of 2023.

(Source: Hindustan Times, Knight Frank India)

**Mumbai:** Mushrooming infrastructure advancements, characterised by the completion of the Worli connector and the trans-harbor link, and enhanced connectivity, attributed to metro expansion and several other local infrastructure developments is

contributing to Mumbai's real estate dynamism.

The expanding metro network line, like MetroLine5 (Thane-Bhiwandi-Kalyan), which is linking Thane to Mumbai, and the improving social and physical infrastructure development are key factors driving buyer preference for Thane as a residential location. The upcoming Navi Mumbai International Airport, slated to open in March 2025, is driving rapid growth in demand for property around Taloja, Old Panvel and Karjat.

The Mumbai Metropolitan Region (MMR) has experienced an acute rise in housing sales, as well as, completion of residential projects in CY 2023 despite the high home loan interest rates and a spike in property prices in the country. The

region also witnessed the highest completion of housing units in CY 2023 at 1,43,500 units. MMR saw a 40% jump in housing sales in CY 2023. A total of 1,53,870 houses were sold in MMR in CY2023 as against 1,09,730 units sold in CY2022.

(Source: Livemint, Anarock)

Mumbai's rank has improved to 8<sup>th</sup> on Knight Frank's PIRI's index in 2023 as compared to 37<sup>th</sup> rank in 2022 which is a phenomenal jump of 10% year-on-year growth in terms of annual luxury residential price rise. This jump has marked a place for Mumbai in the world's top 10 leading luxury residential markets.

## Growth drivers

### Favourable macro-economic factors:

The anticipation of India's economy growing by 7.3% and increased investments signal a robust economic environment, fostering higher consumer confidence and spending power. This, in turn, boosts demand for real estate, as more people invest in housing and commercial spaces. Job creation from economic expansion enhances demand for office and residential properties. Consequently, the real estate sector benefits from heightened domestic and international investment inflows.

(Source: livemint)

Supported by a growing economy, the real estate sector in India has transitioned significantly. India's real estate sector enjoys forward and backward linkages with approximately 250 ancillary industries, and is one of the highest employment generators after the agriculture sector, accounting for 18% of the total employment. In terms of output, the market size of India's real

estate sector is currently estimated at USD 482 bn contributing 7.3% to the total economic output.. By 2034, India's real estate sector is expected to expand to USD 1.5 tn contributing 10.5% to the total economic output.

(Source Knight Frank)

**Most preferred asset class:** In 2023, highest level of investments were made in the Indian real estate sector since 2020. The number for these investments stood at USD 5.4 Bn, which is 10% higher in comparison to 2022. The office segment continued to contribute the largest to the segment with 56% share in total inflows. Furthermore, the popularity of real estate as an investment option is expected to grow among the Indian population. Despite the growth and popularity of digital investment options, traditional asset classes like real estate continue to hold their ground in terms of demand and investment attractiveness.

(Source: Colliers, Business Standard)

**Supportive demographics:** The demand for real estate as the

preferred asset class is primarily driven by millennials between 25 and 40 years of age. According to a survey, 52% of millennials chose real estate as their preferred asset class, higher than the other age groups. The Generation X cohort between 41 and 56 years follows with 30%, while Generation Z, aged between 6 and 24 years and Baby Boomers, aged between 57 and 75 years, make up 11% and 7%, respectively. This highlights the changing preferences of investors and underscores the need for real estate developers to cater to the requirements of millennials, who are showing significant interest in investing in real estate.

(Source: Anarock report)

### Market up-cycle and strong baseline:

The CY23 residential demand was at a 15yr high, leading to an all-time low inventory overhang and a decadal high average pricing growth of ~15% YoY, based on a report by Anarock. The real estate sector is anticipated to continue its upward trajectory, bolstered by shifts in lifestyle, a growing demand for modern facilities, and the

widespread adoption of flexible working arrangements. This growth is fundamentally fuelled by consumer demand, lending it a layer of durability. The introduction of new properties is further propelling this upward trend, backed by a solid underlying demand. Moreover, the process of industry consolidation is providing a boon to established firms, which is a double growth engine in addition to GDP growth.

#### Increasing investment:

Investments from Non-Resident Indians (NRIs) in India's real estate sector are expected to account for 20% by 2025. This increase in demand stems from various factors, both financial and emotional. While sentimental attachment has traditionally spurred NRIs to buy property in India, the availability of world-class

amenities within the country now provides substantial reasons for investing in quality real estate. This blend of emotional and practical motivations is reshaping the landscape of NRI investments in the Indian real estate market.

**Consumer confidence:** RERA (Real Estate Regulation and Development Act) played a crucial role in boosting the Indian real estate sector by promoting transparency and accountability. It increased consumer confidence and encouraged developers to complete projects on time, which improved the overall quality of construction. RERA also streamlined the industry by ensuring that developers comply with regulations and preventing fraudulent practices. A survey conducted by Magicbricks revealed that 71% of homebuyers

prefer to invest in RERA-registered projects, indicating that RERA has become a crucial factor in homebuyers' decision-making.

**Fractional ownership:** The market size of fractional ownership in India is projected to reach USD 8.9 Bn by 2025 from a valuation of USD 5.4 Bn in 2020. This, in turn, is anticipated to increase demand for real estate, as more people invest in housing and commercial spaces. Job creation from economic expansion enhances the demand for office and residential properties. Ultimately, the real estate sector benefits from heightened domestic and international investment inflows.

(Source: Knight Frank, NoBroker, Economic Times, Business Standard)

## Union Budget allocation

The government's Interim Budget for FY24-25 includes plans to launch a new initiative aimed at assisting eligible middle-income individuals and families currently residing in rented accommodations, chawls, slums, and unauthorised colonies in purchasing or constructing their own homes. This move is expected to significantly boost housing availability for the middle-income group.

Additionally, efforts to enhance infrastructure and connectivity are anticipated to further stimulate demand for residential and commercial real estate nationwide. As per the announcement by the Finance Minister, construction of an additional 2 Cr homes will be planned over the next five years under the Prime Minister Awas Yojana - Gramin (PMAY Rural), with the budget for PMAY being

increased to Rs. 80,671 Cr for the fiscal year 2024-25, up from Rs. 79,590 Cr in the previous year.

Positive steps are taken forward towards a fostering growth in the housing markets with developments, which include the creation of two crore additional homes and the introduction of a housing scheme for deserving middle-income individuals. Moreover, the announcement of a Rs. 1 Lac Cr research fund for sunrise sectors is expected to spur private sector-driven innovations and increase the demand for commercial real estate.

An 11% rise in the infrastructure spending is projected to strengthen the growth of various real estate sectors across different regions. Plans to expand multi-modal corridor connectivity, including new railway lines and doubling the capacity of airports and ports, are likely to significantly

impact the real estate sector by enhancing accessibility and promoting development.

The expansion of Metro Rail and Namoo Bharat initiatives is set to accelerate urbanisation, creating new micro-markets around metropolitan areas. Since its inception in June 2015, the PMAY mission has aimed to provide housing for all, offering central assistance to eligible families through states, Union Territories (UTs), and Central Nodal Agencies (CNAs).

The government's ongoing focus on affordable housing, infrastructure enhancement, and improved connectivity has begun to show results, with growth observed in tier 2 and 3 cities as well as in the outskirts of major metropolitan areas.

(Source: Economic Times)

## Company overview

Arvind SmartSpaces Ltd (ASL), established in 2008 in Ahmedabad as a fully owned subsidiary of Arvind Limited, serves as the real estate division of the Lalbhai Group, a USD 1.7 Bn conglomerate. ASL focuses on developing residential spaces such as villas, apartments, and plots aimed at middle and high-income consumers. Its portfolio includes integrated townships featuring executive golf courses, villas, apartments, along with retail, commercial, and recreational facilities. Additionally, ASL selectively engages in commercial and industrial projects. As of the fiscal year FY23-24, ASL successfully completed projects totalling 4.9 Mn square feet, with ongoing projects amounting to 26.9 Mn square feet and future projects totalling approximately 43.5 Mn square feet.

### Project overview

Arvind SmartSpaces Ltd is focused on the development of real estate projects in the residential, commercial and industrial segments. As of March 31, 2024, the Company's ongoing and pipeline projects are categorised into mid-segment projects (81%), premium/luxury projects (14%) and affordable projects (5%).

### Company's strengths

#### Strong promoter relationships:

Arvind SmartSpaces Ltd (ASL) benefits from its strong promoter links as it is integrated within the Lalbhai Group, which includes leading entities like Arvind Limited and Arvind Fashions Limited under the same brand umbrella. The parent company's ownership, ~50.4% of ASL, underscores its trust and investment in ASL's future. The presence of shared Directors across the companies' Boards further cements this relationship, offering robust support to ASL.

**Streamlined operations with low fixed costs:** ASL has strategically kept its fixed costs minimal by

centralising essential operations as it delegated non-essential tasks and construction work to external parties. This approach is supported by a lean in-house team of approximately 400 employees and the execution of 68% of its projects through joint development efforts.

#### Credit rating enhancement:

ASL's creditworthiness has seen a positive shift, with Indian Ratings and Research upgrading its Long-Term Issuer Rating to 'IND A+/Stable' and assigning a positive outlook. This upgrade reflects the Company's strong financial collections, which have favourably impacted its pre-sales to net debt and net debt to working capital ratios. Thanks to robust internal cash flows and a reduction in debt, ASL is positioned to manage debts, paving the way for substantial growth.

#### Strong sales and steady cashflow

In the fiscal year 2024, Arvind SmartSpaces Limited (ASL) recorded a significant rise in its pre-sales, which rose to Rs. 1,107 Cr, supported by the sales of ongoing projects and the launch of new projects or additional phases. This enabled a net operating cash flow of Rs. 458 Cr.

#### Diversified geographic presence across varied ticket size

ASL's projects are moderately diversified in terms of ticket size and geographic presence. Of its current projects, 14% are luxury, 81% are mid-segment and 5% are for affordable housing. The Company has its key focus set on residential projects with a strong presence in Ahmedabad and Bangalore. During the year, ASL entered Surat with a ~Rs. 1,100 Cr horizontal multi asset township project. This will be the third city in Gujarat where ASL operates, apart from Ahmedabad and Gandhinagar. ASL is exploring opportunities for diversification in the Pune and Mumbai Metropolitan Region, a desire to

expand beyond Ahmedabad and Bangalore.

#### Horizontal development

The pandemic and the shift towards hybrid work models have significantly altered people's preferences in housing and real estate, with a growing demand for larger, independent homes that emphasise health and security. This period also witnessed an increased desire to own land, offering homebuyers more control and flexibility, especially in the plotting sector where built-to-suit options have become more prevalent.

According to CBRE, low density housing or horizontal developments namely Villas and Plotted development remain popular in premium category. Encouraged by the larger trend of 'flexible-work-environments', buyers are increasingly looking for spacious private living spaces, thereby driving the demand for plotted developments and villas. Key features of such developments include a deep focus on design, personal open areas, modern amenities, uncrowded recreational facilities, and adequate green landscapes - all confirming to the buyers' emerging need to pursue a superior lifestyle.

Luxury real estate has long served as a coveted asset class for discerning homebuyers reflecting their aspirations and evolving lifestyle preferences. Early primarily characterised by standalone bungalows in marquee locations, luxury real estate is now represented by branded horizontal developments (premium plots and villas), penthouses and sky villas within large townships. The product is designed as a holistic amalgamation of premium customisations, robust infrastructure integrated with smart technology which seamlessly compliment the homebuyers multifaceted living. Contemporary horizontal development effectively addresses the desire for smart, secure,



Uplands Clubhouse, Ahmedabad

luxurious living while also fostering a sense of community.

Developers face both opportunities and challenges in creating large horizontal developments, such as complex land acquisition and navigating regulatory hurdles. However, with a long-term perspective, these projects can offer substantial

returns through scale and development of new infrastructure.

Arvind SmartSpaces has been a pioneer in the plotting, villa, villament and township sectors since the pre-pandemic era, capitalising on the popularity of second homes in Ahmedabad. Following the pandemic, ASL has further cemented its position

with offerings designed to inspire, featuring amenities like golf courses and luxury clubhouses, etc. Arvind SmartSpaces is well-placed to capitalise on the growing interest in this real estate segment on account of its proven track record and innovative offerings.



### The Arvind brand

The 'Arvind' brand name carries significant recognition across the nation due to the Lalbhai Group's extensive history of over 120 years across a diverse range of industries such as textiles, apparel, advanced textiles, water management, omnichannel retail, telecommunications, and heavy industry. It operates as a USD 1.7 Bn conglomerate under professional management, the Arvind brand is well-regarded for its commitment to values, integrity, strong governance, and

corporate social responsibility. This reputation benefits Arvind SmartSpaces in numerous business activities, including forging joint development agreements, exploring new cities and markets, establishing business partnerships, and cultivating deeper connections with customers, service providers, partners, investors, and lenders.

## Financial overview

Arvind SmartSpaces and its subsidiaries are primarily engaged in residential segment operating in and around Ahmedabad, Bangalore and Pune market. The Company is currently executing 21 projects through own land, joint ventures and joint development model. The Company successfully executed 12 projects till date, completing ~4.9 Mn sq. ft.

The financial year 2023-24 was a strong year for the Company marked by highest bookings, collections and new project additions while maintaining a robust Balance Sheet. In FY23-24, ASL registered a booking value of Rs. 1,107 Cr, a YoY growth of 38%, where the number of units sold stood at 1241 units. Bangalore bookings stood at Rs. 420 Cr, contributing 38% to the total annual bookings. Further, new launches continued to perform well in new micro markets. In FY23-24, ASL launched four projects successfully including Uplands 2.0 & 3.0, Forest Trails, Arvind Orchards and Rhythm Of Life, which contributed 71% (Rs. 784 Cr) by annual booking value.

In FY23-24, ASL recorded its highest annual collection of Rs. 876 Cr, a YoY growth of 46%; highlighting the strong operational cycle of new sales, construction and delivery. During the year, Operating Cash Flows stood at Rs. 458 Cr as against Rs. 201 Cr last year. The net-debt equity ratio on a consolidated basis as on March 31, 2024 is (0.10) compared to (0.07) as on March 31, 2023.

During the year, ASL consolidated revenue from operations grew by 33% to Rs. 341 Cr and Profit attributable to equity holders increased by 62% to Rs. 41 Cr.

FY23-24 was a historic year for the Company from a project addition perspective with a cumulative new business development topline potential ~Rs. 4,150 Cr\* added during the year. ASL added four projects in Ahmedabad, and one each in Bengaluru and Surat.

- In Q1, ASL signed a 500 acre project in NH 47 South Ahmedabad with a revenue potential of ~Rs. 1 450 Cr. This was under 50% revenue share model

- In Q1, ASL signed a 204 acre project in Bavla, South Ahmedabad with a revenue

potential of ~Rs. 850 Cr\* This was under 55% revenue share model. Projects Uplands 2.0 & 3.0 were successfully launched in Q2

- Further, in Q1, ASL signed an agreement with the subsidiary of Arvind Ltd under the Development Management (model to develop a 16-acre township at Moti Bhoyan with a revenue potential of Rs. 116 Cr

- In Q2, ASL acquired a new high rise project in Bengaluru with a top line potential of ~Rs. 400 Cr\*. The project is spread across 4.3 acre and has a saleable area of 46 Lac sq ft. The project is acquired on an outright basis

- In Q3, ASL added new horizontal project in Ahmedabad spread over ~40 acre with a top-line potential of ~Rs. 250\* Cr. The Rhythm Of Life project, was successfully launched in Q4

- In Q3, ASL entered Surat with a ~Rs. 1100 Cr horizontal multi asset township project. The project is spread over 300 acres and signed under the joint development model with a 55% revenue share

## Project portfolio

The description of all completed projects of the Company until the close of FY23-24 is provided below.

State	Project	Total Saleable (Sq ft)	Booked (Sq ft)	Unsold Inventory (Sq ft)	Booking Value (Rs. Cr)	Revenue Recognised (Rs. Cr)	^Collectons (Rs. Cr)	Average Price (Price till date) Rs. / Sq ft
Gujarat	Aavishkaar	5,45,468	4,16,465	1,29,003	117	109	112	2817
	Alcove	10,32,660	9,84,150	48,510	25	25	25	251
	Citadel	1,01,859	1,01,859	-	55	56	55	5,407
	Megaestate	59,180	24,994	34,186	8	8	8	3,265
	Megapark	5,01,222	4,61,484	39,738	27	27	27	575
	Megatrade	82,526	74,737	7,789	31	29	30	4,134
	Parishkaar /Trade Sq	9,15,809	9,15,809	-	254	254	254	2,776
Karnataka	Expansia	1,40,268	1,40,268	-	75	75	75	5,358
	Oasis	5,72,262	5,51,754	20,508	315	311	313	5,710
	Skylands	4,91,113	4,91,113	-	267	267	267	5,443
	Sporcia	5,01,491	4,99,990	1501	235	235	234	4,692
	Total	49,43,858	46,62,623	2,81,235	1,409	1,396	1,400	-

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

State	Project	Total Saleable (Sq ft)	Booked (Sq ft)	Unsold Inventory (Sq ft)	Booking Value (Rs. Cr)	Revenue Recognised (Rs. Cr)	^Collectons (Rs. Cr)	Average Price (Price till date) Rs./Sq ft
Gujarat	Chirping Woods	13,39,092	11,07,653	231439	131	-	92	1186
	Forreste IV	29,58,846	23,98,781	5,60,064	343	29	287	1429
	Forreste 5	9,43,164	4,56,231	4,86,933	100	3	36	2,196
	Fruits of Life	17,45,853	15,05,286	2,40,567	146	-	112	967
	Highgrove	43,77,033	24,34,536	19,42,497	232	60	213	951
	Uplands 20 &30 Adroda	67,50,136	50,08,779	17,41,357	392	-	77	784
	Rhythm Of Life	7,98,858	6,08,490	1,90,368	70	-	1	1,150
	Uplands One	31,92,901	29,62,984	2,29,917	516	437	483	1742
	Uplands Two	12,89,128	10,73,841	2,15,287	327	57	244	3,043
Karnataka	Belair	4,69,620	3,72,275	97,345	236	-	174	6,350
	Edge	1,68,224	56,994	1,11,230	40	-	25	7,077
	Forest Trails (Sarjapur D)	8,52,129	2,24,435	6,27,694	100	-	29	7,070
	Orchards	5,70,200	3,12,763	2,57,438	163	-	21	2,673
	Greatlands	9,52,854	7,38,089	2,14,765	300	-	221	4,063
Maharashtra	Elan	1,34,952	61,588	73,364	43	-	38	6,941
	<b>Total</b>	<b>2,65,42,990</b>	<b>1,93,22,725</b>	<b>72,20,265</b>	<b>3,139</b>	<b>586</b>	<b>2,053</b>	<b>-</b>

\*Forreste is a project under the Development Model (DM). The revenue recognition for Forreste for Arvind SmartSpaces Ltd. would be limited to DM fees only. During the year, the Company launched Uplands 2.0 & 3.0, Forest Trails, Arvind Orchards and Rhythm Of Life.

## Financial performance (Standalone)

<b>Equity Share Capital</b>	The equity share capital of the Company as on March 31, 2024, stood at Rs. 4,534.40 Lac compared to Rs. 4,531.20 Lac as on March 31, 2023.
<b>Net debt-equity ratio</b>	The net debt equity ratio of the Company as on March 31, 2024, was at (0.10) compared to (0.07) as on March 31, 2023.
<b>Revenue</b>	The revenue from operations of the Company was Rs. 15,077.87 Lac in the FY23-24 against Rs. 11,727.81 Lac in FY22-23, an increase of 29% over previous year.
<b>EBITDA/Operating Margin</b>	EBITDA margin during the financial year FY23-24 stood at 50% compared to 46% for the previous financial year.
<b>Finance Costs</b>	Interest and financial charges for the financial year FY23-24 was Rs. 572.69 Lac compared to Rs. 556.64 Lac in the previous year, marginal increase of 3%.
<b>Net Profit</b>	Net profit available for appropriation for the year FY23-24 stood at Rs. 5,513.34 Lac compared to Rs. 3,827.31 Lac in the previous year.
<b>Earnings Per Share (EPS)</b>	The Company's Basic Earnings Per Share (EPS) during the current year was Rs. 12.17 compared to Rs. 8.71 in the previous year and Diluted EPS is Rs. 12.05 as compared to Rs. 8.41 in the previous year.
<b>Debtors' Turnover</b>	The Company's debtors' turnover ratio during the current year was 66.26 compared to 73.35 in the previous year.
<b>Inventory Turnover</b>	The Company's inventory turnover ratio during the current year was 0.23 compared to 0.33 in the previous year.
<b>Interest Coverage Ratio</b>	The Company's interest coverage ratio during the current year was 1.37 compared to 0.91 in the previous year.

<b>Current Ratio</b>	The Company's current ratio as on March 31, 2024 was 1.12 compared to 1.07 in the previous year.
<b>Debt-Equity Ratio</b>	The Company's debt equity ratio as on March 31, 2024 was 0.11 compared to 0.10 in the previous year mainly on account of net increase in term loan by INR 1,034 Lac during the year.
<b>Net Profit Margin (%)</b>	The Company's net profit margin ratio during the current year was 36% compared to 32% in the previous year.
<b>Details of any change in Return on Net Worth</b>	The Company's return net worth ratio as on March 31, 2024 was 12% compared to 9% in the previous year mainly due to increased revenue from operations.

### Financial performance (consolidated)

<b>Equity Share Capital</b>	The equity share capital of the Company as on March 31, 2024, stood at Rs. 4534.40 Lac compared to Rs. 4,531.20 Lac as on March 31, 2023.
<b>Net debt-equity ratio</b>	The Net debt equity ratio of the Company as on March 31, 2024, was at 0.10 compared to 0.07 as on March 31, 2023.
<b>Revenue</b>	The revenue from operations of the Company was Rs. 34117.72 Lac in the FY23-24 against Rs. 25,591.68 Lac in FY22-23.
<b>EBITDA/Operating Margin</b>	EBITDA margin during the financial year FY23-24 stood at 34.53% compared to 21.38% for the previous financial year.
<b>Finance Costs</b>	Interest & Financial Charges for the financial year FY23-24 was Rs. 4093.81 Lac compared to Rs. 1,399.47 Lac in the previous year, a increase by 293%, which was predominantly on account of redemption of debentures of 80 Cr during the year.
<b>Net Profit</b>	Net profit available for appropriation for the year FY23-24 stood at Rs. 5109.08 Lac compared to Rs. 2782.71 Lac in the previous year, an increase of 84%.
<b>Earnings Per Share (EPS)</b>	The Company's Basic Earnings Per Share (EPS) during the current year was Rs. 9.17 compared to Rs. 5.83 in the previous year and Diluted EPS is Rs. 9.09 as compared to Rs. 5.63 in the previous year.
<b>Debtors' Turnover</b>	The Company's debtor's turnover ratio during the current year was 123.89 compared to 130.23 in the previous year.
<b>Inventory Turnover</b>	The Company's inventory turnover ratio during the current year was 0.08 compared to 0.15 in the previous year.
<b>Interest Coverage Ratio</b>	The Company's interest coverage ratio during the current year was 2.23 compared to 0.89 in the previous year.
<b>Current Ratio</b>	The Company's current ratio as on March 31, 2024 was 1.24 compared to 1.55 in the previous year.
<b>Debt-Equity Ratio</b>	The Company's debt equity ratio as on March 31, 2024 was 0.17 compared to 0.29 in the previous year mainly on account of Repayment of debt & increased profitability during the year.
<b>Net Profit Margin (%)</b>	The Company's net profit margin ratio during the current year was 15.37% compared to 11.25% in the previous year.
<b>Details of any change in Return on Net Worth</b>	The Company's return net worth ratio as on March 31, 2024 was 15.96% compared to 8.39% in the previous year mainly due to increased profitability during the year.



## Risk management

<p><b>Economic risk</b></p>	<p>The real estate sector is prone to fluctuations in cash flow due to economic volatility. A downturn can significantly reduce demand.</p>	<p><b>Mitigation:</b> ASL mitigates this risk by diversifying its operations across Ahmedabad, Bangalore, Pune, Surat and is further looking to expand to the Mumbai Metropolitan Region. The Company employs effective cost management and maintains sufficient liquidity to weather economic downturns.</p>
<p><b>Operational risk</b></p>	<p>ASL faces operational challenges such as delays in land acquisition, obtaining approvals, project completion, and increased construction costs, which can lead to decreased customer satisfaction.</p>	<p><b>Mitigation:</b> The Company manages these risks through a structured approach that outlines necessary controls and accountability. Price adjustments are made cautiously to preserve margins. ASL has invested in an Enterprise Resource Planning (ERP) system, further enhanced by the implementation of SAP, to monitor the progress of its projects and manage exceptions. The Company's commitment to corporate governance ensures operational transparency and regulatory compliance.</p>
<p><b>Project risk</b></p>	<p>Risks include cost overruns and sluggish sales, leading to reduced collections.</p>	<p><b>Mitigation:</b> As of March 31, 2024, ASL secured Rs. 1,152 Cr in receivables from booked units, covering the remaining construction costs for ongoing projects, excluding land costs for joint ventures.</p>
<p><b>Interest rate risk</b></p>	<p>Fluctuating interest rates can increase/decrease borrowing costs and impact real estate demand.</p>	<p><b>Mitigation:</b> ASL mitigates this risk by maintaining cash reserves, diversifying funding sources, and keeping a close watch on cash flow and liquidity. The Company managed to keep borrowing costs low, at 10.8% as of March 31, 2024.</p>
<p><b>Liquidity risk</b></p>	<p>This risk affects the Company's ability to meet short-term obligations and complete projects, potentially leading to increased financing costs and negative reputational impact.</p>	<p><b>Mitigation:</b> With a net debt-to-equity ratio of (0.10) and an operating surplus cash flow of approximately Rs. 458 Cr in FY23-24, ASL possesses ample capacity to secure additional financing at a comfortable debt-to-equity ratio. The Company's positive cash flow outlook ensures sufficient funds for near to medium-term needs.</p>
<p><b>Concentration risk</b></p>	<p>Reliance on a limited number of projects or markets can create revenue stream vulnerabilities.</p>	<p><b>Mitigation:</b> ASL diversifies risk by offering a mix of product types across its operational regions, including plotting, villas, luxury, and middle-income group (MIG) housing.</p>
<p><b>Raw material risk</b></p>	<p>Significant price fluctuations in raw materials can impact property prices and, by extension, demand, if passed on to consumers.</p>	<p><b>Mitigation:</b> ASL has established a stable supply chain and negotiates fixed prices for essential materials over set periods, with price increases passed on to consumers judiciously.</p>

**Regulatory and political risk**

Changes in government policies or new regulatory measures can pose risks to the real estate sector.

**Mitigation:** The Company maintains strong relationships with government bodies at various levels, stays informed about regulatory changes, and has a crisis management plan to address potential political or regulatory challenges.

**Customer-centricity**

The Company implemented NPS (Net Promoter Score) during the year. Customer satisfaction is now measured by doing an NPS survey once every year across the ongoing and delivered projects. The feedback is gathered by way of Survey forms as well as calling.

Customer relationships are now managed using Salesforce as the tool where timely responses are tracked and measured for inbound calls and emails. Each customer is assigned a dedicated relationship manager who is responsible for on-time client responses and query resolutions. We have provided our customers, the project specific customer

care number and email ids to address their concerns and queries, A customer care portal was developed where customers access their property accounts and can reach respective relationship managers. Monthly Construction progress updates are shared with customer to get their project related information

We are also engaging customers through a various loyalty program by which we wish to enrich your living experiences through our community engagement initiatives and make your journey more memorable. We aim to offer a bouquet of bespoke offers and special promotions, exclusive events and experiences, and curated blogs to enthrall, excite

and pamper our homeowners. Bookings by way of referrals stands at 23% for FY23-24.

Our customers have project specific ID's to put forth any issues they have and our team members ensure to resolve the same. We are also using the 'My gate' app for the members residing in our schemes. They log-in their complaints through the application only and our team takes care to resolve the same in a timely manner.

During the year, several customer engagement activities, including Run to Inspire marathon, Uttaraayan event, Shree Ram Vandana, Navratri and Holi event were organised across our projects.

**Internal control and their adequacy**

The Company has an Internal Audit team and an Internal Control System, which is further supported by external audit firm and group assurance team, commensurate with the size, scale and complexity of its operations. Moreover, the Company's Internal Audit team along with external reviewers possess adequate experience and expertise in internal controls, operating system and

standard operating procedures. The system is supported by approved documented policies, guidelines and procedures in line with best industrial practices to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency. The Internal Audit team regularly reviews the adequacy of internal control systems in the Company, its compliance with operating systems and laid down policies

and procedures and conducting annual audit of Internal Financial Controls. Based on the report of the internal audit function, process owners undertake corrective action within the stipulated timeline in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented on quarterly basis to the Audit Committee of the Board of Directors of the Company.

**ERP**

The Company continued to focus on upgrading the IT infrastructure – both in terms of hardware and software. The Company successfully implemented Sales

Force during FY22-23. The software is being leveraged for lead management and CRM with monitoring of customer queries and quality of responses along with documentation. The Company has implemented SAP

during FY23-24. SAP has been integrated with Sales Force as a robust integrated ERP, which will cater to the ever-changing business needs to facilitate informed decisions.

### Legal Compliance Tool

In order to ensure transparency and full compliance of the applicable laws, the Company has developed a comprehensive

tool which covers entire gamut of compliances applicable to company business. This tool enables 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.



### Awards received during the year



Arvind SmartSpaces was recognised as the Developer of the Year – Townships at the 15<sup>th</sup> Realty+ Conclave & Excellence Awards, 2023 – Gujarat.



Arvind Highgrove was recognised as the Plotted Development of the Year at the 15<sup>th</sup> Realty+ Conclave & Excellence Awards, 2023 – Gujarat.



Arvind SmartSpaces was recognised as Real Estate Brand of the Year at the prestigious 9<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2023



Arvind Bel Air was recognised as Residential Project of the Year at the 9<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2023



Arvind SmartSpaces Limited was recognised as Real Estate Brand of the Year at the prestigious 9<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2023



We are excited to announce that Arvind Smartspaces Ltd has been awarded the prestigious 'Progressive Places to Work 2023'. This achievement reflects our unwavering dedication to innovation, excellence, and fostering an environment that embraces progress in all aspects.

This conclave from ET NOW spotlights trend-setting organisations such as Arvind Smartspaces that prioritise employee well-being, happiness, productivity, and equality in their strategies.



Arvind Forest Trails, Sarjapur, was recognised as 'Luxury Villa Project of the Year' at the 10<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2024.



Arvind SmartSpaces Limited was recognised as 'Developer of the Year - Residential' at the 10<sup>th</sup> Edition of the Real Estate and Business Excellence Awards, 2024.



### Human resources management

The Company believes that the quality of its workforce is crucial to its success and is dedicated to providing them with the necessary skills and knowledge to adapt to advancements in technology. During the year, the Company maintained positive relations with its employees and focused on providing training and skill development opportunities to help them navigate the changing work environment. As of March 31, 2024, the Company employed 400 permanent employees. In FY23-24, the Company received by ET award for 'Progressive Place to Work in 2023'

### Cautionary statement

Certain statements in this Management Discussion and Analysis, describing the Company's objectives, outlook and expectations, may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Several factors make a significant difference to the Company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and such other factors over which the Company does not have any direct control.

# Directors' Report

*Dear members*

Your Directors have pleasure in presenting the 16<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended on March 31, 2024.

## 1. FINANCIAL PERFORMANCE:

The highlights of the Financial Performance for year are as under:

(Rs. in Lac)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	15,077.87	11,727.81	34,117.72	25,591.68
<b>Profit before Finance costs, Depreciation and Amortisation &amp; Tax</b>	7,518.26	5,417.74	12,115.51	5,626.75
Less: Finance Costs	572.69	556.64	4,093.81	1,399.47
Less : Depreciation and Amortisation	244.69	128.01	450.40	270.90
<b>Profit before share in profit/(loss) of Joint ventures &amp; Tax</b>	6,700.88	4,733.08	7,571.29	3,956.38
Share of Profit/(Loss) from Joint ventures	0.11	1.33	0.11	1.33
<b>Profit before tax</b>	6,700.99	4,734.41	7,571.40	3,957.71
Less : Current Tax	1,209.12	900.76	2,061.03	1,698.67
Less : Deferred Tax	(21.47)	6.34	401.29	(523.67)
<b>Profit for the year</b>	5,513.34	3,827.31	5,109.08	2,782.71
<b>Total comprehensive income for the year</b>	5,480.34	3,810.30	5,076.08	2,765.70
<b>Net Profit/(Loss) attributable to :</b>				
Equity holders of the parent	-	-	4,157.06	2,560.75
Non-controlling interest	-	-	952.02	221.96

## 2. COMPANY'S PERFORMANCE / STATE OF COMPANY'S AFFAIRS:

Real estate prices have shown a steady increase, with the average annual growth rate rising from 2.3% in fiscal year 2022 to 3.8% in fiscal year 2023 and further to 4.3% in the first half of fiscal year 2024. Despite this upward trend in prices and the impact of higher interest rates, there has been a continued uptick in housing sales and new project launches, underscoring the resilience of income recovery and positive sentiment toward future prospects in the real estate sector.

While comparing Indian real estate sector vis-à-vis your Company, FY24 has been a strong year for your Company in terms of highest ever bookings, collections and launching of new projects. In FY24, your Company registered a booking value of Rs 1,107 Crores, a YoY growth of 38%. In terms of Projects Launching, your Company launched four projects successfully including Uplands 2.0 & 3.0, Forest Trails, Arvind Orchards and Rhythm of Life and which contributed 71% (Rs. 784 Cr) of annual booking value.

FY24 has been a historic year for the Company from a project addition perspective with cumulative new business development topline potential ~Rs. 4,150 Crores added during the year.

Your Company's consolidated revenue for FY24, at Rs. 341 Crores is showing strong revenue growth of ~33% over last year. The EBITDA % to revenue from operations has grown by 33% in FY24. The profit after tax attributable to equity holders for the year has grown by 58% to Rs. 41 Crores.

Your Company recorded its highest ever annual collections of Rs 897 Crores, a YoY growth of 49%; highlighting the strong operational cycle of new sales, construction and delivery. During the year, Operating Cash Flows stood at Rs. 458 Crores as against Rs. 201 Crores previous year.

A more detailed analysis and commentary on financial performance is available in the Management Discussion and Analysis section of this report including project wise status on booking and revenue.

There are no material changes and commitments affecting the financial position of your company, which have occurred between the end of the FY23 and the date of this report.

Further, there has been no change in the nature of business of the Company.

### **3. DIVIDEND:**

Your Directors have recommended a final dividend of Rs. 2.50/- per equity share and special dividend of Rs. 1.00/- per equity share, totaling Rs. 3.50/- per equity share of Rs. 10/- each (i.e. 35%), for the financial year ended on March 31, 2024. Dividend pay-out is in accordance with the Company's dividend distribution policy. The dividend, if approved by the members at the ensuing Annual General Meeting, would involve a cash outflow of about Rs. 1587.04 Lac. The dividend will be paid after deduction of tax at source to those Shareholders whose names appear in the Register of Members as on the Record Date.

The Dividend Distribution Policy containing the requirements mentioned in Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2022/08/Dividend-Distribution-Policy.pdf>

### **4. TRANSFER TO RESERVES:**

The Directors have decided not to transfer any amount to the General Reserve for the year under review.

### **5. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:**

No Material Changes have taken place from the end of the financial year till the date of this report.

### **6. SHARE CAPITAL:**

During the year under review, there has been no change in the authorised share capital of the Company. The authorised share capital of the Company as on March 31, 2024 stood at Rs. 50.00 Cr divided into 5.00 Cr equity share of Rs. 10/- each.

During the year under review, the Company has allotted 0.32 Lac equity shares of Rs. 10/- each to the eligible employees pursuant to the exercise of stock options granted to them in terms of the Arvind Infrastructure Limited - Employees Stock Option Plan - 2016. Consequently, the paid-up equity share capital of the Company stood at Rs. 4534.40 Lac consisting of 4,53,43,979 equity shares of Rs.10/- each.

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

### **7. EMPLOYEE STOCK OPTION SCHEME:**

The Company has instituted 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 not granted any stock options. There is no material change in AIL ESOP - 2016 during the year under review and the scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The certificate of the Secretarial Auditor regarding implementation of scheme shall be made available for inspection of members in electronic mode at Annual General Meeting.

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.

### **8. 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.

### **9. FINANCE:**

During the year, the Company has availed net borrowings of Rs. 1,035 Lac. The investments in new Lands and projects during the year has been funded out of strong business inflows and incremental borrowings. The Total Standalone Debt of the Company stands at Rs. 6,191 Lac as on March 31, 2024. On a consolidated basis net interest bearing funds has decreased from ~ Rs.(3,000) Lac to ~Rs.(4,100) Lac. The Net Debt to Equity ratio on a consolidated basis as on March 31, 2024 is -0.10 as compared to -0.07 as on March 31,2023. This does not include Optionally Convertible Debentures issued to HCARE-3.

### **10. DEPOSITS:**

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

## 11. 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 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to the Financial Statements.

## 12. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company are prepared in accordance with relevant provisions of the Companies Act, 2013 including Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and form part of this Annual Report.

## 13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Your Company undertakes "Corporate Social Responsibility" (CSR) initiatives through Strategic Help Alliance for Relief to Distressed Area (SHARDA) Trust and Arvind Foundation (AF).

As a part of CSR, during the year under review, your Company has undertaken Rural Advancement and Educational Advancement programme which are broadly covered under schedule VII of the Companies Act, 2013. The brief details of CSR Policy and the amount spent during the FY23-24 on the said activity is enclosed as Annexure - B.

## 14. HUMAN RESOURCES:

At Arvind Smartspaces, Human Resources as a function is dedicated to more than just product creation; we are committed to nurturing careers. As an Equal opportunity employer, our team comprises of a diversified array of talents collaborating harmoniously to re-define industries and envision new horizons.

Our HR policy is to inculcate and encourage our employees and business partners performance and bring out ASL's positive working culture and commitment to mutual respect and continuous improvement.

We are working on individual's strengths and expanding his / her role over the period of time as a part of job enlargement and providing them job enrichment. We can easily witness or exhibit this in our current and for future leadership pipeline used as a part of potential assessment for building successive leaders.

Chat with M.D., Employee Engagement Programs, Sports Events, CLAP (Compliment, Laud, Appreciate, Praise) Cards are some of the few initiatives to bring out the best, motivate and recognize employees' strengths. The Leadership Enclave / Town Hall Meets are few platforms where

individual / team's contribution to organizational success, has been recognized and rewarded.

Our employee recruitment and selection policy describe our process for attracting and selecting external job candidates. We are committed to our equal opportunity policy at every selection stage. This policy applies to all employees who are involved in hiring for our company. It refers to all potential job candidates.

## 15. 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 risks 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 Risk Management Committee and the Audit Committee reviews the identified Risks and its mitigation measures annually.

## 16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Audit team and an Internal Control System, which is further supported by external audit firm and group assurance team, commensurate with the size, scale and complexity of its operations. Moreover, the Company's Internal Audit team alongwith external reviewers possess adequate experience and expertise in internal controls, operating system and standard operating procedures.

The system is supported by approved documented policies, guidelines and procedures in line with best industrial practices to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Internal Audit team regularly reviews the adequacy of internal control systems in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of the internal audit function, process

owners undertake corrective action within the stipulated timeline in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented on quarterly basis to the Audit Committee of the Board of Directors of the Company.

## **17. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company at <https://www.arvindsmartspaces.com/investors/corporate-governance/>

## **18. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

As on March 31, 2024, the Company has 3 (three) wholly owned subsidiary companies, 21 (twenty-one) subsidiary Limited Liability Partnerships (Direct or Indirect) and 1 (one) joint venture Limited Liability Partnership.

During the year under review, companies/LLPs/entities which have become and/or ceased to be subsidiary, joint venture or associate of the Company are given in the note no. 36 to the Financial Statements.

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 and can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Material-Subsidiaries.pdf>

## **19. CHANGE IN NATURE OF BUSINESS**

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

## **20. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors consist of 8 (eight) Directors out of which 1 (one) is Executive Director, 3 (three) are Non-Executive Non-Independent

Directors including 1 (one) Nominee Director and 4 (four) 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. Sanjay S. Lalbhai (DIN: 00008329) shall retire by rotation at the ensuing 16<sup>th</sup> Annual General Meeting and being eligible, has offered himself for re-appointment as the Director of the Company.

It is proposed to re-appoint Ms. Pallavi Vyas as an Independent Director, not liable to retire by rotation, for the second term of 5 (five) years with effect from August 5, 2024 to August 4, 2029 by passing special resolution as set out in item No. 4 of the notice convening the AGM. Ms. Pallavi Vyas is appointed as an Independent Director, not liable to retire by rotation, in the Annual General Meeting of the Company held on September 29, 2020 for a period of 5 (five) years, with effect from August 5, 2019 to August 4, 2024.

The Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013 and the Company's Code of Conduct.

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

As on March 31, 2024, Mr. Kamal Singal - Managing Director & CEO, Mr. Ankit Jain - Chief Financial Officer and Mr. Prakash Makwana - Company Secretary are the key managerial personnel of the Company in terms of provisions of Section 203 of the Companies Act, 2013. During the year, Mr. Ankit Jain, Chief Financial Officer has resigned with effect from April 22, 2024.

## **21. 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 performance 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 January 5, 2018. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## 22. 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 can be accessed at the following Weblink: <https://www.arvindsmartspaces.com/wp-content/uploads/2023/06/Nomination-and-Remuneration-Policy.pdf>

## 23. 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 can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2024/04/Familiarization-Programmes-impacted-Independent-Directors-2.pdf>

## 24. 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 to enable them to plan their schedule for effective participation in the Meetings.

During the year under review, 4 (four) meetings of the Board of Directors, 4 (four) meetings of Audit Committee, 2 (two) meetings of Corporate Social Responsibility Committee, 2 (two) meetings of Risk Management Committee, 1 (one) meeting of Nomination and Remuneration Committee, 1 (one) meeting of Stakeholders' Relationship Committee, 1 (one) meeting of Independent Directors' and 13 (thirteen) 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.

## 25. COMMITTEES OF BOARD:

With an objective of strengthen the governance standards and to comply with the applicable statutory provisions, the Board has constituted various committees and the details of such committees constituted by the Board are given in

the Corporate Governance Report, which forms part of this Annual Report.

## 26. 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 March 31, 2024, 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 the Companies 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.

## 27. 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 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 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 can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2022/06/Related-Party-Transactions-Policy.pdf>

## **28. 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.

## **29. AUDITORS:**

### **(a) Statutory Auditor:**

M/s. S R B C & Co LLP, Chartered Accountants, (ICAI Firm Registration No. 324982E / E300003) were re-appointed as Statutory Auditors of your Company at the 14<sup>th</sup> Annual General Meeting ("AGM") held on August 12, 2022 for a period of 5 (five) consecutive years.

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 2023-2024 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 Companies Act, 2013 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 FY24-25 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. 5 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 the 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 FY23-24. Report of the Secretarial Audit in Form MR-3 for the financial year 2023-24 is enclosed as Annexure - C. The said Report does not have any qualification, reservation or adverse remark or disclaimer.

In compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, Secretarial Audit Report in respect of material subsidiary is also enclosed as Annexure - C1.

## **30. ENHANCING SHAREHOLDERS VALUE:**

Your Company believes that its shareholders 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.

## **31. 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.

### **32. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:**

The Business Responsibility and Sustainability Report for the year ended on March 31, 2024 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Annual Report.

### **33. SECRETARIAL STANDARDS**

During the year under review, the Company has complied with the provisions of Secretarial Standard-1 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

### **34. 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.

### **35. ANNUAL RETURN:**

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/investors/updates/>.

### **36. 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 - D to this report.

### **37. 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 SmartSpaces Limited Internal Complaint Committee ("ASLICC") 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 ASLICC are trained by the subject experts on handling the investigations and proceedings as defined in the policy.

During the FY23-24 the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2024.

### **38. ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to express their 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: May 06, 2024  
Place: Ahmedabad

**Sanjay S. Lalbhai**  
*Chairman*

## Annexure - A to the Directors' Report

Disclosures required in the Directors' Report pursuant to Clause 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 as on March 31, 2024:

1	Description of ESOS	ESOP 2016
	(a) Date of shareholders' approval	September 23, 2016
	(b) Total number of shares approved	15,00,000
	(c) Vesting requirements	Options vest over minimum 1 year and maximum 5 years based on continued service and certain performance parameters.
	(d) Exercise price or pricing formula	An exercise price will be equal to the latest available closing price, prior to the date of the meeting of the Board in which the options are granted, on the stock exchange on which the equity shares of the Company are listed, or such other price as the Nomination and Remuneration Committee may decide at its discretion and as per applicable laws.
	(e) Maximum term of options granted	9 years from the date of grant
	(f) Source of shares	Primary
	(g) Variation of terms of options	None
2	Method used to account for ESOS	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.	Not applicable
	(i) Difference between Intrinsic value and Fair value compensation cost	The Company follows fair value method of accounting for options.
	(i) Impact on the Profits of the Company (Rs.)	Not Applicable
	(ii) Impact on Basic Earnings Per Share of the Company (Rs.)	Not Applicable
	(iii) Impact on Diluted Earnings Per Share of the Company (Rs.)	Not Applicable
4	Option movement during the year:	
	(a) Options Outstanding at the beginning of the year	8,20,000
	(b) Options issued during the year (pursuant to the Scheme)	0
	(c) Options forfeited / lapsed during the year	0
	(d) Options vested during the year	5,50,000
	(e) Options exercised during the year	32,000
	(f) Number of shares arising as a result of exercise of option	32,000
	(g) Money realised by exercise of options (Rs.)	3,49,29,000
	(h) Loan repaid by the Trust during the year from exercise price received	Not Applicable
	(i) Options Outstanding at the end of the year	7,88,000
	(j) Options Exercisable at the end of the year	5,18,000

1	Description of ESOS	ESOP 2016
5A Weighted average exercise prices of outstanding options whose:		
	Exercise price equals market price of stock	Rs. 194.05
	Exercise price exceeds market price of stock	-
	Exercise price is less than market price of stock	-
5b Weighted average fair value of outstanding options whose:		
	Exercise price equals market price of stock	Rs. 36.52
	Exercise price exceeds market price of stock	-
	Exercise price is less than market price of stock	-
6 Grantee wise details of options granted to:		
	(i) Key managerial personnel	No grants made during the year.
	(ii) any other grantee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year;	Not Applicable
	(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.	Not Applicable
7 A description of the method and significant assumptions used during the year to estimate the fair values of options, including following weighted average information:		
	(i) Share price (Rs.)	Not Applicable
	(ii) Exercise price (Rs.)	Not Applicable
	(iii) Expected volatility	Not Applicable
	(iv) Expected dividends	Not Applicable
	(v) Risk-free interest rate	Not Applicable
	(vi) Any other inputs to the model	Not Applicable
	(vii) Method used and the assumptions made to incorporate effects of expected early exercise	Not Applicable
	How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	Not Applicable
	(i) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	Not Applicable

# Annexure - B to the Directors' Report

Arvind SmartSpaces Limited: Corporate Social Responsibility Report FY 2023-24

## Annexure - I

### Overview of CSR Initiatives

The Corporate Social Responsibility (CSR) Policy of Arvind SmartSpaces Limited ("ASL" or "the Company") aims to work for social advancement and defines its philosophy and guides its actions for undertaking and supporting socially relevant project and programs. Company's underlying value system has a firm belief that only in a healthy society healthy businesses flourish and that business must serve and empower the community in the area where it operates.

As per the ASL CSR Policy, the CSR initiatives are being carried out by Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust and Arvind Foundation. The Company broadly defined its CSR thematic focus area as Rural Advancement and Educational Advancement under Schedule VII of Companies Act - Point (x) Rural Development and Point (ii) Promoting Education.

ASL decided to work in four villages, namely Moti Devti, Nani Devti, Moraiya and Motipura where its project namely Arvind Highgrove in the Sanand taluka of Ahmedabad is located.

These villages are also located at a closed proximity to the taluka headquarters and house various manufacturing and industrial units. With a total population of a little over 15,000 persons, these hamlets are home to predominantly scheduled caste, other backward caste and tribal communities. These villages, while adjacent to the industrial areas, remain largely impoverished with low scores on developmental indicators such as literacy and income. This is largely due to the lack of livelihood opportunities. The family structures are majorly patriarchal, with male members engaging in whatever gainful employment is available to them and the female members taking up house and care work for infants as well as older family members.

During FY 2023-24, the Company has supported three projects around its Area of Operations which is a rural advancement program, a digital literacy program and a supplementary education program - the last two being the educational advancement programmes.

### 1. Projects around Company's Area of Operations

ASL has broadly decided to support projects around its sites and offices and its subsidiaries through Arvind Foundation (AF). During FY 2023-24, AF has undertaken ongoing Rural Advancement initiatives around its Project "Arvind Highgrove" in Sanand Taluka in the focused villages of Moti Devati, Nani Devati, Moriya and Motipura. Rural Advancement and Educational Advancement initiatives around ASL's area of operation has been undertaken.

The long term rural advancement strategy of AF has three elements - Education, Environment and Earning in the geography where it operates. The three elements strategy also continued in the villages where ASL operates. Some Health & Nutrition initiatives are also taken as per the need and demand of the community.

The education component has two projects that company has supported which will be described in the later part of the report. The environment and the earning components have long term interventions to bring lasting change in the communities we operate.

Under the element of environment, through plantation drives, close to 9000 plants were planted in broadly three mode - plantation at individual homes, plantation in schools & crematorium and plantation at block and taluka level at panchayat plots. School students participated in planting the trees in their school campuses under our school greening programme. Environment clubs are also set up in schools.

#### **Building Earning Streams, supporting Livelihoods.**

To support and increase earning in villages where ASL operates, it is important to strengthen existing occupations and add incremental earning opportunities. Under the earning component, ASL continued with its initiative of strengthening the dairy and the farming practices.

Dairy is one occupation in Gujarat which is supported by a well-established dairy network. 67 dairy farmers in Nani Devti and Moti Devti have undergone Dairy Farmer's Training for the livestock management. The importance of animal nutrition, fodder and animal breed and building network for getting services were part of the program. Another training program about various dairy products and value addition of milk was also organised. 8 Farmer's Interest Groups of 150 dairy farmers were also facilitated in 2 villages of Nani Devti and Moti Devti. As a result, 37 farmers received loans for buying additional animals (Buffaloes).

Another program with farmers who have expressed their desire to explore the better farming practices was organised. More than 200 farmers have been trained for systematic reduction of chemical fertilisers and advance agricultural practices. Exposure visits has been organised for farmers to Krushi Vijgyan Kendra and Agricultural fairs.

#### **Supporting Health conditions:**

Our interactions with the communities lead to organising the health camps. Many a times, attending to health issues get neglected or postponed as it doesn't seem to be posing any immediate challenge. However, in long term, it costs the people heavily. To attend to this, we have launched health camps in villages and we organise Community Eye Check-up Camps and a School dental health camps in partnerships with Government and specialised Trust run Hospitals. The Eye Camps were attended by 347 people, 163 got specs, 36 cataract cases were identified and 19 went for surgeries. For School dental camp, 280 students were tested.

For the Educational Advancement, ASL supported a Digital Literacy Program and a Supplementary Education Program.

## **2. The Digital Literacy Program:**

The digital Literacy program is the second program that the Company has supported. The digital Literacy program is being offered in

rural area of Sanand which is a partnership with computer major Hewlett-Packard (HP) and Arvind Foundation. This program is being carried out through an Arvind HP CLAP vehicle. The HP CLAP (Continued Learning Access Program) has a van that has 120 HP Laptops to bring digital literacy to rural masses. Arvind Foundation has designed a curriculum through which primary school students and women are exposed to laptops and are getting to learn computer operations. Though we have decided to work in four focused villages, the HP CLAP van visits schools in sixteen villages of Sanand Taluka. Over 1700 students of the primary schools are benefitted from this Digital Literacy initiative. In addition, women from villages are also taking benefit of this initiative.

In addition, study tours, essay competitions, digital competitions and summer camps were organised for class 8 students to motivate them to continue their studies with further enrolment. We consider this digital literacy programme as an entry point to a larger supplementary education program in the region that we started this year.

## **3. Supplementary Education programme for Municipal School Students**

The third programme that ASL has supported is a supplementary education program GYANDA for municipal school students in Ahmedabad. This is being carried out through SHARDA Trust, the CSR arm of Arvind Limited. This program aims to support a student for 8-12 years and establish education to employment link. GYANDA is a unique supplementary education model designed for primary, secondary and higher secondary school-going children studying in Municipal Schools. It prevents these children from dropping out and helps them complete their basic education from standard V to XII and further, while focusing on improving their academic performance and overall personality development. The objective is to make these children employable by the time they pass out of the programme, thereby ensuring that they become the last generation in poverty from their families. The program GYANDA has more than 800 students.

# Annexure - B to the Directors' Report

Annual Report on CSR Activities for the FY 2023-24

## Annexure - II

### 1. Brief Outline on CSR Policy of the Company:

Arvind SmartSpaces Limited follows the group's CSR philosophy of contributing to the growth and development of the society as we believe that healthy business grows only in a healthy society and that business must serve and empower the community in the area where it operates. The responsibility of undertaking development initiatives has been jointly shared by Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust.

Our CSR Policy is in sync with the broader areas of Schedule VII of the Companies Act, 2013 and will always be aligned to the changes that gets incorporate in the schedule.

The key points of the policy can be reached at our website through the given link: <https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Corporate-Social-Responsibility-Policy.pdf>

### 2. Composition of the CSR Committee:

The Board of Directors of the Company has constituted Corporate Social Responsibility Committee ("CSRC") in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013. The details of Composition of Corporate Social Responsibility Committee, Number of Meetings held and participation at the Meetings during the year are as under:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay S. Lalbhai	Chairman	2	2
2	Mr. Prem Prakash Pangotra	Member	2	2
3	Ms. Pallavi Vyas	Member	2	2
4	Mr. Kamal Singal	Member	2	2

### 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Corporate-Social-Responsibility-Policy.pdf> /

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not Applicable

5. a) Average net profit of the Company as per section 135(5): Rs. 3706 Lac.
- b) Two percent of average net profit of the company as per section 135(5): Rs. 74.11 Lac
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- d) Amount required to be set off for the financial year, if any: Nil
- e) Total CSR obligation for the financial year [(b)+(c)+(d)]: Rs. 74.11 Lac

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing project): Rs. 75.00 Lac
- b) Amount spent in Administrative Overheads: Nil
- c) Amount spent on Impact Assessment, if applicable: Nil
- d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 75.00 Lac
- e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. In Lac)	Amount Unspent (Rs. In Lac)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
75.00	NIL	-	-	NIL	-



f) Excess Amount for set off, if any:

Sl. No.	Particular	Amount (Rs. In Lac)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	Rs. 74.11
(ii)	Total amount spent for the Financial Year	Rs. 75.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 0.89
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (Rs. In Lac)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. In Lac)	Amount spent in the reporting Financial Year (Rs. In Lac)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (Rs. In Lac)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
1	FY 20-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	FY 21-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	FY 22-23	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No (No Capital Asset created during the financial year 2023-24).**

If yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or as set(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name
(1)	(2)	(3)	(4)	(5)	(6)	

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable**

Sanjay S. Lalbhai  
Chairman

Kamal Singal  
Managing Director & CEO

Date: May 06, 2024  
Place: Ahmedabad

## Annexure - C to the Directors' Report

# Form MR - 3

## Secretarial Audit Report

For the financial year ended March 31, 2024

[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 the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ("**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 March 31, 2024 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, 2018 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 and Sweat Equity) Regulations, 2021;
  - (v) The Securities and Exchange Board of India (Listing Obligations & 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 issue 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:
    - a) The Real Estate (Regulation and Development) Act, 2016.
    - b) Transfer of Property Act, 1882.
    - c) The Land Acquisition Act, 1894.
    - d) The Contract Labour (Regulation and Abolition) Act, 1970.
    - e) The Indian Easements Act, 1882.
    - f) The Indian Contract Act, 1872.
    - g) The Gujarat Town Planning and Urban Development Act, 1976.
    - h) Gujarat Development Control Regulations Act, 2011 and Karnataka Municipalities Model Building Bye Laws, 2017 and Maharashtra Ownership Flats (Regulations of the Promotion of Construction, Sale, Management and Transfer) Act, 1963, as amended from time to time.
    - i) The Environment (Protection) Act, 1986.
    - j) The Gujarat Land Revenue Code, 1879.
    - k) The Gujarat Tenancy & Agricultural Lands Act, 1948.
    - l) The Indian Registration Act, 1908.
    - m) The Specific Relief Act, 1963.
    - n) The Indian Stamp Act, 1899.
    - o) The Gujarat Stamp Act, 1958.
    - p) The Gujarat Ownership Flats Act, 1973.
    - q) The Building and Other Construction Workers' (Regulation of Employment and Conditions of Services) Act, 1996.
    - r) The Building and Other Construction Worker's Welfare Cess Act, 1996.
    - s) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.
    - t) Goods and Service Tax Act.
    - u) Employees Provident Fund and Miscellaneous Provisions Act, 1952.
    - v) 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 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.

For, **N. V. KATHIRIA & ASSOCIATES**  
Company Secretaries

Date: May 06, 2024  
Place: Ahmedabad

**N. V. KATHIRIA**  
PROPRIETOR  
FCS 4573 COP 3278  
PR Cert. No. 1085/2021  
(UDIN: F004573F000314058)

## Annexure To Secretarial Audit Report

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**  
*Company Secretaries*

Date: May 06, 2024  
Place: Ahmedabad

**N. V. KATHIRIA**  
*PROPRIETOR*  
FCS 4573 COP 3278  
PR Cert. No. 1085/2021  
(UDIN: F004573F000314058)

# Annexure - C1 to the Directors' Report

## Form MR - 3

### Secretarial Audit Report

For the Financial year ended March 31, 2024

[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 Hebbal Homes Private 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 HEBBAL HOMES PRIVATE 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 the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (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 March 31, 2024 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, 2018 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 and Sweat Equity) Regulations, 2021;
  - (v) The Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;
  - (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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;
  - (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

Being status of Company is private and none of its security are listed on Stock Exchanges.

Therefore, Point No 2 as above mentioned are not applicable to the Company for F.Y. 2023-24.

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:
  - a) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
  - b) The Employees' State Insurance Act, 1948.
  - c) The Contract Labour (Regulation & Abolition) Act, 1970.
  - d) The Maternity Benefit Act, 1961.
  - e) The Minimum Wages Act, 1948.
  - f) The Payment of Bonus Act, 1965.
  - g) The Payment of Gratuity Act, 1972.
  - h) The Payment of Wages Act, 1936.
  - i) The Workmen Compensation Act, 1923.
  - j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.
  - k) Shops and Establishment Act of respective states.
  - l) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.
  - m) Tax on Profession of respective States.
  - n) Labour Welfare Fund.
  - o) The Legal Metrology Act, 2009.
  - p) The Consumer Protection Act, 1986.
  - q) Trademarks Act, 1999.
  - r) The Information Technology Act, 2000.
  - s) Income Tax Act, 1961 and its Rules.
  - t) The Goods and Services Tax Act, 2017.
  - u) Customs Act, 1962.

5. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

The Listing Agreements entered into by the Company with Stock Exchange pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. **(the securities of the company are not listed on any recognized stock exchange, clauses of listed agreement were not applicable).**

**We further report that**

The Board of Directors of the Company is properly constituted. 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 following:

1. Company has altered Memorandum of Association of the Company by way of addition of new Objects related to supply or trading of goods or materials used in the real estate business, in addition to the existing Main Objects Clause and Liability Clause.
2. Company has adopted new set of Articles of Association of the Company in accordance with the Provisions of the Companies Act, 2013.

For, **N. V. KATHIRIA & ASSOCIATES**  
*Company Secretaries*

Date: May 06, 2024  
Place: Ahmedabad

**N. V. KATHIRIA**  
*PROPRIETOR*  
FCS 4573 COP 3278  
PR Cert. No. 1085/2021  
(UDIN: F004573F000314146)

## Annexure To Secretarial Audit Report

To,  
The Members,  
**Arvind Hebbal Homes Private 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**  
*Company Secretaries*

Date: May 06, 2024  
Place: Ahmedabad

**N. V. KATHIRIA**  
*PROPRIETOR*  
FCS 4573 COP 3278  
PR Cert. No. 1085/2021  
(UDIN: F004573F000314146)

## Annexure - D 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	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 financial year 2023-24.	Mr. Sanjay S. Lalbhai	1.60	0.66
		Mr. Kamal Singal	103.92	86.24
		Mr. Kulin S. Lalbhai	5.54	0.35
		Mr. Pratul Shroff	1.56	0.38
		Mr. Prem Prakash Pangotra	2.07	0.90
		Mr. Nirav Shah	1.82	0.64
		Ms. Pallavi Vyas	1.56	0.61
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24.	<b>Directors</b>		<b>%</b>
		Mr. Sanjay S. Lalbhai		NA
		Mr. Kulin S. Lalbhai		NA
		Mr. Pratul Shroff		10%
		Mr. Prem Prakash Pangotra		35%
		Mr. Nirav Shah		22%
		Ms. Pallavi Vyas		38%
		<b>Managing Director &amp; CEO</b>		
		Mr. Kamal Singal		5%
		<b>Chief Financial Officer</b>		
Mr. Ankit Jain		39%		
<b>Company Secretary</b>				
Mr. Prakash Makwana		11%		
(iii)	The percentage increase in the median remuneration of employees in the F.Y. 2023-24.	10%		
(iv)	The number of permanent employees on the rolls of Company.	415		
(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. 2022-23) 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 13.10% and for other employees was about 9.70%.		
(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 March 31, 2024.



# Corporate Governance Report

Your Directors present the Company's Report on Corporate Governance for the year ended on March 31, 2024.

## 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 8 (eight) Directors, comprising of Chairman, 1 (one) Managing Director & CEO, 3 (three) Non - Executive Non Independent Directors including Chairman and Nominee Director and 4 (four) Non-Executive Independent Directors including a 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 Composition of the Board as at March 31, 2024 is as under:

Sr. No.	Name of Director	Executive/Non-executive/Independent	No. of Directorships Held (Including the Company)*	**Committee(s) position (Including the Company)	
				Member	Chairman
1	Mr. Sanjay S. Lalbhai	Chairman and Non-Executive Director	5	2	1
2	Mr. Kamal Singal	Executive Director	2	2	0
3	Mr. Kulin S. Lalbhai	Non-Executive Director and Vice Chairman	7	2	1
4	Mr. Pratul Shroff	Independent Director	2	2	1
5	Mr. Prem Prakash Pangotra	Independent Director	1	2	0
6	Mr. Nirav Shah	Independent Director	8	5	0
7	Ms. Pallavi Vyas	Independent Director	1	0	0
8	Mr. Vipul Roongta	Non-Executive Nominee Director	2	0	0

\* All the Companies have been considered excluding Companies incorporated under Section 8 of the Companies Act, 2013 and Companies incorporated outside India.

\*\*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").

**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	-	-	√	-
		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 & Vice Chairman	-	-	-	-
		Arvind Limited	Executive Director	-	-	-	-
		Arvind Fashions Limited	Non-Executive Director	-	-	-	√
		Zyodus Wellness Limited	Independent Director	√	-	-	-
4	Mr. Pratul Shroff	Arvind SmartSpaces Limited	Independent Director	-	√	√	-
5	Mr. Prem Prakash Pangotra	Arvind SmartSpaces Limited	Independent Director	√	-	√	-
6	Mr. Nirav Shah	Arvind SmartSpaces Limited	Independent Director	√	-	-	-
		Jayatma Enterprises Limited	Director	√	-	√	-
		Jayatma Industries Limited	CEO & Director	√	-	√	-
7	Ms. Pallavi Vyas	Arvind SmartSpaces Limited	Independent Director	-	-	-	-
8	Mr. Vipul Roongta	Arvind SmartSpaces Limited	Non-Executive Nominee Director	-	-	-	-

**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.

Sr. No.	Name of Director	Skills/Expertise/Competencies
1	Mr. Sanjay S. Lalbhai	Industrialist, Entrepreneur, Board Service & Governance, strategic thinking, track record of spotting disruptive opportunities ahead of time, ability to take calibrated risk, Sales and marketing including an understanding of consumer markets in India etc.
2	Mr. Kamal Singal	Expertise in construction and real estate development along with product delivery, production planning, quality control, technology advancement, financial planning, formulation and its implementation of Strategies.
3	Mr. Kulin S. Lalbhai	Industrialist, Entrepreneur, Technology Expert, Sales and marketing including an understanding of consumer markets in India, innovation management to ensure continuing relevance of Company's offerings under changing market etc.
4	Mr. Pratul Shroff	Entrepreneur, Expertise in Information, Communication and Technology (ICT).
5	Mr. Prem Prakash Pangotra	Expertise in Urban Management, Urban Economics, Environment Management and Public Finance.
6	Mr. Nirav Shah	Entrepreneur, Industrialist, Expertise in International Business Strategies and Corporate Finance.
7	Ms. Pallavi Vyas	Expertise in Economics, Public Policy etc. Interest in Labor Economics, Human Capital Theory, Public Health and Development Economics.
8	Mr. Vipul Roongta	Expertise in Mortgages, Banking, Economics, Real Estate etc.

## 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 Operating Officer and Company Secretary 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. Managing Director, COO and CFO make presentation on the quarterly, annual operating & financial performance and also on annual operating budget.

Head of Internal Audit department and representatives of the Statutory Auditors are the permanent invitees of the Audit Committee meetings to discuss the areas of internal audit and financial reporting requirements.

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 (four) Board Meetings on May 19, 2023, August 2, 2023, November 1, 2023 and February 1, 2024 during the FY 23-24. 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 August 2, 2023
1	Mr. Sanjay S. Lalbhai	4	4	Yes
2	Mr. Kamal Singal	4	4	Yes
3	Mr. Kulin S. Lalbhai	4	3	Yes
4	Mr. Pratul Shroff	4	2	No
5	Mr. Prem Prakash Pangotra	4	4	Yes
6	Mr. Nirav Shah	4	3	Yes
7	Ms. Pallavi Vyas	4	4	Yes
8	Mr. Vipul Roongta	4	3	Yes

## 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.

None of the Independent Directors have resigned before the expiry of his/her term and hence confirmation from Independent Directors in respect of material reason for resignation is not applicable during the year.

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 February 1, 2024 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.
- the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The members of the Nomination and Remuneration Committee took note of the above.

## 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 & Vice Chairman, 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 and Mr. Nirav Shah, Non-Executive Directors of the Company are holding 200145 equity shares equivalent to 0.44% and 16 equity shares equivalent to 0.00% respectively, of the paid equity share capital.

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:

On appointment of an individual as Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program including the presentation from the Managing Director & CEO providing information relating to the Company, industry, business model of the Company, geographies in which Company operates, etc. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

The details of the familiarization programme imparted to independent directors can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2024/04/Familiarization-Programmes-imparted-Independent-Directors-2.pdf>

## 2.10 Prohibition of Insider Trading Code:

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has formulated and adopted a Code of Conduct for Prohibition of Insider Trading, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Policy on procedures to be followed while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information.

The 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 6 (six) committees of the Board viz.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders’ Relationship Committee
- Risk Management 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 4 (four) members out of which 3 (three) 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) Modified opinion / 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. Reviewing and monitoring 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 mentioned in the terms of reference of the Audit Committee.
  21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  22. To review the compliance with the provisions of Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively.
  23. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**Audit Committee shall mandatorily review the following information:**

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
5. Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

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

As on March 31, 2024, the Audit Committee consists of 4 (four) members. During the year, the Committee has held 4 (four) Meetings on May 19, 2023, August 2, 2023, November 1, 2023 and February 1, 2024.

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	Category	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	Mr. Nirav Shah	Independent Director	Member	4	3
4	Mr. Kamal Singal	Executive Director	Member	4	4

The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

**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 NRC of the Company comprises of 3 (three) Directors out of which 2 (two) are Non-Executive Independent Directors and 1 (one) 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. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
9. To review HR Policies and Initiatives.
10. Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

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 March 31, 2024, the NRC consists of 3 (three) members. During the year, the NRC has held 1 (one) Meeting on May 19, 2023.

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	Category	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Prem Prakash Pangotra	Independent Director	Chairman	1	1
2	Mr. Pratul Shroff	Independent Director	Member	1	0
3	Mr. Sanjay S. Lalbhai	Non-Executive Director	Member	1	1

#### 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 Board's 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 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 Directors are paid Sitting Fees of Rs. 50,000/- for every meeting of Board of Directors and Rs. 20,000/- for every meeting of Committees 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.

Details of remuneration to all the Directors for the financial year 2023-24 is as under:

(Amount in Rs.)

Sr. No.	Name of Director	Salary	Perquisites & Allowances	Sitting Fees	Retrial Benefits	Commission / Bonus
1	Mr. Sanjay S. Lalbhai	Nil	Nil	2,80,000	Nil	4,00,000
2	Mr. Kamal Singal	3,48,45,133	3,19,084	Nil	14,13,863	75,00,000
3	Mr. Kulin S. Lalbhai	Nil	Nil	1,50,000	Nil	22,00,000
4	Mr. Pratul Shroff	Nil	Nil	1,60,000	Nil	5,00,000
5	Mr. Prem Prakash Pangotra	Nil	Nil	3,80,000	Nil	5,00,000
6	Mr. Nirav Shah	Nil	Nil	2,70,000	Nil	5,00,000
7	Ms. Pallavi Vyas	Nil	Nil	2,60,000	Nil	4,00,000
8	Mr. Vipul Roongta	Nil	Nil	Nil	Nil	Nil

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

Please refer point No. 7 - Employee Stock Option Scheme in Director's Report.

- There is neither any pecuniary relationship nor any transactions of the Non-Executive Directors i.e. Mr. Sanjay S. Lalbhai, Mr. Kulin S. Lalbhai, Mr. Pratul Shroff, Mr. Prem Prakash Pangotra, Mr. Nirav Shah, Ms. Pallavi Vyas and Mr. Vipul Roongta vis-à-vis the Company except remuneration paid as above.
- The Company has disclosed the criteria of making payment to Non-Executive Directors and the same can be accessed at the following Web-link: [https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Criteria\\_of\\_making\\_payment\\_to\\_Non\\_Executive\\_Directors.pdf](https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/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 (four) Directors out of which 2 (two) are Non-Executive Independent Directors, 1 (one) is Non-Executive Director and 1 (one) 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:

- Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, dematerialization / rematerialization of Shares and debentures, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

5. 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.
6. Carrying out any other function as is mentioned in the terms of reference of the Stakeholder's Relationship Committee.

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

As on March 31, 2024, the SRC consists of 4 (four) members. During the year, the SRC has held 1 (one) Meeting on November 1, 2023.

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	Category	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	1	1
2	Mr. Pratul Shroff	Independent Director	Member	1	1
3	Mr. Prem Prakash Pangotra	Independent Director	Member	1	1
4	Mr. Kamal Singal	Executive Director	Member	1	1

## 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 April 1, 2023 to March 31, 2024:

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	8	8	0

## 6. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted the Risk Management Committee ("RMC") in compliance with the provisions of the Regulation 21 of the Listing Regulations. The RMC of the Company comprises of 3 (three) Members out of which 1 (one) is Non-Executive Independent Director, 1 (one) is Executive Director and 1 (one) is Senior Executive i.e. Chief Financial Officer. Mr. Kamal Singal, Executive Director, acts as Chairman of the Committee.

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

### 6.1 Brief description of the terms of reference:

1. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

## 6.2 Composition of Risk Management Committee, number of Meetings held and participation at the Meetings during the year:

As on March 31, 2024, the RMC consists of 3 (three) members. During the year, the RMC has held 2 (two) Meetings on August 18, 2023 and February 1, 2024.

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	Category	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Kamal Singal	Executive Director	Chairman	2	2
2	Mr. Nirav Shah	Independent Director	Member	2	2
3	Mr. Ankit Jain	Chief Financial Officer	Member	2	2

## 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

### 7.1 Brief description of the terms of reference:

- 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;
- 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;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- monitor the Corporate Social Responsibility Policy of the company from time to time;
- review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board report;

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

As on March 31, 2024, the CSRC consists of 4 (four) members. During the year, the CSRC has held 2 (two) Meetings on May 19, 2023 and November 1, 2023.

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	Category	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	Ms. Pallavi Vyas	Independent Director	Member	2	2
4	Mr. Kamal Singal	Executive Director	Member	2	2

## 8. MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS

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

The role and composition of committee are as follows:

## 8.1 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.

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

As on March 31, 2024, the Management Committee of Board of Directors consist of 3 (three) Directors. During the year, 13 (thirteen) 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	Category	Position / Status	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	13	11
2	Mr. Kulin S Lalbhai	Non-Executive Director	Member	13	12
3	Mr. Kamal Singal	Executive Director	Member	13	11

## 9. SENIOR MANAGEMENT:

The Company has identified the senior management in accordance with the provisions of Listing Regulations. The details of particulars of senior management including changes therein since close of the previous financial years are as under:

### 9.1 Particulars of senior management:

Sr. No.	Name	Designation
1	Mr. Avinash Suresh	Chief Operating Officer
2	Mr. Ankit Jain	Chief Financial Officer
3	Mr. Prakash Makwana	Company Secretary
4	Mr. Arnab Kumar Basu	Head HR, Admin, Compliance & Facilities
5	Mr. Venkataramana B. R	Head Legal
6	Mr. L R Bansal	Head Process Assurances & Commercial Controls
7	Mr. Saurabh Shah	Head Liaison
8	Mr. Vijay Taneja	Head IT

### 9.2 Changes in senior management during FY24:

During FY24, there is no change in senior management except Mr. Ankit Jain, Chief Financial Officer of the Company who has resigned with effect from April 22, 2024.

## 10. INFORMATION OF GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Venue
2022-23	August 2, 2023	10:00 pm	The AGM was held through VC / OAVM i.e. electronic mode where the Registered office of the Company was deemed venue.
2021-22	August 12, 2022	02:30 pm	The AGM was held through VC / OAVM i.e. electronic mode where the Registered office of the Company was deemed venue.
2020-21	September 22, 2021	11:00 am	The AGM was held through VC / OAVM i.e. electronic mode where the Registered office of the Company was deemed venue.

### 10.2 Special Resolutions passed in last three Annual General Meetings:

Financial Year	Date	Details of Special Resolution
2022-23	-	-
2021-22	August 12, 2022	No Special Resolution was passed at the Meeting
2020-21	September 22, 2022	Special Resolution for approval of payment of remuneration / commission payable to the Non-Executive Director(s) of the Company for a period of five years from April 1, 2021 to March 31, 2026.

### 10.3 Extraordinary General Meetings (EGM):

Financial Year	Date	Time	Venue
2022-23	-	-	-
2021-22	-	-	-
2020-21	October 4, 2021		The EGM was held through VC / OAVM i.e. electronic mode where the Registered office of the Company was deemed venue.

### 10.4 Special Resolutions passed in last three Extraordinary General Meetings (EGM):

Financial Year	Date	Details of Special Resolution
2022-23	-	-
2021-22	-	-
2020-21	October 4, 2021	(1) To create, offer, issue and allot equity shares on Preferential basis to Qualified Institutional Buyer. (2) To create, offer, issue and allot equity shares on Preferential basis to Promoter Group Entities. (3) To amend the Articles of Association of the Company.

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

During the year under review, the Company has completed process of postal ballot, in compliance with provisions of Section 110 of the Companies Act, 2013 ('the Act') read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") including any amendment(s) thereof, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022, (collectively the 'MCA Circulars') issued by the Ministry of Corporate Affairs (the "MCA"). The voting was conducted through remote e-voting only in compliance with the General Circulars. The Company had engaged the services of NSDL to provide e-voting facility to its members. The notice of postal ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including remote e-voting) to be carried out. The following Resolutions were deemed to have been passed on the last date of remote e-voting.

#### (i) Postal Ballot Notice dated May 19, 2023:

Sr. No.	Particulars	No. of votes Polled	No. and % votes in favour	No. and % votes in against
1	To approve Material Related Party Transaction for purchase of land for development by Arvind SmartHomes Private limited, wholly owned subsidiary of Arvind SmartSpaces Limited from Mr. Sharad Patel, a Designated Partner of Ahmedabad East Infrastructure LLP (AEI LLP) and his relatives.	7854856	7854099 (99.9904%)	757 (0.0096%)
2	To approve Material Related Party Transaction(s) between the Company and its subsidiary i.e. Ahmedabad East Infrastructure LLP in respect of providing Corporate Guarantee by the Company.	7854674	7838786 (99.7977%)	15888 (0.2023)

Mr. Hitesh Buch, Practicing Company Secretary was appointed as Scrutinizer for conducting the aforesaid postal ballots in a fair and transparent manner.

## 11. MEANS OF COMMUNICATIONS

11.1 The Quarterly Results are published in Financial Express - All India Editions and Financial Express Gujarati Edition of Ahmedabad and can also be accessed at the following Web-link: [www.arvindsmartspaces.com](http://www.arvindsmartspaces.com).

11.2 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 website hosts a special page giving information which investors usually seek.

Presentations can be accessed at the following Web-link: [www.arvindsmartspaces.com](http://www.arvindsmartspaces.com).

## 12. GENERAL SHAREHOLDER INFORMATION

### 12.1 Annual General Meeting:

Date	Thursday, July 25, 2024
Time	11:00 AM
Venue	The Company is conducting meeting through VC / OAVM pursuant to the General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 followed by General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs. The Registered office of the Company will be the deemed venue for the AGM.

### 12.2 Financial Calendar:

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

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

**12.3 Book Closure:** Friday, July 19, 2024 till Thursday, July 25, 2024 (Both Days inclusive).

**12.4 Dividend payment Date:** The Board of Director has recommended a final dividend of Rs. 2.50/- per equity share and special dividend of Rs. 1.00/- per equity share, totaling Rs. 3.50/- per equity share of Rs. 10/- each (i.e. 35%), for the financial year ended on March 31, 2024. The dividend, if declared at the Annual General Meeting, will be paid within 30 days from the date of AGM.

**12.5 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 Limited	ARVSMART	Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051

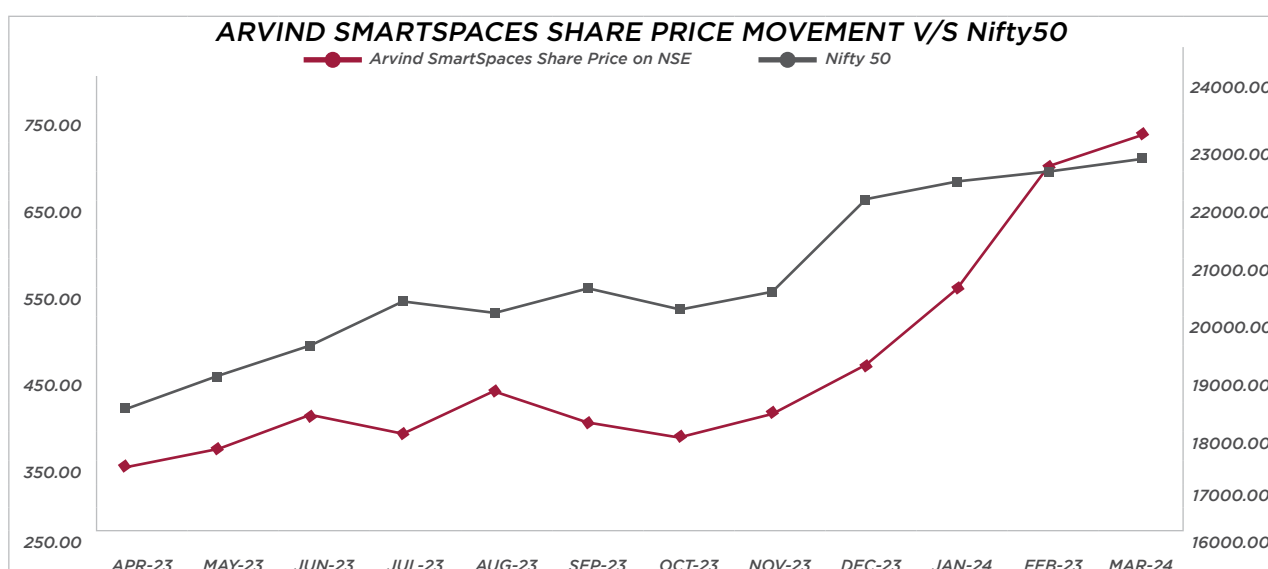
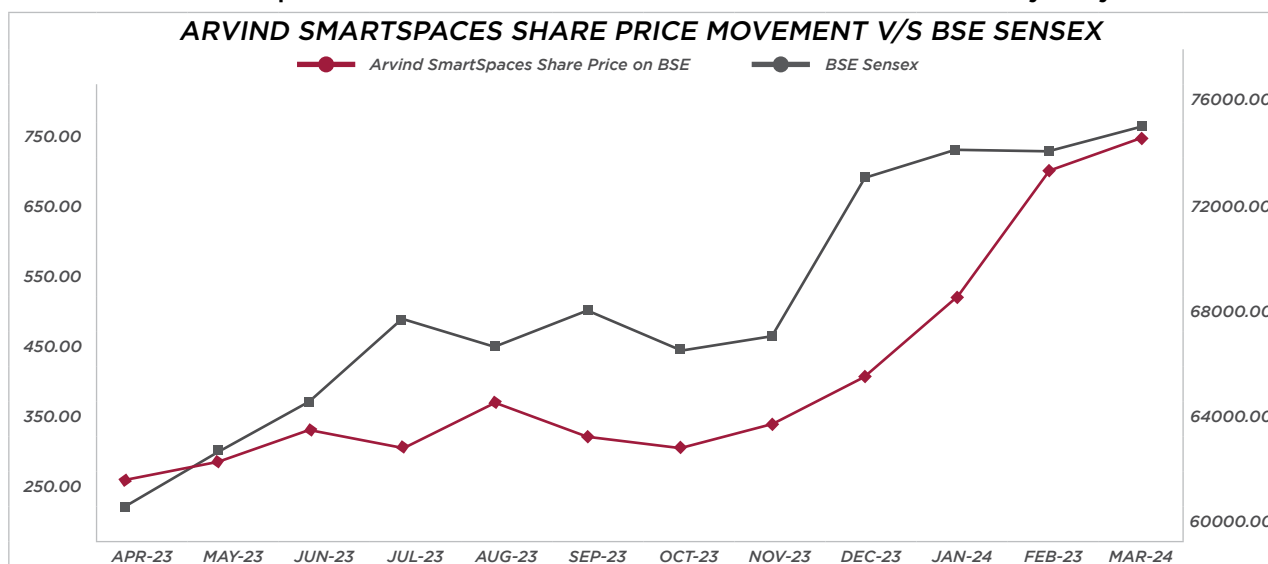
The Company has paid Annual Listing Fees for the Financial Year 2024-2025 to both Stock Exchanges.

## 12.6 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 2023-24 were as under:

Month	Share Price BSE		Volumes No. of Shares	BSE Sensex		Share Price NSE		Volumes No. of Shares	Nifty50	
	High	Low		High	Low	High	Low		High	Low
	(₹)	(₹)				(₹)	(₹)			
Apr-23	322.10	278.10	106906	61209.46	58793.08	322.50	277.10	1023266	18089.15	17312.75
May-23	345.00	303.00	129244	63036.12	61002.17	344.90	304.95	1526301	18662.45	18042.40
Jun-23	382.50	331.95	165549	64768.58	62359.14	382.70	331.95	2036321	19201.70	18464.55
Jul-23	361.00	326.00	79043	67619.17	64836.16	361.95	326.05	724794	19991.85	19234.40
Aug-23	415.25	337.20	145062	66658.12	64723.63	415.20	325.45	3009595	19795.60	19223.65
Sep-23	374.55	294.10	79189	67927.23	64818.37	375.10	327.05	1959043	20222.45	19255.70
Oct-23	361.00	309.90	64694	66592.16	63092.98	359.70	309.00	1625111	19849.75	18837.85
Nov-23	388.35	321.65	253222	67069.89	63550.46	388.40	320.80	2837671	20158.70	18973.70
Dec-23	445.00	391.00	166730	72484.34	67149.07	445.00	390.00	3069221	21801.45	20183.70
Jan-24	538.50	426.10	166225	73427.59	70001.60	540.00	425.00	2113523	22124.15	21137.20
Feb-24	688.75	513.55	1072872	73413.93	70809.84	689.90	513.00	3458820	22297.50	21530.20
Mar-24	727.00	518.00	210726	74245.17	71674.42	727.95	518.05	3279385	22526.60	21710.20

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



## 12.8 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 id. : ahmedabad@linkintime.co.in  
Website : www.linkintime.co.in

## 12.9 Share transfer system:

### (I) Delegation of Share Transfer Formalities:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 01, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

### (II) Share Transfer Details for the period from April 1, 2023 to March 31, 2024:

SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA - Link Intime India Private Limited, for assistance in this regard.

There were no physical share transferred for the period from April 01, 2023 to March 31, 2024.

### (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.

## 12.10 Shareholding pattern dated March 31, 2024.

Sr. No	Category of Shareholders	No. of shares held	% of shares held
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
[1]	<b>Indian</b>		
	(a) Individuals / Hindu Undivided Family	209246	0.46
	(b) Central Government / State Government(s)	0	0.00
	(c) Financial Institutions / Banks	0	0.00
	Any Other (Specify)	22643753	49.94
	<b>Sub Total (A)(1)</b>	<b>22852999</b>	<b>50.40</b>
[2]	<b>Foreign</b>		
	(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0.00
	(b) Government	0	0.00
	(c) Institutions	0	0.00
	(d) Foreign Portfolio Investor	0	0.00
	(e) Any Other (Specify)	0	0.00
	<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>22852999</b>	<b>50.40</b>
<b>(B)</b>	<b>Public Shareholding</b>		
[1]	<b>Institutions</b>		
	(a) Mutual Funds	1170052	2.58
	(b) Venture Capital Funds	0	0.00
	(c) Alternate Investment Funds	4955192	10.93
	(d) Banks	476	0.00



Sr. No	Category of Shareholders	No. of shares held	% of shares held
	(e) Insurance Companies	40	0.00
	(f) Provident Funds/Pension Funds	0	0.00
	(g) Asset reconstruction companies	0	0.00
	(h) Sovereign Wealth Funds	0	0.00
	(i) NBFCs registered with RBI	4411	0.01
	(j) Other financial institutions	0	0.00
	(k) Any Other (Specify)	0	0.00
	<b>Sub Total (B)(1)</b>	<b>6130171</b>	<b>13.52</b>
<b>[2]</b>	<b>Institutions (Foreign)</b>		
	(a) Foreign Direct Investment	0	0.00
	(b) Foreign Venture Capital Investors	0	0.00
	(c) Sovereign Wealth Funds	0	0.00
	(d) Foreign Portfolio Investors Category I	187116	0.41
	(e) Foreign Portfolio Investors Category II	142	0.00
	(f) Overseas Depositories (holding DRs) (balancing figure)	0	0.00
	(g) Any Other (specify)	412	0.00
	<b>Sub Total (B)(2)</b>	<b>187670</b>	<b>0.41</b>
<b>[3]</b>	<b>Central Government/ State Government(s)</b>		
	(a) Central Government / President of India	0	0.00
	(b) State Government / Governor	53	0.00
	(c) Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0.00
	<b>Sub Total (B)(3)</b>	<b>53</b>	<b>0.00</b>
<b>[4]</b>	<b>Non-Institutions</b>		
	(a) Associate companies / Subsidiaries	0	0.00
	(b) Directors and their relatives (excluding independent directors and nominee directors)	94744	0.21
	(c) Key Managerial Personnel	12420	0.03
	(d) Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	0.00
	(e) Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	0.00
	(f) Investor Education and Protection Fund (IEPF)	0	0.00
	(g) Resident Individuals holding nominal share capital up to Rs. 2 Lac	5505900	12.14
	(h) Resident Individuals holding nominal share capital in excess of Rs. 2 Lac	5869539	12.94
	(i) Non-Resident Indians (NRIs)	314840	0.69
	(j) Foreign Nationals	0	0.00
	(k) Foreign Companies	0	0.00
	(l) Bodies Corporate	912079	2.01
	(m) Any Other (specify)	3463564	7.64
	<b>Sub-Total (B)(4)</b>	<b>16173086</b>	<b>35.67</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)</b>	<b>22490980</b>	<b>49.60</b>
	<b>Total (A)+(B)</b>	<b>45343979</b>	<b>100.00</b>
<b>(C)</b>	<b>Non-Promoter - Non-Public</b>		
	[1] Custodian/DR Holder	0	0.00
	[2] Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0.00
	<b>Total (A)+(B)+(C)</b>	<b>45343979</b>	<b>100.00</b>

## 12.11 Distribution of shareholding as on March 31, 2024:

Sr. No.	Shares Range	Number of Shareholders	Total Shares for the Range	% of Issued Capital
1	1 to 500	91983	2806932	6.19
2	501 to 1000	723	560362	1.24
3	1001 to 2000	392	590603	1.30
4	2001 to 3000	155	392829	0.87
5	3001 to 4000	69	243876	0.54
6	4001 to 5000	71	329216	0.73
7	5001 to 10000	120	893310	1.97
8	10001 and above	139	39526851	87.17
<b>Total</b>		<b>93652</b>	<b>45343979</b>	<b>100.00</b>

## 12.12 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 March 31, 2024, 4,51,68,036 shares representing 99.61% of the issued and paid-up capital have been dematerialised by investors and bulk of transfers take place in the demat form.

## 12.13 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 2023-24, the Company has not issued Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments:

## 12.14 Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit the prescribed Form SH-13 for this purpose. Shareholders may write to the Secretarial Department of the Company for a copy of the Form.

## 12.15 Credit rating:

During the financial year 2023-24, the Company has obtained/ upgraded / withdrawn following credit ratings from Indian Ratings and Research (IRA).

Sr. No.	Date of Credit Rating Letter	Instruments	Status	Rating
1	<b>December 26, 2023</b>	Proposed term loan of Rs. 325/- Crores.	Upgraded	IND A+/Stable
		Proposed term loan of Rs. 75/- Crores.	Assigned	IND A+/Stable
		Non-convertible debentures (NCDs) of Rs. 75 Crores.	Withdrawn	-

## 12.16 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.

## 12.17 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.

## 12.18 Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:

Unpaid / Unclaimed Dividends in accordance with the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate companies to

transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

The following tables give information relating due dates for transfer of dividend unclaimed to IEPF are as follows:

Financial Year	Rate of Dividend	Date of Declaration of Dividend	Due date for transfer to IEPF*
2016-17	No Dividend	-	-
2017-18	No Dividend	-	-
2018-19	15%	August 05, 2019	October 09, 2026
2019-20	No Dividend	-	-
2020-21	No Dividend	-	-
2021-22	No Dividend	-	-
2022-23	33%	August 02, 2023	October 06, 2030

\* Actual date of transfer may vary

### 12.19 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  
Phone No: 079-68267000 Fax No. : 079-68267021  
e-mail : investor@arvindinfra.com  
Website address: 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 id : ahmedabad@linkintime.co.in  
Website : www.linkintime.co.in

## 13. OTHER DISCLOSURE:

- 13.1** During the year under review, 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 or which warrants the approval of the shareholders. Suitable disclosure as required under INDAS 24 has been made in the Annual Report. The Related Party Transaction Policy as approved by the Board can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2022/06/Related-Party-Transactions-Policy.pdf>
- 13.2** 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.
- 13.3** 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.
- 13.4** 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. 2021-22, 2022-23 and 2023-24.
- 13.5** The Company has formed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI Listing Regulations and the same can be accessed at the following Web-link: <https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Material-Subsidiaries.pdf>

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Board Meetings of Subsidiary Companies are placed before the Board of the Company.

**13.6 Details of Material Subsidiaries:**

Sr. No.	Name of material subsidiaries	Date of incorporation	Place of incorporation	Name of statutory auditors	Date of appointment of statutory auditors
1	Arvind Hebbal Homes Private Limited	22-06-2011	Ahmedabad	M/s. S R B C Co. & LLP	12-08-2022

**13.7** The Company has not granted any loans and advances in the nature of loans to the firms or the companies in which directors are interested.

**13.8 Vigil Mechanism / Whistle Blower Policy:**

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 Vigil Mechanism / Whistleblower Policy (WB Policy) 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](http://www.in.kpmg.com/ethicshelpline/Arvind)

**Toll Free No.:** 1800 200 8301

**Dedicated Email ID:** [arvind@ethicshelpline.in](mailto: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.

**13.9 Code of Conduct for Directors & 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.

**13.10 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.

**13.11** The Independent Directors have confirmed that they meet the criteria of “Independent Director” as stipulated under the Companies Act, 2013 and Listing Regulations.

**13.12** 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.

**13.13** 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.

**13.14 Details of total fees paid to Statutory Auditors:**

Details relating to fees paid to the Statutory Auditors are given in Note No. 25 to the Standalone and Consolidated Financial Statements.

**13.15 Certificate from Practicing Company Secretary:**

Ms. Ankita Patel, Practicing Company Secretary has issued a certificate that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations which is forming a part of the Annual Report.

Further she has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or is disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority.

**13.16 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](http://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. 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 May 6, 2024 and the same was approved.

Place: Ahmedabad  
Date: May 6, 2024

**And on behalf of the Board**  
**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) & 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 March 31, 2024 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  
Date: March, 31, 2024

**Kamal Singal**  
*Managing Director & CEO*

**Ankit Jain**  
*Chief Financial Officer*

## Compliance certificate on 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 March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the company. My examination was limited to a review of the procedures and implementation thereof, as 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 made 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 March 31, 2024.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: May 06, 2024

**CS Ankita Patel**  
*Practicing Company Secretary*  
FCS No.: F8536  
C P No. : 16497  
UDIN: F008536F000320837

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### 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](http://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 March 31, 2024.

Place: Ahmedabad  
Date: May 06, 2023

**Kamal Singal**  
*Managing Director & CEO*

# Business Responsibility and Sustainability Report

## A: General Disclosure

### A. 1: Details of the listed entity

1.	Corporate identity number (CIN) of the listed entity	L45201GJ2008PLC055771
2.	Name of the listed entity	Arvind SmartSpaces Limited
3.	Year of incorporation	26-12-2008
4.	Registered office address	24, Government Servants Society, CG Road, Navrangpura Ahmedabad-380009, Gujarat, India
5.	Corporate address	24, Government Servants Society, CG Road, Navrangpura Ahmedabad-380009, Gujarat, India
6.	E-mail	Investors@arvindinfra.com
7.	Telephone	7968267002
8.	Website	www.arvindsmartspaces.com
9.	Financial year for which reporting is being done	2023 - 2024
10.	Name of the stock exchange(s) where shares are listed	BSE, NSE
11.	Paid-up Capital (in Rs.)	45,34,39,790
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Avinash Suresh, COO, 079-6826 7002, avinash.suresh@arvind.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

### A. 2: Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity
1	Real Estate Development	Construction of Residential and Commercial Projects	100

#### 17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC code	% of total turnover contributed
1	Construction of Residential and Commercial Projects	4100, 70103, 70104	100

### A. 3: Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	13	2	15
International	0	0	0



## 19. Markets served by the entity:

### a. Number of locations:

Location	Number
National (No. of States)	3
International (No. of Countries)	0

### b. What is the contribution of exports as a percentage of the total turnover of the entity? :

0

### c. A brief on types of customers:

In the realm of real estate development, specifically pertaining to residential and commercial spaces, our clientele spans two primary categories - retail customers and businesses. The geographical range of our customer base extends across various Indian states such as Gujarat, Maharashtra, and Karnataka

## A. 4: Employees (including those who have resigned and are serving notice period)

### 20. Details as at the end of financial year:

#### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
<b>EMPLOYEES</b>								
1.	Permanent (D)	415	341	82.17	74	17.83	0	0
2.	Other than Permanent (E)	7	5	71.43	2	28.57	0	0
3.	Total employees (D)	422	346	81.99	76	18.01	0	0
<b>WORKERS</b>								
4.	Permanent (F)	0	0	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0	0	0
6.	Total workers (F + G)	0	0	0	0	0	0	0

#### b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>								
1.	Permanent (D)	0	0	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0	0	0
3.	Total differently abled employees (D+ E)	0	0	0	0	0	0	0
<b>DIFFERENTLY ABLED WORKERS</b>								
4.	Permanent (F)	0	0	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0	0	0
6.	Total differently- abled workers (F + G)	0	0	0	0	0	0	0

## 21. Participation/inclusion/representation of women:

Leadership team	Total (A)	Number and percentage of females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50
Key Management Personnel	3	0	0

**22. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years):**

Particulars	FY 2023 - 2024 (Turnover rate in current FY)				FY 2022-2023 (Turnover rate in previous FY)				FY 2021-2022 (Turnover rate in the year prior to the previous FY)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	37.52	31.4	0	38.64	32.05	26.89	0	33.02	30.27	18.95	0	29.89
Permanent Workers	0	0	0	0	0	0	0	0	0	0	0	

**A. 5: Holding, Subsidiary and Associate Companies (including joint ventures)**

**23. Details of holding/subsidiary/associate companies/joint ventures.:**

S. No.	Entity name (A)	Entity type	% of shares held	Entity (A) participate in the BRSR initiatives of the parent entity?
1	Arvind Hebbal Homes Private Limited	Subsidiary	100	Yes
2	Arvind Homes Private Limited	Subsidiary	100	Yes
3	Arvind SmartHomes Private Limited	Subsidiary	100	Yes
4	Ahmedabad East Infrastructure LLP	Subsidiary	55.24	Yes
5	ASL Facilities Management LLP	Subsidiary	100	Yes
6	Uplands Facilities Management LLP	Subsidiary	100	Yes
7	Changodar Industrial Infrastructure (One) LLP	Subsidiary	100	No
8	Arvind Beyond Five Club LLP	Subsidiary	100	Yes
9	Arvind Infracon LLP	Subsidiary	100	Yes
10	Ahmedabad Industrial Infrastructure (One) LLP	Subsidiary	100	No
11	Arvind Five Homes LLP	Subsidiary	52.0	Yes
12	Chirping Woods Homes LLP	Subsidiary	100	Yes
13	Arvind Smart City LLP	Subsidiary	94	No
14	Arvind Infrabuild LLP	Subsidiary	100	No
15	Yogita Shelters LLP	Subsidiary	100	Yes
16	Thol Highlands LLP	Subsidiary	100	No
17	Arvind Bsafal Homes LLP	Joint Venture	50.0	No
18	Arvind Integrated Projects LLP	Subsidiary	100	No
19	Adroda Homes LLP	Subsidiary	76	Yes
20	Kalyangadh Homes LLP	Subsidiary	76	No
21	Lagdana Homes LLP	Subsidiary	100	No
22	Bavla Homes LLP	Subsidiary	52	No
23	Arvind Surat Homes LLP (formerly Kesardi Homes LLP)	Subsidiary	100	No
24	Ahmedabad Chhabasar Homes LLP	Subsidiary	52	No
25	Arvind Green Homes LLP (formerly Amplus Ahmedabad Projects LLP)	Subsidiary	100	No

**A. 6: CSR Details**

a.	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
b.	Turnover (in Rs.)	3411772415
c.	Net worth (in Rs.)	4945610950

## A. 7: Transparency and Disclosures Compliances

### 25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place?	If Yes, then provide web-link for policy	FY 2023 - 2024 Current Financial Year			FY 2022-2023 Previous Financial Year			If NA, then provide the reason
			No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	
Communities	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a> . The policy is available on Company's website: <a href="https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf">https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf</a>	0	0	NA	0	0	NA	
Investors (other than shareholders)	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a> . The policy is available on Company's website: <a href="https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf">https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf</a>	0	0	NA	0	0	NA	
Shareholders	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a> . The policy is available on Company's website: <a href="https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf">https://www.arvindsmartspaces.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf</a>	8	0	NA	3	0	NA	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place?	If Yes, then provide web-link for policy	FY 2023 - 2024 Current Financial Year			FY 2022-2023 Previous Financial Year			If NA, then provide the reason
			No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	
Employees and workers	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a> . The policy is available on Company's website: <a href="https://www.arvindsmartspace.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf">https://www.arvindsmartspace.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf</a>	0	0	NA	0	0	NA	
Customers	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a> . The policy is available on Company's website: <a href="https://www.arvindsmartspace.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf">https://www.arvindsmartspace.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf</a>	5912	5554	NA	3792	100	NA	
Value chain partners	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a> . The policy is available on Company's website: <a href="https://www.arvindsmartspace.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf">https://www.arvindsmartspace.com/wp-content/uploads/2022/02/Whistleblower-Policy-.pdf</a>	0	0	NA	0	0	NA	
Others	Yes	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: <a href="https://www.arvind.ethicshelpline.in/portal/en/home">https://www.arvind.ethicshelpline.in/portal/en/home</a>	2	0	NA	0	0	NA	

**26. Overview of the entity's material responsible business conduct issues. (Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.):**

S. No.	Material issue identified	Indicate whether risk (R) or opportunity (O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
	Water Management	R	<p>Increased water consumption and constrained water supply are among the most critical global risks. Considering our dependency on water for the viability of our operations, we have identified it as a material risk for us.</p> <ol style="list-style-type: none"> <li>1. We must comply with various environmental regulations related to water use and management. Failure to do so can result in fines and legal issues.</li> <li>2. Poor water management can have detrimental effects on the local ecosystem, potentially leading to habitat destruction, pollution, and other environmental issues.</li> </ol>	<p>In order to mitigate this risk:</p> <ol style="list-style-type: none"> <li>1. We have adopted water management in the design phase of our projects.</li> <li>2. We are also maximizing the use of such construction materials which require less water for curing purposes.</li> <li>3. We are also putting our focus on the water recycling and harvesting. This enables us to recycle water efficiently and also supports replenishment of water table. Investing in innovative water- saving technologies and practices can lead to long-term savings, operational efficiency, and a stronger market position as a leader in sustainable construction.</li> </ol>	Negative Implications
	Water Management	O	<p>By focusing on water management as an opportunity, Arvind SmartSpaces Limited can not only contribute to environmental conservation but also gain a competitive edge, reduce costs, and build a positive brand image. This strategic approach to water management is a win-win for the company, the community, and the environment.</p> <ol style="list-style-type: none"> <li>1. Effective water management can enhance the company's reputation as an environmentally responsible developer.</li> <li>2. By reducing water consumption, the company can lower operational costs and increase profitability.</li> <li>3. Implementing advanced water-saving technologies can position the company as a leader in innovative construction practices.</li> <li>4. As clients and consumers become more environmentally conscious, sustainable practices, including water management, can become a significant differentiating factor in the market.</li> </ol>	-	Positive Implications
	Emissions and Energy Management	R	<p>While energy contributes to the growth of construction industry, resulting emissions are a dampener for environmental health.</p> <ol style="list-style-type: none"> <li>1. High emissions and inefficient energy management can lead to increased operational costs.</li> <li>2. As public awareness of environmental issues grows, companies with poor emissions and energy practices may face negative public perception, affecting their brand value and market position.</li> <li>3. There is a growing market preference for sustainable and green construction. Companies not adhering to low- emission and energy- efficient practices may lose competitive advantage and market share.</li> </ol>	<p>In order to mitigate this risk:</p> <ol style="list-style-type: none"> <li>1. We continually monitor the energy consumption and take measures both at the design level and the construction level to flatten our energy consumption.</li> <li>2. We are also engaged in increasing renewable energy uptake in our projects.</li> <li>3. We are using products like China Mosaics in our construction activities which results in saving a significant amount of energy.</li> </ol>	Negative Implications

S. No.	Material issue identified	Indicate whether risk (R) or opportunity (O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
			<p>4. Long-term strategic risks include the potential for stricter future regulations and the need for costly retrofits or upgrades to meet these new standards.</p>		
	Emissions and Energy Management	O	<p>Improving upon the energy efficiency and increasing renewable usage will support us in cutting down the energy expenses and achievement of pertinent emission reduction commitments.</p> <ol style="list-style-type: none"> <li>1. By adopting advanced energy management and low- emission technologies, the company can position itself as a leader in sustainable construction practices.</li> <li>2. Energy-efficient practices can lead to significant cost savings over time due to reduced energy consumption and reliance on renewable energy sources.</li> <li>3. As sustainability becomes a key factor for consumers, showcasing a commitment to reducing emissions can differentiate the company in a competitive market</li> </ol>		Positive Implications
	Health, Safety & Rights	R	<p>Reputational risk if we fail to ensure fair labour practices, protection of human rights, health and safety of our employee.</p> <ol style="list-style-type: none"> <li>1. The construction industry is prone to a high number of workplace injuries and accidents due to the nature of the work, which often involves heights and heavy machinery.</li> <li>2. There is a moral obligation to ensure the safety and well-being of employees. Failure to do so can lead to a loss of trust and low morale among the workforce.</li> <li>3. Non-compliance with health and safety regulations can lead to legal action, hefty fines, and increased insurance premiums, impacting the financial stability of a company</li> </ol>	<p>We conduct an assessment of potential risks across our project sites. This evaluation enables us to identify key areas where safety could be enhanced, and we are actively integrating these insights into our SOPs.</p> <ol style="list-style-type: none"> <li>1. We ensure that all personnel are equipped with the necessary protective gear tailored to their specific tasks.</li> <li>2. We are committed to continuous improvement in our safety standards. We regularly review and update our SOPs</li> </ol>	Negative Implications
	Health, Safety & Rights	O	<p>By addressing the above risks we are securing our social license to operate and representing ourselves as a socially responsible organisation.</p> <ol style="list-style-type: none"> <li>1. By prioritizing health and safety, we can build a reputation as a responsible employer, which can attract talent and increase client trust.</li> <li>2. A safe and healthy workforce is more productive, which can lead to faster project completion and higher quality outcomes.</li> <li>3. Keeping up with health and safety regulations can prevent legal issues and fines, ensuring smooth operations.</li> <li>4. Integrating health, safety, and rights into business practices contributes to sustainable development goals and corporate social responsibility initiatives</li> </ol>	-	Positive Implications

## B: Management and Process Disclosures

### B. 1: Policy and management processes

#### 1-6. Policy and management processes:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>	<a href="https://www.arvindsmartspaces.com/investors/corporate-governance/">https://www.arvindsmartspaces.com/investors/corporate-governance/</a>
2. Whether the entity has translated the policy into procedures.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.						We are targeting to complete our scope 3 emissions boundary in the coming years.			
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.						We worked towards expanding our scope 3 boundary in FY 23-24.			

**7.** Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements. (Listed entity has flexibility regarding the placement of this disclosure.):

We would like to highlight our persistent commitment to Environmental, Social and Governance (ESG) criteria. By seamlessly incorporating sustainability principles into our everyday business practices, we demonstrate the depth of our dedication to preserving the natural environment and enhancing the well-being of our stakeholders. At Arvind Smartspaces, we believe in maintaining a delicate balance between construction and nature conservation. Our projects are planned and designed with a focus on minimal disturbance to biodiversity. Our designs aim not only to accommodate and fulfill the needs of our occupants but also to boost their overall health and productivity. This is achieved by innovative initiatives such as maximizing natural daylight, installing energy-efficient fixtures, and providing solar fitments. Our commitments extend to public spaces as well. Not only do these initiatives reduce our carbon footprint, but they also make a significant contribution to our energy conservation efforts.

Furthermore, our landscape designs incorporate water treatment and harvesting. These installations are geared towards achieving a balance in our water usage and ensuring the availability of this precious resource for future generations. We have also introduced smart water meters in our facilities, allowing us to monitor and control water consumption effectively. We have transitioned to the use of sustainable cleaning materials for facility management. We consistently strive to use eco-friendly products in our projects. These include AAC Blocks, RCC Pavers, Fly ash, Fibre Reinforced Plastic, Organic Waste Converters, and more. All these products not only enhance the sustainability quotient of our projects but also promote a healthier lifestyle for our occupants. By continuously monitoring our environmental impact and regularly updating our strategies to incorporate the latest advancements in sustainability, we can ensure that Arvind Smartspaces remains ahead in combining business growth with environmental and social responsibility. We are committed to achieving our targets, and we stand by our achievements and contributions to a sustainable future.

**8.** Details of the highest authority responsible for implementation and oversight of the business responsibility policy(ies): Mr. Avinash Suresh COO

**9.** Details about the entity’s committee of the board/director responsible for decision making on sustainability related issues?

a. Does the entity have a specified committee of the board/director responsible for decision making on sustainability related issues? : No

b. If yes, provide details:

The Company does not have a specific Committee, however, periodic joint assessments are carried by the Managing Director, COO and functional heads of the Company. These joint assessments focus on the environmental and social issues, how these issues impact the continuity of the business and the way forward to deal with them.

**B. 2: Governance, leadership and oversight**

**10. Details of review of NGRBCs by the company:**

**a. Details about reviewing authority:**

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Any other Committee The Company does not have a specific Committee, however, periodic joint assessments are carried by the Managing Director, COO and functional heads of the Company								
Description of any other committee	The Company does not have a specific Committee, however, periodic joint assessments are carried by the Managing Director, COO and functional heads of the Company								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Any other Committee								
Description of any other committee	The Company does not have a specific Committee, however, periodic joint assessments are carried by the Managing Director, COO and functional heads of the Company								



**b. Details about frequency:**

Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Description of any other frequency									
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Description of any other frequency									

**11. Information about the independent assessment /evaluation of the working of its policies carried out by the entity by an external agency.:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	No	No	No	No	No	No	No	No	No
If yes, provide name of the agency	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

**B. 3: Details of Review**

**12. If answer to Q1 of section B.1 - Policy and management processes is “No” i.e. not all principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles									
The entity does not have the financial or/human and technical resources available for the task									
It is planned to be done in the next financial year									
Any other reason (please specify)									

## C: Principle Wise Performance Disclosures

### C.1: Principle 1

#### Essential indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	0	NA	0
Key Managerial Personnel	0	NA	0
Employees other than BoD and KMPs	20	Various skill development trainings were given to the employees at all level of employees.	15.18
Workers	183	Safety training sessions were conducted for the contracted laborers.	

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

#### a. Monetary:

Penalties and Fees	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?
Penalty/Fine	NA	NA	0	NA	No
Settlement	NA	NA	0	NA	No
Compoundin g fee	NA	NA	0	NA	No

#### b. Non-monetary:

Legal sanctions	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred?
Imprisonment	NA	NA	NA	No
Punishment	NA	NA	NA	No

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non- monetary action has been appealed.:

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

**4. Details about anti-corruption or anti-bribery policy:**

a. Does the entity have an anti-corruption or anti-bribery policy? : Yes

b. If yes, provide details in brief:

The anti-corruption and anti-bribery are part of the Code of Conduct of the Lalbhai Group of Companies, and since Arvind Smartspaces is part of this group the same is applicable to us. The policies can be viewed at: <https://www.arvind.com/corporate-governance>

c. If available, provide a web-link to the policy:

<https://www.arvind.com/corporate-governance>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Organizational roles	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

Complaints type	FY 2023 - 2024 (Current Financial Year)		FY 2022-2023 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	There are no complaints received in relation to the conflict of interest against Directors in the current financial year.	0	There were no complaints received in relation to the conflict of interest against Directors in the previous financial year.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	There are no complaints received in relation to the conflict of interest against KMPs in the current financial year.	0	There were no complaints received in relation to the conflict of interest against KMPs in the previous financial year.

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.:**

Not Applicable

**8. Number of days of accounts payables ((accounts payable\*365)/Cost of goods or services procured) in the following format:**

Organizational roles	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Number of days of accounts payables	156	193

9. **Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0	0
	b. Sales (Sales to related parties / Total Sales)	9	30
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100	100
	d. Investments ( Investments in related parties / Total Investments made)	75	76

#### Leadership indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
0	NA	0

2. **Details about the processes in place to avoid/ manage conflict of interests involving members of the Board.:**

- a. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board:

Yes

- b. If yes, provide details of the same.:

We have a Code of Conduct for Directors and Senior Management Personnel. Accordingly, each Board Member or Senior Management Personnel should endeavour to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively. Board Members and Senior Management Personnel should avoid receiving or permitting members of their immediate family to receive, improper personal benefits from the Company including loans from or guarantees of obligations by the Company. A Board

Member should make a full disclosure to the entire Board of any transaction or relationship that such a Board Member reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorisation to pursue such transactions or relationships.

## C.2: Principle 2

### Essential indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.:

Expenditure type	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	0	0	These datapoints have not been maintained separately in the current FY but we are aware that there is need for the companies to invest in the specific technologies to improve the environmental and social impacts and we are also planning to invest in these activities.
Capex	0	0	These datapoints have not been maintained separately in the current FY but we are aware that there is need for the companies to invest in the specific technologies to improve the environmental and social impacts and we are also planning to invest in these activities.

2. Details about sustainable sourcing:

- a. Does the entity have procedures in place for sustainable sourcing?

No

- b. If yes, what percentage of inputs were sourced sustainably?

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for the following waste categories.:

Product type	Process description
a. Plastics (including packaging)	We have devised an internal process that focusses on classification of waste followed by segregation and storage in separated areas. After storage, periodically the waste is collected and responsibly disposed off in accordance with the applicable regulatory norms defined by the State Pollution Control Board (SPCB) / Central Pollution Control Board (CPCB).
b. E-waste	We have devised an internal process that focusses on classification of waste followed by segregation and storage in separated areas. After storage, periodically the waste is collected and responsibly disposed off in accordance with the applicable regulatory norms defined by the State Pollution Control Board (SPCB) / Central Pollution Control Board (CPCB).
c. Hazardous waste	We currently do not generate any hazardous waste, so this requirement does not apply to us.
d. Other waste	We have devised an internal process that focusses on classification of waste followed by segregation and storage in separated areas. After storage, periodically the waste is collected and responsibly disposed off in accordance with the applicable regulatory norms defined by the State Pollution Control Board (SPCB) / Central Pollution Control Board (CPCB).

**4. Details about Extended Producer Responsibility (EPR):**

Questions	Response
Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities.	No
If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.	No Extended Producer Responsibility is not applicable to the company's activities

**Leadership indicators**

**1. Details about the Life Cycle Perspective / Assessments (LCA):**

a. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? :

No

b. If yes, provide details in the following format?:

NIC code	Name of product/ service	% of total turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain	If yes, provide the web-link.
NA	NA		NA	No	No	NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.:

Name of product/service	Description of the risk / concern	Action taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).:

Waste type	Recycled or re-used input material to total material	
	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
NA		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Waste type	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Re-Used	Recycled	Safely disposed	Re-Used	Recycled	Safely disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

### C.3: Principle 3

#### Essential indicators

#### 1. Details regarding well-being of employees and workers:

##### a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	341	341	100	341	100	0	0	341	100	0	0
Female	74	74	100	74	100	74	100	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>415</b>	<b>415</b>	<b>100</b>	<b>415</b>	<b>100</b>	<b>74</b>	<b>17.83</b>	<b>341</b>	<b>82.17</b>	<b>0</b>	<b>0</b>
<b>Other than permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

##### b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than permanent workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

##### c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Question	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Cost incurred on well being measures as a % of total revenue of the company	0.13	0.12

#### 2. Details of retirement benefits, for the current and previous financial year.:

Benefits	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	4	100	Yes	7	100	Yes

**3. Accessibility of workplaces:**

Questions	Response
Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?	No
If not, whether any steps are being taken by the entity in this regard.	NA

**4. Details about equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016.:**

Questions	Response
Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?	Yes
If so, provide a web-link to the policy.	Arvind SmartSpaces guarantees fair and equal treatment of all employees, irrespective of their race, gender, or disability. Every employee is given an equal opportunity to apply for internal job postings, promotions, and training programs within the workplace. For more information, please consult our Opportunity & Non- Discrimination Policy, accessible at <a href="https://www.arvindsmartspaces.com/wp-content/uploads/2022/03/Equal-Opportunity-Non-Discrimination-Policy.pdf">https://www.arvindsmartspaces.com/wp-content/uploads/2022/03/Equal-Opportunity-Non-Discrimination-Policy.pdf</a>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.:**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	100	0	0
Female	0	100	0	0
Other	0	0	0	0
<b>Total</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>

**6. a. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? :**

Yes

**b. If yes, give details of the mechanism in brief.:**

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent workers	Yes	We provide a grievance website and have installed complaint boxes at all our locations. For further information, please consult the Transparency and Disclosures Compliances section of our Business Responsibility and Sustainability Report.
Other than permanent workers	Yes	We provide a grievance website and have installed complaint boxes at all our locations. For further information, please consult the Transparency and Disclosures Compliances section of our Business Responsibility and Sustainability Report.
Permanent employees	Yes	We provide a grievance website and have installed complaint boxes at all our locations. For further information, please consult the Transparency and Disclosures Compliances section of our Business Responsibility and Sustainability Report.
Other than permanent employees	Yes	We provide a grievance website and have installed complaint boxes at all our locations. For further information, please consult the Transparency and Disclosures Compliances section of our Business Responsibility and Sustainability Report.



**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total permanent employees	415	0	0	289	0	0
Male	341	0	0	240	0	0
Female	74	0	0	49	0	0
Other	0	0	0	0	0	0
Total permanent workers	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Other	0	0	0	0	0	0

**8. Details of training given to employees and workers:**

Category	FY 2023 - 2024 (Current Financial Year)					FY 2022-2023 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
Male	341	0	0	54	15.84	209	0	0	0	0
Female	74	0	0	9	12.16	35	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>415</b>	<b>0</b>	<b>0</b>	<b>63</b>	<b>15.18</b>	<b>244</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Workers</b>										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
<b>Employees</b>						
Male	341	249	73.02	209	203	97.13
Female	74	47	63.51	35	35	100
Other	0	0	0	0	0	0
<b>Total</b>	<b>415</b>	<b>296</b>	<b>71.33</b>	<b>244</b>	<b>238</b>	<b>97.54</b>
<b>Workers</b>						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**10. Health and safety management system:**

Questions	Response
a. Whether an occupational health and safety management system has been implemented by the entity?	Yes
If yes, the coverage such system?	Arvind has group-wide Safety, Health & Environment (SHE) policy which endeavours to create safe and healthy working environment at all our facilities.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Our structured HSE management system allows us to detect and address risks at an early stage, incorporating early warning systems to ensure a safe workplace. We adhere to the Hazard Identification and Risk Assessment (HIRA) framework to identify and assess work-related hazards. This framework facilitates systematic identification of potential risks, evaluation of existing safeguards, and development of additional control measures to mitigate risks to an acceptable level.  HIRA is regularly updated based on insights from best practices, incidents, and accidents across projects. Furthermore, we utilize monitoring tools like safety surveillance reports and checklists for conducting routine inspections. We also carry out an independent third party safety audits periodically.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.	Yes
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?	Yes

**11. Details of safety related incidents, in the following format:**

Safety incident/number	Category*	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Lost time injury frequency rate (LTIFR) (per one million- person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*Including in the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.:**

In adherence to our established policies, we prioritize the safety of individual staff members as well as contractual workers above all construction objectives, with the conviction that occurrences of occupational illness, safety incidents and environmental hazards can be prevented. It's our core commitment to foster a safe and healthy work environment with the ultimate aim of completely nullifying accidents, injuries, and corresponding losses in every operational sphere. In order to actualize health and safety objectives, we have implemented various safeguarding measures within our facilities. Some key measures include: 1. In an effort to minimize the risk related to fire hazards, we have strategically installed pressurized fire protection systems along with relevant apparatus to swiftly manage potential fire incidents. 2. We actively encourage the enhancement of safety awareness amongst our staff through regular training sessions, simulated drills, safety discussions, and seminars, which focus on various aspects of emergency safety management.

**13. Number of complaints on the following made by employees and workers:**

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	NA	0	0	NA
Health and safety	0	0	NA	0	0	NA

**14. Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	12
Working conditions	0

**15. Provide details of any corrective action taken or underway to address safety related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.:**

On the basis of examination of our health and safety practices and working conditions, there are no significant risks or concerns identified that require immediate attention or action. The assessment illustrates strong compliance with necessary health and safety protocols, reflecting a secure working environment for all personnel. We also implement dust suppression measures, plantations etc. to improve the air quality index at construction site areas. We remain committed to consistently monitoring and reviewing our procedures to ensure an optimal and safe working environment.

**Leadership indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of:**

Category	Response
Employees	Yes
Workers	Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.:**

The organization has implemented a system to ensure that its value chain partners subtract and remit all statutory dues as mandated by existing laws and regulations. Overseeing this process is the responsibility of our internal audit and tax team who ensure legal compliance.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? :**

Yes

**5. Details on assessment of value chain partners:**

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0
Working conditions	0

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.:**

Not applicable

**C.4: Principle 4**

**Essential indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.:**

For our diverse stakeholders with varied interests across the capitals, it is inherently important for us to understand their expectations and integrate those into our business strategy. The procedures for identifying key stakeholder groups are conducted in a multi-faceted manner. First, an internal analysis is performed by categorizing individuals or groups who are directly linked with us, such as shareholders, employees, customers and suppliers, local community, government agencies, or the media. Afterwards, their relations to the organization are examined. This includes evaluating their interests, influence, proximity, and other relevant aspects towards the organisation. Furthermore, ongoing stakeholder mapping is undertaken to review and revise the understanding of these key stakeholder groups as their relationships and importance may evolve over time. This methodology ensures all significant stakeholders are identified and their positions understood.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.:**

Stakeholder group	Whether identified as vulnerable & marginalized group	Channels of communication	Details of other channels of communication	Frequency of engagement	Details of other frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website	We have dedicated relationship managers to address customer needs, and we also provide a dedicated portal for customers to access information such as payment records and construction status.	Others - please specify	Continuous engagement throughout the year	We aim to cultivate enduring, long-term relationships with our customers. We actively engage with them to gain a deeper understanding of their expectations and needs, and we strive to fulfill these through our offerings.
Investors	No	Newspaper	Public disclosures include annual reports, quarterly financial performances posted on websites, newspapers, and published accounts. Detailed discussions occur during analyst meetings, investors call and investor presentations.	Others - please specify	Quarterly and event based	We understand the concerns and expectations of investors and then take action to create significant value.
Employees and Workers	No	Other	Internal training initiatives, a well-structured interactive appraisal process, rewards and recognition programs. Chat with M.D., Employee Engagement Programs, Sports Events, CLAP (Compliment, Laud, Appreciate, Praise) Cards are some of the few initiatives to bring out the best, motivate and recognize employees' strengths. The Leadership Enclave / Town Hall Meets are few platforms where individual / team's contribution to organizational success, has been recognized and rewarded.	Others - please specify	As per planned activities	It aids in communicating the organization's vision, goals, and expectations, while also facilitating a better understanding of employees' career aspirations, job satisfaction, and development objectives.
Local Community	No	Community Meetings	We engage in activities with institutions such as the Arvind Foundation and SHARDA Trust, and our business development and civil & execution teams collaborate with them.	Others - please specify	As per planned activities	We aim to establish sustainable and cohesive community relations, positively impacting the quality of life within the local community.

Stakeholder group	Whether identified as vulnerable & marginalized group	Channels of communication	Details of other channels of communication	Frequency of engagement	Details of other frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Media	No	Other	We engage with the media through announcements, events, visits, conferences, and other interactions.	Others - please specify	As per planned activities & requirements	We communicate key developments, milestone events, and our growth perspective. It also enables us to build larger outreach and better narrative for key initiatives.
Government agencies	No	Other	Through participation in industry forums, submission of compliance documents, and attendance at meetings.	Others - please specify	As required for compliance and as per available opportunities.	We consider this as an opportunity to understand the changing compliance and regulatory landscape, and discuss on opportunities to collaborate on pressing issues.
Suppliers	No	SMS	Our procurement and sourcing team regularly engages with suppliers, and we also interact with them during training programs and workshops.	Others - please specify	As per planned activities and business requirements.	It enables us to understand mutual expectations and needs, especially with regard to quality, cost, timely delivery, growth plans and sharing of best practices.

### Leadership indicators

**1. Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.:**

Currently, we do not have a defined procedure in place for consultation between stakeholders and the board on economic, environmental and social topics, nor do we have any mechanisms for feedback to be provided to the board when such consultation is delegated. However, we will be working towards implementing such procedures.

**2. a. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. :**

No

**b. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.:**

Not Applicable

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.:**

We engage with and address the concerns raised by vulnerable or marginalized stakeholder groups when they arise.

**C.5: Principle 5**

**Essential indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	415	0	0	244	0	0
Other than permanent	7	0	0	5	0	0
<b>Total employees</b>	<b>422</b>	<b>0</b>	<b>0</b>	<b>249</b>	<b>0</b>	<b>0</b>
<b>Workers</b>						
Permanent	0	0	0	0	0	0
Other than permanent	0	0	0	0	0	0
<b>Total workers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023 - 2024 (Current Financial Year)					FY 2022-2023 (Previous Financial Year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
Permanent	415	0	0	415	100	289	0	0	289	100
Male	341	0	0	341	100	240	0	0	240	100
Female	74	0	0	74	100	49	0	0	49	100
Other	0	0	0	0	0	0	0	0	0	0
Other than permanent	7	0	0	7	100	15	0	0	5	33.33
Male	5	0	0	5	100	5	0	0	5	100
Female	2	0	0	2	100	5	0	0	0	0
Other	0	0	0	0	0	5	0	0	0	0
<b>Workers</b>										
Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Other than permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0

### 3. Details of remuneration/salary/wages:

#### a. Median remuneration/wages:

Category	Male		Female		Other	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	7	825000	1	660000	0	0
Key Managerial Personnel	3	17883639	0	0	0	0
Employees other than BoD and KMP	338	455534	74	701402	0	0
Workers	0	0	0	0	0	0

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Question	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Gross wages paid to females as % of total wages	-	-

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? :

Yes

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.:

Arvind SmartSpaces has implemented comprehensive internal processes to handle and resolve grievances pertaining to Human Rights violations or issues. Two primary bodies are tasked with this responsibility: the Whistle Blower Committee and the Internal Grievance Redressal Body. The type and extent of the grievance determine which body will be engaged in the resolution process. An essential tool made available for reporting any such issues is Arvind's Ethics Helpline portal. Concerns can be expressed and addressed through the portal which is accessible at <https://www.arvind.ethicshelpline.in/portal/en/home>. These mechanisms collectively ensure a robust and responsive approach to any human rights-related grievances within Arvind SmartSpaces.

### 6. Number of complaints on the following made by employees and workers:

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child labour	0	0		0	0	
Forced labour/involuntary labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Category	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

Procedures are in place to address grievances pertaining to violations of human rights, including discrimination and harassment, within the structure of the Whistle Blower and Prevention of Sexual Harassment (POSH) policies. The identity of the grievance filer is held in strict confidentiality. Obligations are set for all internal and external stakeholders to ensure their adherence prevents any negative repercussions for the individual filing the complaint. This mechanism ensures the following:

- The complainant is shielded from victimisation, and safeguards are put in place to ensure their protection against any such occurrences.
- Victimising behaviour is treated as a seriously offensive act, with potential disciplinary action against individuals found guilty of inflicting or threatening detriment to others.
- Absolute confidentiality is upheld through measures such as maintaining complete secrecy of the matter, restrained discussion of the matter, securing documents and electronic communications, and limiting discussion to necessary individuals for completion of the process and investigations. Detailed insights can be found in the Whistle Blower and POSH policies.

**9. Do human rights requirements form part of your business agreements and contracts? :**

No

**10. Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.:**

No corrective actions have been taken or are currently underway as there were no assessments conducted that would give rise to significant risks or concerns.



### Leadership indicators

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.:**

During the current reporting period, there have been no alterations or introductions to any business process resultant from addressing human rights grievances or complaints. Therefore, this information is not applicable.

**2. Details of the scope and coverage of any human rights due-diligence conducted.:**

As per the given circumstances, it is worth noting that there was no execution or implementation of any human rights due- diligence process. Thus, there do not exist any details pertaining to its scope and coverage.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? :**

Yes

**4. Details on assessment of value chain partners:**

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	0
Discrimination at workplace	0
Child labour	0
Forced labour/involuntary labour	0
Wages	0

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above. :**

Regarding Question 4, no examinations or evaluations were carried out to identify any significant risks or concerns. Consequently, there is currently no requirement for corrective actions. Any future actions will be implemented as per the outcomes of any potential assessments to be conducted.

**C.6: Principle 6**

**Essential indicators**

**1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
<b>From renewable sources</b>			
Total electricity consumption (A)	GJ	170	160
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	170	160
<b>From non-renewable sources</b>			
Total electricity consumption (D)	GJ	8121	5900
Total fuel consumption (E)	GJ	2766	2000
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	10887	7900
Total energy consumed (A+B+C+D+E+F)	GJ	11057	8060
Energy intensity per rupee of turnover (Total energy consumed/revenue from operations)	GJ/crore ₹ turnover	32.42	31.48
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/revenue from operations adjusted for PPP)	GJ/crore ₹ turnover		
Energy intensity in terms of physical output	GJ/unit production		
Energy intensity (optional) - the relevant metric may be selected by the entity			
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?		No	No
If yes, name of the external agency.		NA	NA

**2. Details about Performance, Achieve and Trade (PAT) Scheme of the Government of India:**

Questions	Response
Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?	No
If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.	NA

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Unit	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
<b>Water withdrawal by source</b>			
(i) Surface water	kilolitres	0	0
(ii) Groundwater	kilolitres	0	0
(iii) Third party water	kilolitres	64634	182500
(iv) Seawater/desalinated water	kilolitres	0	0
(v) Others	kilolitres	0	0
<b>Total volume of water withdrawal (i + ii + iii + iv + v)</b>	<b>kilolitres</b>	<b>64634</b>	<b>182500</b>
Total volume of water consumption	kilolitres	64634	182500
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	kilolitres/crore ₹ turnover	189.54	712.89
Water intensity per rupee of turnover adjusted for purchasing power parity (Total water consumption / Revenue from operations adjusted for PPP)	kilolitres/crore ₹ turnover		
Water intensity in terms of physical output	kilolitres/unit production		
Water intensity (optional) - the relevant metric may be selected by the entity			
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?		No	No
If yes, name of the external agency.		NA	NA

4. Provide the following details related to water discharged:

Parameter	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) To Seawater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) Sent to third-parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>0</b>	<b>0</b>
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?	No	No
If yes, name of the external agency.	NA	NA

**5. Details about zero liquid discharge (ZLD):**

Questions	Response
Has the entity implemented a mechanism for zero liquid discharge (ZLD)?	No
If yes, provide details of its coverage and implementation.	NA

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
NOx	NA	0	0
SOx	NA	0	0
Particulate matter (PM)	NA	0	0
Persistent organic pollutants (POP)	NA	0	0
Volatile organic compounds (VOC)	NA	0	0
Hazardous air pollutants (HAP)	NA	0	0
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?		No	No
If yes, name of the external agency.			

**7. Provide details of greenhouse gas emissions (scope 1 and scope 2 emissions) & its intensity, in the following format:**

Parameter	Please specify unit	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Total scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	225	184
Total scope 2 emissions(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	1615	826
Total scope 1 and scope 2 emission intensity per rupee of turnover (Total scope 1 and scope 2 GHG emissions / Revenue from operations)	tCO2e/crore ₹ turnover	5.39	3.94
Total scope 1 and scope 2 emission intensity per rupee of turnover adjusted for purchasing power parity (PPP)(Total scope 1 and scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO2e/crore ₹ turnover		
Total scope 1 and scope 2 emission intensity in terms of physical output	tCO2e/unit production		
Total scope 1 and scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?		No	No
If yes, name of the external agency.		NA	NA

**8. Does the entity have any project related to reducing GHG emission? If yes, then provide details.:**

Indeed, Arvind SmartSpaces is actively involved in a range of projects aimed at reducing Greenhouse Gas (GHG) emissions. These projects are mostly centered around sustainability in construction processes. One of our notable initiatives is the Curing project, which is focused on the conservation of water, a resource crucial to maintaining the earth's temperature. Another project involves the use of Fiberglass Reinforced Polymer (FRP) Bars. FRP bars, being non-corrosive, contribute to the longevity of constructions and hence, less wastage. The use of Fly Ash is also a significant part of our sustainability approach. Fly Ash, being a byproduct of coal combustion, is usually discarded as waste. However, using it in construction helps us recycle it and lessen industrial pollution. We also employ Solar Coated Glasses in our buildings, which aid in harnessing solar energy, thus reducing reliance on non-renewable energy sources. Another key part of our sustainable approach is the use of alternative materials like High-Density Polyethylene (HDP) liner for water proofing, which helps to minimize construction waste and increase efficiency. Moreover, we use Shahabad Stones in our projects which are highly durable and require minimal maintenance, further reducing our environmental footprint. Finally, our Heat Insulation project using China Mosaics plays a crucial role in energy savings. This strategy can reduce indoor temperatures by up to 4 degrees, thereby reducing the need for artificial cooling and its associated power consumption and GHG emissions.

**9. Details related to waste management:**

**a. Different types of waste generated by the entity, in the following format:**

Parameter	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste (A)	0	0
E-waste (B)	0.33	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	5552.79	350
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any	14.39	0
Total (A+B+C+D+E+F+G+H)	5566	350
Waste intensity per crore rupee of turnover (tonne/crore ₹ turnover)	16.32	1.36
Waste intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP) (tonne/crore ₹ turnover)		
Waste intensity in terms of physical output (tonne/unit production)		
Waste intensity (optional) - the relevant metric may be selected by the entity		

**b. Different types of waste recovered or disposed by the entity, in the current financial year:**

Category of waste (in metric tonnes)	Recycled	Re-used	Other recovery operations	Incineration	Landfilling	Other disposal operations
Plastic waste	0	0	0	0	0	0
E-waste	0.33	0	0	0	0	0
Bio-medical waste	0	0	0	0	0	0
Construction and demolition waste	0	5552.79	0	0	0	0
Battery waste	0	0	0	0	0	0
Radioactive waste	0	0	0	0	0	0
Other hazardous waste, if any	0	0	0	0	0	0
Other non-hazardous waste generated, if any	6.53	7.86	0	0	0	0
	6	5559	0	0	0	0

**c. Different types of waste recovered or disposed by the entity, in the previous financial year:**

Category of waste (in metric tonnes)	Recycled	Re-used	Other recovery operations	Incineration	Landfilling	Other disposal operations
Plastic waste	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Bio-medical waste	0	0	0	0	0	0
Construction and demolition waste	100	200	0	0	0	0
Battery waste	0	0	0	0	0	0
Radioactive waste	0	0	0	0	0	0
Other hazardous waste, if any	0	0	0	0	0	0
Other non-hazardous waste generated, if any	0	0	0	0	0	0
Total (A+B+C+D+E+F+G+H)	100	200	0	0	0	0

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.:**

Arvind SmartSpaces has incorporated an internal mechanism that emphasizes waste categorization as an initial step of waste management. This involves the division of waste into varied classes, according to their nature and disposal necessities.

Subsequent to this classification, the waste is meticulously segregated and stored in distinct zones designated for each type. This systematic arrangement allows for convenient and efficient handling of wastes and it facilitates proper disposal measures. The disposal process is conducted at prescribed intervals, ensuring timely removal of waste from the facilities and thus preventing any potential accrual or accumulation. Our disposal methodology complies with appropriate disposal techniques that are stringent, responsible, and in alignment with regulatory standards.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with?	If no, the reasons thereof and corrective action taken, if any.
	NA	NA	No	NA

Notes: All of our projects are located in premises which have the requisite building permits, including environmental approvals for carrying out the operations.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA notification No.	Date	Whether conducted by independent external agency	Results communicated in public domain	Relevant web link

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NA	NA	No	NA

### Leadership indicators

#### 1. Details of water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

##### a. Name of the water stress area and nature of operations:

Name of the area	Nature of operations
NA	NA

##### b. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover//n(Water consumed/turnover)	0	0
Water intensity (optional) - the relevant metric may be selected by the entity	0	0
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
-With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?		No
If yes, name of the external agency.		NA

**2. Please provide details of total scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Total scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	1215	
Total scope 3 emissions per rupee of turnover	tCO2e/crore ₹ turnover	3.56	
Total scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?		No	
If yes, name of the external agency.		NA	

Notes: Scope 3 data contains emissions from business travel, services purchased and waste generated.

**3. With respect to the ecologically sensitive areas reported at Question 11 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.:**

As per the context provided, the entity does not engage in operations within ecologically sensitive regions. Therefore, it does not have a direct or indirect impact on the biodiversity of such areas. As a result, no preventive or remediation activities are conducted due to the absence of operations within these specified regions.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiatives undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	We have started using a particular type of chemical in our construction sites which in turn has resulted in less water requirements for curing purposes.	Not available	This particular initiative has resulted in less water intake for curing purposes and hence helping in saving a natural resource.

**5. Details about the disaster management plan.:**

a. Does the entity have a business continuity and disaster management plan? :

Yes

b. Give details in 100 words/ web link.:

The Company is susceptible to disasters and crises such as pandemics, earthquakes, geopolitical instability, fire hazards, etc. which may cause operational disruption, shutdown, project delays, supply chain hurdles, and increased construction costs. The Company prioritises the safety of its stakeholder community and ensures business survival during unpredictable crises. It has a well-designed safety management policy that eliminates/reduces the risk of facilities incidents. Its proper implementation and updation enable effective prevention besides equipping the employees to handle any incident that may occur. The risk management committee at periodical interval reviews various risks.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.:**

We continuously encourage our partners in the value chain to operate in an environmentally friendly way. In the event of significant adverse impacts on the environment generated by our value chain operations, we are proactive in implementing mitigation or adaptation measures. The specific nature of these measures can vary substantially depending primarily on the particular environmental issue being addressed.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.:**

0



## C.7: Principle 7

### Essential indicators

1. a. Number of affiliations with trade and industry chambers/ associations.: 2
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Gujarat Institute of Housing and Estate Developers	State
2	CREDAI Ahmedabad	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.:

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

### Leadership indicators

1. Details of public policy positions advocated by the entity.:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain?	Frequency of review by board	Details of other frequency of review by Board	Web Link, if available
	NA	NA	No		NA	NA

**C.8: Principle 8**

**Essential indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.:

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant web link
NA	NA	NA			NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	NA	NA	NA			

3. Describe the mechanisms to receive and redress grievances of the community.:

Mechanisms have been established to facilitate the receipt and resolution of grievances emanating from individuals within the community. These mechanisms are designed to promote transparency, accountability, and fairness in the handling of grievances and may include avenues such as hotlines, online portals, and face-to-face meetings. Specifically, Arvind’s Ethics Helpline portal serves as one such platform where community members can submit any complaint or concern. This dedicated portal allows for the prompt and efficient documentation and addressing of grievances in an effective manner. Furthermore, this system maintains confidentiality and ensures that no case goes unheard or unresolved. The grievances submitted through the portal are redressed comprehensively, adhering to the highest level of ethical standards, and the information is utilized for the continuous development and improvement of community experiences.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	23	19
Directly from within India		

5. Job creation in smaller towns - disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.:

Location	FY 2023 - 2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Rural	0	0
Semi-urban	0	0
Urban	0	0
Metropolitan	100	100

Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan

### Leadership indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (reference: Q1 of essential indicators above):

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.:

S. No.	State	Aspirational district	Amount spent (In INR)
	NA	NA	

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? :
- No
- b. From which marginalized/vulnerable groups do you procure? :
- NA
- c. c. What percentage of total procurement (by value) does it constitute? :

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/acquire d	Benefit shared	Basis of calculating benefit share
	NA	No	No	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.:

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

6. Details of beneficiaries of CSR projects:

S. No.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Rural Advancement Program	931	
2	Digital Literacy Program	1700	
3	Supplementary Education Program	800	

Notes: The majority of those who have benefited belong to scheduled caste, other backward caste, and tribal communities.

**C.9: Principle 9**

**Essential indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.:**

Arvind SmartSpaces is equipped with a robust system to receive and address consumer complaints and feedback. A variety of avenues are accessible for consumers to voice their concerns, these include the Arvind SmartSpaces Ethics Helpline Portal, a dedicated email address, and My Gate for project-specific issues. Upon receiving a complaint, it is promptly directed to the pertinent relationship or facility manager. It is mandatory for the assigned manager to acknowledge the complaint within a timeframe of 24 to 48 hours, initiating the process of resolution. Further, it is incumbent upon this representative to successfully close the complaint within an established time range of 7 to 10 days. In circumstances where a resolution might necessitate an extended period exceeding the 7-day mark, the underlying protocol requires the relationship or facility manager to keep the complainant informed of the projected timeline for closure. This mechanism marks a critical part of our effort to maintain transparency in managing consumer-related issues and sustaining a prompt and effective feedback system.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about.:**

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	0
Safe and responsible usage	0
Recycling and/or safe disposal	0

**3. Number of consumer complaints in respect of the following.:**

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0		0	0	-
Advertising	0	0		0	0	-
Cyber-security	0	0		0	0	-
Delivery of essential services	0	0		0	0	-
Restrictive trade practices	0	0		0	0	-
Unfair trade practices	0	0		0	0	-
Other	0	0		0	0	-

**4. Details of instances of product recalls on account of safety issues.:**

Category	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?:**

Questions	Response
Does the entity have a framework/ policy on cyber security and risks related to data privacy?	Yes

Questions	Response
If available, provide a web-link of the policy.	The Company has an Information Security and Data Privacy Policy. The purpose of this policy is to state the organisation's directive towards data confidentiality and to ensure adequate safeguards to prevent misuse or loss of information. The Company has taken adequate precautions for the protection of data and has ensured that information related to its employees is secure. Appropriate controls are in place to prevent unauthorised disclosure or modification. Under this policy, Cybersecurity Grievance Team has set a mechanism to handle such incidents once they are reported to the team. The policy also includes details of various security incidents that needs to be reported, and also has a Cybersecurity Incident Response Plan. The Response Plan has four major components which include: Preparation, Detection and Analysis, Response and Remediation, and Recovery.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.:**

No such incident related to the mentioned topics has been reported.

**7. Provide the following information relating to data breaches:**

a. a. Number of instances of data breaches.:

0

b. Percentage of data breaches involving personally identifiable information of customers. :

0.

**Leadership indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**

The pertinent information about our products and services is readily accessible via our official website. Further details can be procured by visiting this URL: <https://www.arvindsmartspace.com/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

To foster awareness and educate consumers about the safe and responsible usage of products and/or services, relevant procedures are instigated. These include the deployment of numerous informational sign boards with the aim of enlightening property owners about the effective utilization of energy and additional natural resources. Ultimately, this aims to encourage practices that benefit the environment.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

We have established a collaboration with My Gate, an effective communication platform with customers. This service has been put in place as a mechanism to enable them to notify their grievances relating to our services. Our customers' interest remains our paramount concern, hence, we are committed to ensure they are kept well-informed and updated through a reliable and prompt information system.

**4. Details about display of product information. :**

Questions	Response
Does the entity display product information on the product over and above what is mandated as per local laws?	NA
If yes, provide details in brief.	
Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?	NA

# INDEPENDENT AUDITOR'S REPORT

To  
the Members of  
**Arvind SmartSpaces Limited**

## **Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of Arvind SmartSpaces Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2024, its profit including other comprehensive Loss, 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 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the

Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 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 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 financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue from contracts with customer (Refer Note 2.2 of the standalone financial statements)</b></p> <p>In accordance with the requirements of Ind AS 115, Company's revenue from real estate projects is recognized at a point in time, which is upon the Company satisfying its performance obligation and the customer obtaining control of the promised asset.</p> <p>Application of Ind AS 115 requires significant judgment in determining when 'control' of the property underlying the performance obligation is transferred to the customer and in assessment of whether the contracts with customers involved any financing element.</p> <p>As the revenue recognition involves significant judgement, we regard this as a key audit matter.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ We assessed the management evaluation of whether the contracts with customers involved any financing element, taking in to account the consideration received in accordance with the terms of the contract.</li> <li>▪ 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 property to the customer based on which revenue is recognized at a point in time.</li> <li>▪ We performed cut off procedures for determination of revenue in appropriate reporting period.</li> <li>▪ We assessed the disclosure made in accordance with the requirements of Ind AS 115.</li> </ul>
<p><b>Assessing the carrying value of Inventory (Refer Note 2.2 of the standalone financial statements)</b></p> <p>As at March 31, 2024, the carrying value of the inventory of ongoing and completed real estate projects is Rs. 27,694.85 Lac. The inventories are held at the lower of the cost and net realizable value.</p> <p>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. 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.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>▪ Obtained an understanding of the management process for determination of the Net realizable value (NRV) including estimating the future costs to complete stock of ongoing projects.</li> <li>▪ Obtained, read and assessed the management's process in estimating the future costs to complete stock of ongoing projects.</li> <li>▪ Assessed the methods used by the management, in determining the NRV of ongoing and completed real estate projects and tested the underlying assumptions used by the management in arriving at those projections.</li> <li>▪ Performed sensitivity analysis on these key assumptions to assess any potential downside.</li> </ul> <p>- For sample of selected projects:</p> <ul style="list-style-type: none"> <li>▪ Compared the forecasted costs to complete the project to the construction costs of other similar projects</li> <li>▪ Compared the NRV to recent sales in the project or to the estimated selling price</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p><b>Assessing carrying value of investment and other receivables in subsidiaries and joint venture (Refer Note 2.2 of the standalone financial statements)</b></p> <p>As at March 31, 2024, the carrying value of Company's investment in subsidiaries and joint ventures is Rs. 26,141.81 Lac and other receivable is Rs. 19,241.88 Lac. Management reviews on a periodical basis whether there are any indicators of impairment of such investments.</p> <p>Management performs its impairment assessment by comparing the carrying value of these investments and other receivable to their recoverable amount to determine whether an impairment needs to be recognized.</p> <p>For investments where impairment indicators exist, management estimated the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. Significant judgements are required to determine the key assumptions used in determination of fair value / value in use.</p> <p>As the impairment assessment involves significant assumptions and judgement, we regard this as a key audit matter.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>▪ We evaluated the accounting policies with respect to investment.</li> <li>▪ We assessed Company's evaluation of whether there are any indicators of impairment of such investment and other receivable.</li> <li>▪ We assessed the Company's valuation methodology applied in determining the recoverable amount.</li> <li>▪ Assessed the financial position of the subsidiaries and joint venture to identify excess of their net assets over the aggregate of carrying amount of investment and other receivable and assessing the assumptions used for projected profitability in these subsidiaries and joint ventures where applicable.</li> <li>▪ We compared the recoverable amount of the investment to the aggregate of carrying value in books of investment and other receivable.</li> <li>▪ We assessed the disclosures made in the standalone Ind AS financial statements regarding such investments.</li> </ul>

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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 financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with

respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless



management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 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 1 LLP, whose financial statements include Company's share of net profit of Rs. 0.11 Lac and Company's share of total comprehensive income of Rs. 0.11 Lac for the year ended March 31, 2024. These financial statements and other financial information of the said LLP have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these LLP and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid LLP, is based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, to the extent applicable, 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 except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
    - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
    - (d) In our opinion, the aforesaid standalone financial statements comply with the 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
    - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements 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, 2024 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) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (i) 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 financial statements - Refer Note 28 to the standalone 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.
    - iv. a) The management has represented that, as disclosed in note 43 to the standalone financial statements to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, as disclosed in note 43 to the standalone financial statements, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the

circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 41 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend and one-time special dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. The Company has migrated to SAP Application software from legacy Farvision software for maintaining its books of account during the year. Based on our examination of books of account which included test checks, the Company has used accounting software SAP, for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data when using certain access rights, as explained in note 42 to the standalone

financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the SAP Application accounting software.

In respect of legacy software Farvision, which was operated by a third-party software service provider, in the absence of Service Organization Controls report we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the period for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 24101974BKERSF2164

Place of Signature: Ahmedabad

Date: May 06, 2024

**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 31, 2024**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, plant and equipment has been physically verified by the management during the year, which is reasonable considering the size of the company and nature of its assets and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five Cr in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to

report on clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) a) During the year the Company has provided loan to three Companies as follows:

(Amount Rs. In Lac)

	<b>Loans</b>
Aggregate amount granted during the year to subsidiaries	20,325.94
Balance outstanding as at balance sheet date in respect of above loan to subsidiaries	17,720.04

Further, the Company has not provided advances in the nature of loans, stood guarantee and provided security to any other companies, firms, Limited Liabilities Partnerships or any other parties.

- (b) During the year the investments made, loans and advances in the nature of loans, to companies, firms, Limited liability partnership or any other parties are not prejudicial to the Company's interest. The company has not provided any guarantee or security to any companies, firms, Limited liability partnership or any other parties during the year.
- (c) In respect of a loan or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.
- (d) There are no stipulated repayment schedules for loans given and hence there are no amounts of loans and advances in the nature of loans granted to companies, firms, Limited liability partnership or any other parties which are overdue for more than ninety days.

- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited liability partnership or any other parties which had fallen due during the year as these have not been demanded during the year.
- (f) As disclosed in note 5 to the standalone financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(Rs. Lac)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans	20,325.94	NA	20,325.94
- Repayable on demand			
Percentage of loans/ advances in nature of loans to the total loans	100%	NA	100%

- iv) There are no loans, investments, guarantees, and security in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013, to the extent applicable in respect of loans, investments and, guarantees, and security have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act 2013 (as amended) and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (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 ( as amended), 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) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. The payment of sales-tax, service tax, duty of customs, duty of excise and value added tax is not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, income-tax, provident fund, employees' state insurance, cess and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. Lac)	Period to which the amount relates	Forum where the dispute is pending
The Income tax Act 1961	Income tax	7.96	PY 2011-12	ITAT
The Income tax Act 1961	Income tax	520.89	PY 2013-14	ITAT
The Income tax Act 1961	Income tax	69.39	PY 2016-17	CIT(A)
Karnataka Goods and Service Tax Act, 2017	Goods and Service Tax	236.39	PY 2017-18	Assistant Commissioner of Commercial Taxes
Gujarat Goods and Service Tax Act, 2017	Goods and Service Tax	19.54	PY 2018-19	Assistant Additional Director - Directorate General of GST Intelligence
Karnataka Goods and Service Tax Act, 2017	Goods and Service Tax	5,921.86	PY 2017-18	Deputy Commissioner of Commercial Taxes
Karnataka Goods and Service Tax Act, 2017	Goods and Service Tax	1,914.10	PY 2017-18 & PY 2018-19	Assistant Commissioner of Commercial Taxes
Karnataka Goods and Service Tax Act, 2017	Goods and Service Tax	735.29	PY 2018-19	Deputy Commissioner of Commercial Taxes
Central Goods and Service Tax Act, 2017	Goods and Service Tax	294.81	PY 2018-19	Additional Commissioner of Central Tax

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Hence, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 ( as amended) has been filed by cost auditor, secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013( as amended). Therefore, the requirement to report on clause 3(xii)(a)(b)( c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013(as amended) where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly

requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 37 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified

in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 25 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 25 to the standalone financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 24101974BKERSF2164

Place of Signature: Ahmedabad

Date: May 06, 2024

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE 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 with reference to standalone financial statements of Arvind SmartSpaces Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls over financial reporting based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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, both, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting. 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 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 with reference to standalone financial statements included obtaining an understanding of internal financial controls 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

### **Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements**

A company's internal financial controls 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 standalone 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 standalone financial statements.



## **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control 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, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to

these standalone financial statements were operating effectively as at March 31, 2024, 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 ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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### **per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 24101974BKERSF2164

Place of Signature: Ahmedabad

Date: May 06, 2024

## Standalone Balance Sheet as at March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	1,024.92	890.28
Other Intangible assets	3.2	179.03	29.75
Right of use assets	3.3	338.98	73.92
Intangible assets under development	3.2	-	144.19
Financial assets			
(i) Investments	4	23,083.02	14,959.88
(ii) Loans	5	11,520.04	21,639.84
(iii) Other financial assets	9	6,054.84	1,380.29
Deferred tax assets (net)	26	74.94	42.37
Income tax assets (net)		2.17	289.98
Other non-current assets	11	14,273.97	16,134.12
<b>Total non-current assets</b>		<b>56,551.91</b>	<b>55,584.62</b>
<b>Current Assets</b>			
Inventories	10	27,694.85	18,052.43
Financial assets			
(i) Investments	4	11,752.19	9,457.87
(ii) Trade receivables	6	187.00	178.31
(iii) Cash and cash equivalents	7	3,892.16	1,914.38
(iv) Bank balance other than (iii) above	8	11.48	4.40
(v) Loans	5	6,200.00	5,400.00
(vi) Others financial assets	9	5,778.14	4,594.10
Other current assets	11	1,600.09	2,830.43
<b>Total current assets</b>		<b>57,115.91</b>	<b>42,431.92</b>
<b>Total assets</b>		<b>1,13,667.82</b>	<b>98,016.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	4,534.40	4,531.20
Other equity	13	52,522.38	48,354.35
<b>Total Equity</b>		<b>57,056.78</b>	<b>52,885.55</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	14	4,660.85	4,977.19
(ii) Lease Liabilities	40	339.92	75.65
Long term provisions	17	411.65	271.00
<b>Total non-current liabilities</b>		<b>5,412.42</b>	<b>5,323.84</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	14	1,530.09	215.85
(ii) Lease Liabilities	40	30.49	3.66
(iii) Trade payables			
Total outstanding dues of micro enterprise and small enterprises	15	45.09	75.98
Total outstanding dues of creditors other than micro enterprise and small enterprises	15	3,034.81	1,571.36
(iv) Other financial liabilities	16	4,817.21	364.75
Other current liabilities	18	41,106.37	37,368.24
Short term provisions	17	51.58	69.98
Current tax liabilities (net)		582.98	137.33
<b>Total current liabilities</b>		<b>51,198.62</b>	<b>39,807.15</b>
<b>Total equity and liabilities</b>		<b>1,13,667.82</b>	<b>98,016.54</b>
Summary of Material Accounting Policies	2.2		

The accompanying notes are an integral part of these 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 : May 6, 2024

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6, 2024

## Standalone Statement of Profit and Loss for the year ended March 31,2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	Note	For the year 2023-24	For the year 2022-23
<b>INCOME</b>			
Revenue from contracts with customers	19	15,077.87	11,727.81
Other income	20	3,826.48	3,745.25
<b>Total Income</b>		<b>18,904.35</b>	<b>15,473.06</b>
<b>EXPENSES</b>			
Cost of construction materials and components consumed	21	1,122.96	363.23
Land development costs		9,415.11	1,366.16
Construction and labour costs		4,126.98	2,917.61
Changes in inventories	22	(9,369.20)	1,481.86
Employee benefit expenses	23	3,182.16	1,875.54
Finance costs	24	572.69	556.64
Depreciation and amortisation expense	3.1/3.2/3.3	244.69	128.01
Other expenses	25	2,907.97	2,049.60
<b>Total Expenses</b>		<b>12,203.36</b>	<b>10,738.65</b>
<b>Profit from operations before tax</b>		<b>6,700.99</b>	<b>4,734.41</b>
<b>Tax expense:</b>			
Current tax	26	1,216.87	1,004.97
Adjustment of tax pertaining to earlier years	26	(7.75)	(104.21)
Deferred tax charge/ (credit)	26	(21.47)	6.34
<b>Total tax expense</b>		<b>1,187.65</b>	<b>907.10</b>
<b>Net Profit for the year</b>		<b>5,513.34</b>	<b>3,827.31</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss in subsequent periods			
<b>Remeasurement gains/(losses) on defined benefit plans</b>		(44.10)	(22.73)
Income tax effect	26	11.10	5.72
Total other comprehensive income/(loss) for the year, net of tax		(33.00)	(17.01)
<b>Total Comprehensive Income for the year</b>		<b>5,480.34</b>	<b>3,810.30</b>
Earnings per equity share (nominal value per share Rs. 10/- (March 31 2023: Rs. 10/-))	27		
Basic		12.17	8.71
Diluted		12.05	8.41
Summary of Material Accounting Policies	2.2		

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**per Sukrut Mehta**

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6,2024

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6,2024

## Standalone Cash Flow Statement for the year ended March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	For the year 2023-24	For the year 2022-23
<b>A. Cash flow from operating activities</b>		
Profit for the year before tax	6,700.99	4,734.41
Adjustments to reconcile profit before tax to net cash flow:		
Profit from limited liability partnerships	(2,096.10)	(665.05)
Depreciation and amortization expense	244.69	128.01
Loss on sale of property plant and equipment (Net)	31.07	17.21
Finance cost	572.69	556.64
Share based payment expense	124.11	123.77
Interest income	(3,161.14)	(3,633.90)
Gain on sale of Mutual funds	(557.41)	(60.16)
Sundry balances written off	5.11	54.57
Fair value gain on financial instruments at fair value through profit and loss	(72.47)	-
<b>Operating profit before working capital changes</b>	<b>1,791.54</b>	<b>1,255.50</b>
Adjustments for:		
Increase / (Decrease) in trade payables	1,432.38	(284.59)
Increase in provisions	78.15	26.00
Increase in other liabilities	3,738.13	3,291.44
Increase / (Decrease) in financial liabilities	292.62	(34.95)
(Increase) / Decrease in inventory	(9,642.42)	1,371.70
(Increase) / Decrease in financial assets	(5,338.25)	9,590.37
(Increase) in trade receivables	(13.81)	(75.27)
(Increase) / Decrease in other assets	3,685.79	(17,553.97)
Cash (used in) operations	(3,975.87)	(2,413.77)
Direct taxes paid ( net of refund )	(525.56)	(744.78)
<b>Net cashflow (used in) from operating activities</b> [A]	<b>(4,501.43)</b>	<b>(3,158.55)</b>
<b>B. Cash flow from investing activities</b>		
Investments in subsidiaries and joint ventures	(38,818.60)	(20,470.34)
Proceeds from withdrawal of investments in subsidiaries and joint ventures	37,320.67	24,889.71
(Investments) in mutual funds	(2,131.63)	(5,871.72)
(Investments)/redemption of fixed deposits	(73.71)	297.94
(Investment)/Proceeds from other bank balances	(7.08)	-
Loans (given)	(20,325.94)	(17,257.28)
Loans repaid	29,645.75	-
Purchase of property, plant and equipment including CWIP, capital advances and intangibles	(995.92)	(341.81)
Proceeds from sale of property, plant and equipment	34.19	35.83
Interest received	2,714.54	3,048.34
<b>Net cashflow generated from/(used in) investing activities</b> [B]	<b>7,362.27</b>	<b>(15,669.33)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long term borrowings	5,202.38	9,547.45
Repayment of long term borrowings	(4,265.85)	(4,489.91)
Payment of lease liabilities	(67.53)	(11.04)
Finance cost paid	(325.94)	(492.20)
Dividend paid	(1,488.22)	-
Proceeds from issue of share capital through ESOPs & warrants (including securities premium)	62.10	2,180.26
<b>Net cashflow (used in) /generated from financing activities</b> [C]	<b>(883.06)</b>	<b>6,734.56</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b> [A+B+C]	<b>1,977.78</b>	<b>(12,093.32)</b>

## Standalone Cash Flow Statement for the year ended March 31,2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	For the year 2023-24	For the year 2022-23
Cash and cash equivalents at the beginning of the year	1,914.38	14,007.70
<b>Cash and cash equivalents at the end of the year</b>	<b>3,892.16</b>	<b>1,914.38</b>
Components of cash and cash equivalents (Refer note 7)		
Balances with banks	941.65	1,014.12
Cash in hand	0.51	0.26
Fixed deposits having original maturity of less than 3 months	2,950.00	900.00
	<b>3,892.16</b>	<b>1,914.38</b>
Summary of Material Accounting Policies	2.2	

### Notes to the Cash Flow Statement:

- The Cash Flow Statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.
- Changes in liabilities arising from financing activities :

Particulars	April 1, 2023	Cash flow	New Leases	Other	March 31, 2024
Non-current borrowings (Note 14)	5,193.03	936.53	-	61.38	6,190.94
Accrued interest (Note 16)	48.65	-	-	97.82	146.47
Lease Liability (Note 40)	79.31	(67.53)	318.82	39.81	370.41
Total liabilities from financing activities	5,320.99	869.00	318.82	199.01	6,707.82

Particulars	April 1, 2022	Cash flow	New Leases	Other	March 31, 2023
Non-current borrowings (Note 14)	196.87	5,057.54	-	(61.38)	5,193.03
Accrued interest (Note 16)	-	-	-	48.65	48.65
Lease Liability (Note 40)	-	(11.04)	82.14	8.21	79.31
Total liabilities from financing activities	196.87	5,046.50	82.14	(4.52)	5,320.99

Note : The 'other' column includes accrued interest & lease liabilities and the effect of reclassification if any, of non-current portion of borrowings to current, including lease liabilities due to passage of time etc.

- Non cash financing and Investing activities:

Particular	March 31, 2024	March 31, 2023
Acquisition of Right of use of Assets (refer Note 40)	318.81	82.14

- Figures in brackets indicate outflow.

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**per Sukrut Mehta**

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6,2024

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6,2024

## Standalone Statement of Changes in Equity for the year ended March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

### A. Equity share capital (Refer Note 12)

#### F.Y. 2023-24

Particulars	Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the current Year	Changes in equity share capital during the current year	Balance as at March 31, 2024
Equity Shares of Rs.10 each Issued, Subscribed and fully paid up	4,531.20	-	4,531.20	3.20	4,534.40
	<b>4,531.20</b>	-	<b>4,531.20</b>	<b>3.20</b>	<b>4,534.40</b>

#### F.Y. 2022-23

Particulars	Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the current Year	Changes in equity share capital during the current year	Balance as at March 31, 2023
Equity Shares of Rs.10 each Issued, Subscribed and fully paid up	4,246.20	-	4,246.20	285.00	4,531.20
	<b>4,246.20</b>	-	<b>4,246.20</b>	<b>285.00</b>	<b>4,531.20</b>

### B. Other Equity

For the year ended March 31 2024:

Particulars	Reserves and Surplus attributable to equity holders of the Company (Refer note 13)			Total other equity
	Securities Premium	Share based Payment Reserve	Retained Earnings	
<b>As at April 1, 2023</b>	<b>27,864.86</b>	<b>124.87</b>	<b>20,364.62</b>	<b>48,354.35</b>
Changes in accounting policy or prior period errors	-	-	-	-
Profit for the year	-	-	5,513.34	5,513.34
Remeasurement gains/(losses) on defined benefit plans (net of taxes)	-	-	(33.00)	(33.00)
<b>Total comprehensive income</b>	<b>27,864.86</b>	<b>124.87</b>	<b>25,844.96</b>	<b>53,834.69</b>
Against issue of equity shares pursuant to exercise of stock options	58.90	-	-	58.90
Transferred on exercise of stock options	-	(22.03)	22.03	-
Compensation expense for options granted during the year	-	124.09	-	124.09
Dividend	-	-	(1,495.30)	(1,495.30)
<b>As at March 31, 2024</b>	<b>27,923.76</b>	<b>226.93</b>	<b>24,371.69</b>	<b>52,522.38</b>

## Standalone Statement of Changes in Equity for the year ended March 31, 2024 (Amount in Rs. Lac unless stated otherwise)

### B. Other Equity (contd.)

For the year ended March 31 2023:

Particulars	Reserves and Surplus attributable to equity holders of the Company (Refer note 13)			Total other equity
	Securities Premium	Share based Payment Reserve	Retained Earnings	
<b>As at April 1, 2022</b>	<b>25,242.86</b>	<b>1.10</b>	<b>16,554.32</b>	<b>41,798.29</b>
Changes in accounting policy or prior period errors	-	-	-	-
Profit for the year	-	-	3,827.31	3,827.31
Remeasurement gains/(losses) on defined benefit plans (net of taxes)	-	-	(17.01)	(17.01)
<b>Total comprehensive income</b>	<b>25,242.86</b>	<b>1.10</b>	<b>20,364.62</b>	<b>45,608.59</b>
Against issue of equity shares pursuant to exercise of Preferential issue	2,622.00	-	-	2,622.00
Compensation expense for options granted during the year	-	123.77	-	123.77
<b>As at March 31, 2023</b>	<b>27,864.86</b>	<b>124.87</b>	<b>20,364.62</b>	<b>48,354.35</b>
Summary of Material Accounting Policies	2.2			

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**per Sukrut Mehta**

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6, 2024

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6, 2024

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 1. CORPORATE INFORMATION

Arvind SmartSpaces Limited (“Company” or “ASL”) (CIN: L45201GJ2008PLC055771) is a public company domiciled in India and is incorporated on December 26, 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 approved for issue in accordance with a resolution of the directors on May 06, 2024.

### 2. MATERIAL ACCOUNTING POLICIES

#### 2.1 Statement of compliance and 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 Standalone Financial Statements.

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 Rs. and all values are rounded to the nearest Lac (Rs. 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Standalone financial statements provide comparative information in respect of the previous year. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

#### 2.2 Summary of Material Accounting Policies

##### a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, 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



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

### c) 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. 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that incremental future economic benefits associated with the item will flow to the company.

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.

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 for its intended 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.

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost less accumulated impairment loss, if any.

### d) 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.

The leasehold improvements are depreciated over the period of lease term or life of asset whichever is less.

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.

### e) 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.

## **Notes to Standalone Financial Statements** for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Intangible assets comprising of computer softwares and SAP 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. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. 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.

### **f) 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.

### **g) Inventories**

Direct expenditures relating to real estate activity are 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.

### **h) 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.

### **i) 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

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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.

### (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")

The Company's share in profits from LLPs, 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.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### j) 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.

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.

### k) 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.

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences

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.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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.

### l) 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.

### m) Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

#### Where the Company is the lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

### n) 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.

### o) 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 with the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient. 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. Trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies - Revenue from contracts with customers."

#### 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.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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.

#### 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

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

- **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.

### xi. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### p) 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.

### q) 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.

### r) 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.

### s) Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## 2.3 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



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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:

Evaluation of indicators for impairment of Investment in Subsidiaries and Joint Ventures:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

### (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.

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.

## **Notes to Standalone Financial Statements** for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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 the customer.

## **2.4 New Standards, Interpretation and amendments adopted by the company**

### **New and amended Standards:-**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company applied for the first-time these amendments.

#### **(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

#### **(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

#### **(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendment have no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 1, 2022."

#### **Standards notified but not yet effective:**

There are no standards that are notified and not yet effective as on the date.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 3.1 Property Plant and Equipment

Particulars	Buildings	Equipments	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Leasehold Improvements (Refer Note 40)	Total	Capital Work in progress
<b>Cost (Refer note 1 below)</b>									
<b>At April 1, 2022</b>	504.02	100.76	132.41	9.74	74.58	396.97	-	1,218.48	-
Additions	-	18.98	12.20	13.39	48.05	63.06	82.15	237.83	44.56
Disposals/transfers	-	(24.64)	(19.15)	(1.70)	(1.19)	(65.99)	-	(112.67)	(44.56)
<b>At March 31, 2023</b>	504.02	95.10	125.46	21.43	121.44	394.04	82.15	1,343.64	-
Additions	-	25.48	14.08	1.58	21.00	198.99	66.83	327.96	41.14
Disposals/transfers	-	(12.03)	(12.38)	(1.07)	(5.18)	(117.44)	-	(148.10)	(41.14)
<b>At March 31, 2024</b>	504.02	108.55	127.16	21.94	137.26	475.59	148.98	1,523.50	-
<b>Accumulated Depreciation</b>									
<b>At April 1, 2022</b>	105.00	42.07	70.44	5.55	50.43	131.47	-	404.96	-
Depreciation charge for the year	17.46	9.53	13.51	2.31	14.51	46.37	4.32	108.01	-
On Disposals	-	(10.53)	(14.24)	(0.98)	(1.13)	(32.73)	-	(59.61)	-
<b>At March 31, 2023</b>	122.46	41.07	69.71	6.88	63.81	145.11	4.32	453.36	-
Depreciation charge for the year	17.49	9.76	9.80	3.38	26.11	49.03	12.32	127.89	-
On Disposals	-	(8.10)	(7.18)	(0.91)	(4.62)	(61.86)	-	(82.67)	-
<b>At March 31, 2024</b>	139.95	42.73	72.33	9.35	85.30	132.28	16.64	498.58	-
<b>Net book value</b>									
<b>At March 31, 2024</b>	364.07	65.82	54.83	12.59	51.96	343.31	132.34	1,024.92	-
<b>At March 31, 2023</b>	381.56	54.03	55.75	14.55	57.63	248.93	77.83	890.28	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 3.2 Intangible assets

Particulars	Software/ Trademark	Intangible Asset under Development	Total
<b>Cost (Refer note 1 below)</b>			
<b>At April 1, 2022</b>	<b>38.78</b>	<b>69.35</b>	<b>108.13</b>
Additions	20.93	74.84	95.77
Disposals	-	-	-
<b>At March 31, 2023</b>	<b>59.71</b>	<b>144.19</b>	<b>203.90</b>
Additions	212.33	68.14	280.47
Disposals	-	(212.33)	(212.33)
<b>At March 31, 2024</b>	<b>272.04</b>	<b>-</b>	<b>272.04</b>
<b>Accumulated Amortisation</b>			
<b>At April 1, 2022</b>	<b>18.18</b>	<b>-</b>	<b>18.18</b>
Amortisation charge for the year	11.79	-	11.79
<b>At March 31, 2023</b>	<b>29.96</b>	<b>-</b>	<b>29.96</b>
Amortisation charge for the year	63.05	-	63.05
<b>At March 31, 2024</b>	<b>93.01</b>	<b>-</b>	<b>93.01</b>
<b>Net book value</b>			
<b>At March 31, 2024</b>	<b>179.03</b>	<b>-</b>	<b>179.03</b>
<b>At March 31, 2023</b>	<b>29.75</b>	<b>144.19</b>	<b>173.94</b>

### 3.3 Leased Assets:

Right of use assets (Refer Note 40)

Particulars	Building -HO	Building -RO	Total
<b>Cost (Refer note 1 below)</b>			
<b>At April 1, 2023</b>	<b>82.13</b>	<b>-</b>	<b>82.13</b>
Additions	-	318.81	318.81
Disposals	-	-	-
<b>At March 31 2024</b>	<b>82.13</b>	<b>318.81</b>	<b>400.94</b>
<b>Accumulated Amortisation</b>			
<b>At April 1, 2023</b>	<b>8.21</b>	<b>-</b>	<b>8.21</b>
Amortisation charge for the year	8.21	45.54	53.75
<b>At March 31 2024</b>	<b>16.42</b>	<b>45.54</b>	<b>61.96</b>
<b>Net book value</b>			
<b>At March 31 2024</b>	<b>65.71</b>	<b>273.27</b>	<b>338.98</b>
<b>At March 31 2023</b>	<b>73.92</b>	<b>-</b>	<b>73.92</b>

**Note-1 :** For property plant & equipment and intangible assets existing as on April 1, 2016 i.e. the date of transition to Ind AS, the company had elected to continue Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 "First Time Adoption of Indian Accounting Standard". Accordingly, the net WDV as per Indian GAAP as on April 1, 2016 was considered as Gross block under Ind AS and the accumulated depreciation was accordingly netted off as on April 1, 2016.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 3.4 Intangible Asset under Development Ageing Schedule

As at March 31, 2023

Particulars	Amount in Intangible under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Refer note 1 below)	74.84	69.35	-	-	144.19
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>74.84</b>	<b>69.35</b>	<b>-</b>	<b>-</b>	<b>144.19</b>

**Note-1** : Intangible assets under development for FY22-23 consists of SAP software under development and patents & trademark which has been capitalised in FY23-24. There are no intangible assets under development as on March 31, 2024.

### 4 Investments

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Unquoted (carried at cost)</b>				
<b>i. In equity shares of</b>				
Wholly owned subsidiary				
Arvind Hebbal Homes Private Limited				
10,000 (March 31, 2023: 10,000) shares of Rs.10/- each, fully paid up	1.00	1.00	-	-
Arvind Homes Private Limited				
1,25,10,000 (March 31, 2023: 1,25,10,000) shares of Rs.10/- each, fully paid up	1,251.00	1,251.00	-	-
Arvind SmartHomes Private Limited				
2,10,10,000 (March 31, 2023: 2,10,10,000) shares of Rs.10/- each, fully paid up	2,101.00	2,101.00	-	-
<b>ii. In capital of Limited Liability Partnership firms (subsidiaries)</b>				
Ahmedabad East Infrastructure LLP	944.59	438.66	1,900.00	2,000.00
Ahmedabad Industrial Infrastructure (One) LLP	1,281.27	1,344.77	-	-
ASL Facilities Management LLP	32.49	32.49	-	-
Uplands facility Management LLP (Formerly known as Arvind Altura LLP)	-	2.36	12.36	-
Arvind Beyond Five Club LLP	433.38	418.38	-	-
Arvind Five Homes LLP	-	29.10	438.10	-
Arvind Infracon LLP	0.99	1,028.17	-	1,501.37
Changodar Industrial Infrastructure (One) LLP	27.96	26.50	-	-
Arvind Infrabuild LLP	710.99	710.99	-	-
Yogita Shelters LLP	1,998.22	1,828.22	700.00	-
Arvind Smart City LLP	6,585.84	5,247.24	-	-
Thol Highlands LLP	697.75	-	-	-
Kalyangadh Homes LLP	5,295.81	-	-	-
Lagdana Homes LLP	0.99	-	-	-
Adroda Homes LLP	0.75	-	-	-
Bavla Homes LLP - Capital	1,217.51	-	-	-
Arvind Green Homes LLP	0.99	-	-	-
Arvind Integrated Projects LLP	0.49	-	-	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 4 Investments (contd.)

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>iii. In capital of Limited Liability Partnership firms (joint venture)</b>				
Arvind Bsafal Homes LLP	-	-	8.33	24.62
<b>In debt Securities of</b>				
Arvind Smart Homes Private Limited	500.00	500.00	-	-
500 (March 31, 2023 : 500) optionally convertible debentures of Rs. 100000/- each				
<b>Aggregate value of unquoted investments</b>	<b>23,083.02</b>	<b>14,959.88</b>	<b>3,058.79</b>	<b>3,525.99</b>
<b>Quoted</b>				
<b>Investment carried at fair value through profit or loss</b>				
<b>Investment in mutual funds</b>				
45,837.60 (March 31, 2023 : 2,11,441.37) Units of Aditya Birla Sunlife Liquid Fund - Regular - Growth	-	-	176.78	760.76
18,109.81 (March 31, 2023 : 9,079.78) Units of Kotak Liquid Fund - Regular - Growth	-	-	876.50	410.17
38,420.05 (March 31, 2023 : 17,340.23) Units of HDFC Liquid Fund - Regular - Growth	-	-	1,804.94	760.19
9,831.21 (March 31, 2023 : 28,621.05) Units of SBI Liquid Fund - Regular - Growth	-	-	368.25	1,000.62
28,551.04 (March 31, 2023 : 7,339.70) Units of Nippon India Liquid Fund - Regular - Growth	-	-	1,668.42	400.25
45,438.28 (March 31, 2023 : 27,284.52) Units of UTI Liquid Fund - Cash Plan - Regular - Growth	-	-	1,784.20	999.57
1,26,101.43 (March 31, 2023 : 3,02,303.18) Units of ICICI Prudential liquid fund - Regular - Growth	-	-	446.88	1,000.00
58,831.77 (March 31, 2023 : 24,166.10) Units of Axis Liquid Fund - Regular - Growth	-	-	1,567.43	600.32
<b>Aggregate book and market value of Quoted investment</b>	<b>-</b>	<b>-</b>	<b>8,693.40</b>	<b>5,931.88</b>
<b>Total investments</b>	<b>23,083.02</b>	<b>14,959.88</b>	<b>11,752.19</b>	<b>9,457.87</b>

Note : i) Aggregate value of impairment of quoted and unquoted Investment is Rs. Nil (March 31, 2023- NIL)

### 5 Loans

Particulars	Non current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Loans Receivables considered good - Unsecured (Refer notes below)</b>	11,520.04	21,639.84	6,200.00	5,400.00
	<b>11,520.04</b>	<b>21,639.84</b>	<b>6,200.00</b>	<b>5,400.00</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Details of Loans repayable on demand

Type of Borrower	March 31, 2024		March 31, 2023	
	Amount of loan or advances in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advances in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Promoters	-	-		
Directors	-	-		
KMPs	-	-		
Related parties	17,720.04	100%	27,039.84	100%
Others	-	-		
<b>Total</b>	<b>17,720.04</b>	<b>100%</b>	<b>27,039.84</b>	<b>100%</b>

#### Note:

- (i) As required under section 186(4) of the Companies Act, loan outstanding of Rs. 17,720.04 Lac (March 31, 2023 : Rs. 27,039.84 Lac) is given at rate of interest ranging from 10% - 12% for business purpose and the same are repayable on demand.
- (ii) For amounts due and terms and conditions relating to related party receivables, refer Note 38.
- (iii) Since all the above loans given by the company are unsecured and considered good, the bifurcation of loan in other categories as required by Schedule III of Companies Act, 2013 Viz : (a) Secured, (b) Loans which have significant increase in credit risk and (c) credit impaired is not applicable.
- (iv) No loans are due from directors or other officers of the company, either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, director or a member.

## 6 Trade receivables

Particulars	March 31, 2024	March 31, 2023
<b>Trade receivables ( refer note below )</b>	187.00	178.31
(Unsecured , Considered good, unless Otherwise stated)		
	<b>187.00</b>	<b>178.31</b>
Trade Receivables considered good	187.00	178.31
Trade Receivables - credit impaired	3.74	3.74
Less: Impairment allowance - credit impaired	(3.74)	(3.74)
	<b>187.00</b>	<b>178.31</b>

### Trade receivables Ageing Schedule (Refer Notes below)

As at March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	173.13	-	-	-	13.87	187.00
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	3.74	3.74

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Trade receivables Ageing Schedule (Refer Notes below) (contd.)

As at March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>173.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.61</b>	<b>190.74</b>

As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	164.44	-	-	-	13.87	178.31
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	3.74	3.74
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>164.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.61</b>	<b>182.05</b>

**Note :** (i) Since all the above trade receivables of the company are unsecured and considered good except those which are disclosed as credit impaired, the further bifurcation in other categories as required by Schedule III of Companies Act, 2013 viz : (a) Secured, (b) Receivables which have significant increase in credit risk is not applicable.

(ii) For amounts due and terms and conditions relating to related party receivables, refer Note 38

(iii) For information about credit risk and market risk related to trade receivables, refer note 35

(iv) No trade or other receivables are due from directors or other officers of the company, either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

(v) Trade receivables are non interest bearing and are generally on credit terms of upto 30-60 days



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

\*Following is the table summarized change in impairment allowance using lifetime expected credit loss model:

Particulars	March 31, 2024	March 31, 2023
At the beginning of the year	3.74	3.74
Provision during the year	-	-
Utilised/Reversed during the year	-	-
<b>At the end of the year</b>	<b>3.74</b>	<b>3.74</b>

### 7 Cash and cash equivalents

Particulars	March 31, 2024	March 31, 2023
Balances with banks in current accounts	941.65	1,014.11
Cash on hand	0.51	0.26
Fixed deposits having original maturity of less than 3 months	2,950.00	900.00
	<b>3,892.16</b>	<b>1,914.38</b>

### 8 Other bank balances

Particulars	March 31, 2024	March 31, 2023
<b>Balances with banks</b>		
- Earmarked balances for unclaimed dividend	11.48	4.40
	<b>11.48</b>	<b>4.40</b>

### 9 Other financial assets

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>(Unsecured, considered good)</b>				
Security deposits	362.42	90.52	-	-
Interest accrued but not due from Limited Liability Partnership firms (Refer note 38)	-	741.89	3,460.96	2,284.56
Interest accrued - Others	-	-	14.25	2.15
Receivables from Limited Liability Partnership firms for sharing of common costs (Refer note 38)	264.27	402.43	2,093.72	1,327.37
Advance for land, recoverable in cash	5,214.22	-	150.00	917.01
Bank deposits*	213.93	140.22	-	-
Other Receivables from LLP / Subsidiaries (refer note 38)	-	3.57	59.21	56.26
Others	-	1.66	-	6.75
	<b>6,054.84</b>	<b>1,380.29</b>	<b>5,778.14</b>	<b>4,594.10</b>

\*Non current bank deposits consists of deposits which are lien as a stipulation of sanction for various loans.

### 10 Inventories (At lower of cost and net realisable value)

Particulars	March 31, 2024	March 31, 2023
Construction work-in-progress	26,715.82	17,242.20
Unsold developed plots of land and units	568.22	672.64
Construction materials	410.81	137.59
	<b>27,694.85</b>	<b>18,052.43</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 11 Other assets

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>(Unsecured, considered good)</b>				
Prepaid expenses	3.04	4.68	52.54	40.18
Capital Advances	600.00	-	-	-
Advances to suppliers	-	-	256.15	410.57
Balance with government authorities	207.19	207.44	187.21	152.52
Advance for land (refer note below)	100.00	950.00	1,055.00	2,205.00
Other Receivables from LLP / Subsidiaries (refer note 38)	13,363.74	14,959.51	-	-
Others advances	-	12.49	49.19	22.16
	<b>14,273.97</b>	<b>16,134.12</b>	<b>1,600.09</b>	<b>2,830.43</b>

- Note:** (i) 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.
- (ii) Balance with government authorities includes amounts paid under protest Rs.207.19 Lac ( March 31, 2023 : Rs.207.19 Lac )
- (iii) No advances are due from directors or other officers of the company, either severally or jointly with any other person.

### 12 Equity share capital

Particulars	March 31, 2024	March 31, 2023
<b>(a) Authorised</b>		
5,00,00,000 (March 31, 2023 : 5,00,00,000) equity shares of Rs. 10/- each (P.Y. Rs. 10/-)	5,000.00	5,000.00
<b>(b) Issued, subscribed and fully paid-up</b>		
4,53,43,979 (March 31, 2023 : 4,53,11,979) equity shares of Rs. 10/- each (P.Y. Rs. 10/-)	4,534.40	4,531.20

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

Particulars	March 31, 2024		March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares</b>				
<b>Outstanding at beginning of the year</b>	4,53,11,979	4,531.20	4,24,61,979	4,246.20
<b>Add :</b>				
Equity shares issued under ESOP scheme	32,000	3.20	-	-
Shares issued pursuant to preferential share warrants	-	-	28,50,000	285.00
<b>Outstanding at end of the year</b>	<b>4,53,43,979</b>	<b>4,534.40</b>	<b>4,53,11,979</b>	<b>4,531.20</b>

- (d) The company has allotted Nil (March 31, 2023 - 28,50,000) equity shares of Rs. 10 each on pursuant to conversion of warrants to equity shares to Kausalya Realserve LLP.

#### (e) Terms / rights attached to the equity shares

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

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

- (f) During the year ended March 31, 2024, the company has issued 32000 (March 31, 2023 - NIL) equity shares of Rs. 10 each to the eligible employee's pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2016 (AIL ESOP 2016) for shares reserved for issue under ESOP scheme.
- (g) For details of shares reserved for issue under the share based payment plan of the company, please refer note 31.

### (h) Shareholders holding more than 5% in the shareholding of the company

Name of the shareholder	March 31, 2024			March 31, 2023		
	No. of shares	Rs. in Lac	% Holding	No. of shares	Rs. in Lac	% Holding
<b>Equity shares of Rs. 10 each fully paid</b>						
Aura Securities Private Limited	1,87,12,646	1,871.26	41.27%	1,87,12,646	1,871.26	41.30%
HDFC Capital Affordable Real Estate Fund - 1	40,32,200	403.22	8.89%	40,32,200	403.22	8.90%
Kausalya Realserve LLP	21,50,000	215.00	4.74%	28,50,000	285.00	6.29%
Ketankumar Ratilal Patel	22,65,101	226.51	5.00%	22,65,101	226.51	5.00%

The above details is as per records of the company, including its register of shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### (i) Details of shares held by promoters

As at March 31, 2024

Class of Shares	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares*	% change during the year
Equity shares of Rs. 10 each fully paid	Aura Securities Private Limited	1,87,12,646	-	1,87,12,646	41.27%	-0.03%
	Sanjaybhai Shrenikbhai Lalbhai	2,00,155	(10.00)	2,00,145	0.44%	0.00%
	Jayshreeben Sanjaybhai Lalbhai	33	-	33	0.00%	0.00%
	Punit Sanjaybhai	371	-	371	0.00%	0.00%
	Sanjaybhai Shrenikbhai Lalbhai, as representative trustee of discretionary trust	0	10.00	10	0.00%	0.00%
<b>Total</b>		<b>1,89,13,205</b>	<b>-</b>	<b>1,89,13,205</b>	<b>41.71%</b>	

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### As at March 31, 2023

Class of Shares	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares*	% change during the year
Equity shares of Rs. 10 each fully paid	Aura Securities Private Limited	1,87,12,646	-	1,87,12,646	41.30%	0.00%
	Sanjaybhai Shrenikbhai Lalbhai	2,00,155	-	2,00,155	0.44%	0.00%
	Jayshreeben Sanjaybhai Lalbhai	33	-	33	0.00%	0.00%
	Punit Sanjaybhai	371	-	371	0.00%	0.00%
<b>Total</b>		<b>1,89,13,205</b>	<b>-</b>	<b>1,89,13,205</b>	<b>41.74%</b>	

\*Disclosed as rounded to two decimals

### 13 Other equity

Particulars	March 31, 2024	March 31, 2023
<b>(a) Securities Premium</b>		
Balance at the beginning of the year	27,864.86	25,242.86
Add : Received during the year on issue of equity shares	58.90	2,622.00
<b>Balance at the end of the year</b>	<b>27,923.76</b>	<b>27,864.86</b>
<b>(b) Share Based Payment Reserve</b>		
Balance at the beginning of the year	124.87	1.10
Add : Compensation expense for options granted during the year	124.09	123.77
Less : Transferred to General reserve on exercise of stock options	(22.03)	-
<b>Balance at the end of the year</b>	<b>226.93</b>	<b>124.87</b>
<b>(c) Retained Earnings</b>		
Balance at the beginning of the year	20,364.62	16,554.32
Less: Dividend paid	(1,495.30)	-
Add: Profit for the year	5,513.34	3,827.31
Add : Transferred on exercise of stock options	22.03	-
Items of other comprehensive income recognised directly in retained earning:		
Remeasurement gains / (losses) on defined benefit plans, Net of taxes	(33.00)	(17.01)
<b>Balance at the end of the year</b>	<b>24,371.69</b>	<b>20,364.62</b>
	<b>52,522.38</b>	<b>48,354.35</b>

#### Securities premium

Securities premium 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.

#### Retained Earnings

The cumulative gain or loss arising from the operations which is retained by the company is recognised and accumulated under the head of retained earnings.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Distribution Proposed

#### Proposed dividends on Equity shares

Particulars	March 31, 2024	March 31, 2023
Proposed dividend for the year ended on March 31, 2024:Rs. 3.50 per share (March 31, 2023: Rs. 3.30 per share) (refer note below)	1,587.04	1,495.30

The Board of Directors recommended a final dividend of Rs.2.5/- (March 31, 2023: Rs. 1.65/-) per equity share and special dividend of Rs.1/- (March 31, 2023: Rs. 1.65/-) per equity share, totalling to a dividend of Rs.3.5/- (March 31, 2023: Rs. 3.3/-) per equity share of face value of Rs.10 each, for the financial year ended March 31, 2024.

Proposed dividends on equity shares are subject to approval at the annual general meeting and is not recognised as a liability as at March 31, 2024.

### 14 Borrowings

Particulars	Effective Rate of Interest	Maturity	March 31, 2024	March 31, 2023
<b>Non-current borrowings</b>				
Secured				
Vehicle loans from banks	7.25% - 9.5%	2024-2029	240.93	158.44
<b>Term loans</b>				
- From Banks	9% - 10%	2025	-	4,048.32
- From Financial institutions	10% - 11%	2027	5,950.01	986.28
<b>Total</b>			<b>6,190.94</b>	<b>5,193.04</b>
Less : Current maturities of long term borrowings disclosed under Current Borrowings			(1,530.09)	(215.85)
<b>Total</b>			<b>4,660.85</b>	<b>4,977.19</b>
<b>Current borrowings</b>				
Secured				
Current maturities of long term borrowings			1,530.09	215.85
<b>Total</b>			<b>1,530.09</b>	<b>215.85</b>
The above amounts includes :				
Secured Borrowings			6,190.94	5,193.04

#### Nature of Securities on above Loans:

1. Term loan taken and outstanding of Rs. NIL (March 31, 2023 : Rs. 4095.98 Lac) and overdraft facility from ICICI Bank Limited is secured by first mortgage of unsold units of project "Arvind Aavishkaar" and "Arvind Oasis" together with hypothecation of receivables from the same projects.
2. Term loan taken and outstanding of Rs. 6000 Lac (March 31, 2023 : Rs. 1000 Lac) is secured by way of mortgage of NA land at project Uplands township situated at Nasmed village, Gandhinagar owned by Ahmedabad East Infrastructure LLP (Subsidiary Company).
3. Vehicle loans amounting to Rs. 240.93 Lac (March 31, 2023 : Rs. 158.44 Lac) are secured by respective vehicles.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Terms of Repayment of Loans

Overdraft Facility	
ICICI Bank Limited	Company has availed Rs. 1,500 Lac ( March 31,2023 : Rs. 1,500 Lac) overdraft facility with a tenure of 32 months (including moratorium of 8 months ending on May 2023).
Vehicle Loan	
HDFC Bank Limited, ICICI Bank Limited and The Kalupur Commercial Co-operative Bank Ltd.	Loan is repayable in monthly instalments on varied dates as mentioned above.
Term Loan	
ICICI Bank Limited	Company has borrowed Rs. NIL ( March 31,2023 : Rs. 8,500 Lac) with a tenure of 32 months (including moratorium of 8 months ending on May 2023). The said loan is repaid fully in FY 2023-24.
TATA capital financial services limited	Loan of Rs. 6,000 Lac (March 31, 2023 : Rs. 1,000 ) at the rate of 10.3% p.a. with a tenure of 48 months (including moratorium of 15 months)

### 15 Trade payables

Particulars	March 31, 2024	March 31, 2023
Total outstanding dues of micro and small enterprises	45.09	75.98
Total outstanding dues of creditors other than micro and small enterprises		
For goods and services	3,034.81	1,571.37
	<b>3,079.90</b>	<b>1,647.35</b>
Trade payables	3,033.91	1,335.28
Trade payables to related parties (Refer Note 38)	45.99	312.07
	<b>3,079.90</b>	<b>1,647.35</b>

### Note 1 : Trade payables Ageing Schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises (MSME)	45.09	-	-	-	45.09
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Others)	2,965.08	45.87	7.70	16.16	3,034.81
(iii) Disputed dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises (Others)	-	-	-	-	-
	<b>3,010.17</b>	<b>45.87</b>	<b>7.70</b>	<b>16.16</b>	<b>3,079.90</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises (MSME)	75.98	-	-	-	75.98
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Others)	1,235.26	78.24	51.51	206.36	1,571.37
(iii) Disputed dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises (Others)	-	-	-	-	-
	<b>1,311.24</b>	<b>78.24</b>	<b>51.51</b>	<b>206.36</b>	<b>1,647.35</b>

### Note 2: Relationship with Struck off companies

Name of the party	Nature of Transactions	Transactions during the year ended March 31,2024	Balance Outstanding as at March 31,2024	Relationship with the struck off company
KRISHNA MARKETING	Receivable	-	-	-
LINTAS INDIA PVT. LTD.	Payable	-	-	-
OMICRON MARKETING	Payable	-	-	-
PATEL TRADERS	Payable	-	-	-
SETU INFRASTRUCTURE	Payable	-	-	-
SHYAM TRADERS	Payable	-	-	-

Name of the party	Nature of Transactions	Transactions during the year ended March 31,2023	Balance Outstanding as at March 31,2023	Relationship with the struck off company
KRISHNA MARKETING	Receivable	4.24	2.14	-
LINTAS INDIA PVT. LTD.	Payable	(4.72)	-	-
OMICRON MARKETING	Payable	*	*	-
PATEL TRADERS	Payable	*	*	-
SETU INFRASTRUCTURE	Payable	*	*	-
SHYAM TRADERS	Payable	*	*	-

\*Amount less than Rs. 1 Lac

**Note 3:** Trade payables for goods and services are non-interest bearing and are majorly settled on 30 to 90 days terms

**Note 4:** Based on information and records available with company, details of suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till March 31, 2024 is as mentioned below. This has been relied upon by the auditors.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

On the basis of the information and records available with management, details of dues to micro and small enterprises as defined under the MSMED Act, 2006 are as below:

Particulars	March 31, 2024	March 31, 2023
Principal amount remaining unpaid to any supplier as at the year end	45.09	75.98
Interest due thereon	-	-
Amount of interest paid in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

**Note 5:** Refer Note 35 for company's credit risk management process.

### 16 Other financial liabilities

Particulars	March 31, 2024	March 31, 2023
Advance Share of Profit	4,062.03	-
Unclaimed Dividend	11.48	4.40
Employee Benefits Expense Payable (Refer Note 38)	483.24	311.70
Interest accrued and not due on borrowings	146.47	48.65
Other Liabilities (includes payable for development rights)	113.99	-
	<b>4,817.21</b>	<b>364.75</b>

### 17 Provisions

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Provision for employee benefits</b>				
Provision for gratuity (Refer Note 30)	268.39	174.60	29.52	43.01
Provision for leave encashment	143.26	96.40	22.06	26.97
	<b>411.65</b>	<b>271.00</b>	<b>51.58</b>	<b>69.98</b>

### 18 Other current liabilities

Particulars	March 31, 2024	March 31, 2023
Advances from customers (Refer Note 39 - contract liabilities)	40,655.63	36,963.93
Statutory dues	444.30	401.68
Other payables	6.44	2.63
	<b>41,106.37</b>	<b>37,368.24</b>



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 19 Revenue from operations

Particulars	March 31, 2024	March 31, 2023
<b>Revenue from contracts with customers ( Refer note 39)</b>		
Commercial and residential units	12,101.94	10,317.99
<b>Other operating revenue</b>		
Share of profit from investments in Limited Liability Partnership firms	2,096.10	665.05
Plot cancellation and transfer fees	7.15	11.50
Project consultancy income	872.68	733.27
	<b>15,077.87</b>	<b>11,727.81</b>

### 20 Other income

Particulars	For the year 2023-24	For the year 2022-23
Interest on		
- Bank deposits	17.96	75.97
- Financial assets measured at amortised cost	3,143.19	3,548.64
Fair value gain on investments carried at fair value through profit or loss	72.47	32.89
Gain on sale of Mutual funds	557.41	60.16
Others	35.45	27.59
	<b>3,826.48</b>	<b>3,745.25</b>

### 21 Cost of construction materials and components consumed

Particulars	For the year 2023-24	For the year 2022-23
<b>Inventory at the beginning of the year</b>	137.59	35.45
Add : Purchases	1,396.18	465.37
Less : Inventory at the end of the year	(410.81)	(137.59)
<b>Cost of construction materials and components consumed</b>	<b>1,122.96</b>	<b>363.23</b>

### 22 Changes in inventories

Particulars	For the year 2023-24	For the year 2022-23
<b>Closing Stock</b>		
Unsold developed plots of land and units	568.22	672.64
Construction work-in-progress	26,715.82	17,242.20
	<b>27,284.04</b>	<b>17,914.84</b>
<b>Opening Stock</b>		
Unsold developed plots of land and units	672.64	2,829.03
Construction work-in-progress	17,242.20	16,567.67
	<b>17,914.84</b>	<b>19,396.70</b>
<b>(Increase) / Decrease in inventories</b>	<b>(9,369.20)</b>	<b>1,481.86</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 23 Employee benefit expenses

Particulars	For the year 2023-24	For the year 2022-23
Salaries, allowances and bonus	2,784.92	1,533.93
Contribution to provident and other funds (Refer Note 30)	182.06	137.66
Employee stock option expenses/ charge (Refer note 31)	124.09	123.77
Gratuity (Refer Note 30)	48.95	37.80
Staff welfare expenses	42.14	42.38
	<b>3,182.16</b>	<b>1,875.54</b>

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on May 3, 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

### 24 Finance costs

Particulars	For the year 2023-24	For the year 2022-23
Interest on		
Term loan	467.77	519.73
Vehicle loans from banks	14.95	12.91
Lease Liabilities ( Refer Note 40)	39.81	8.21
Others	50.16	15.79
	<b>572.69</b>	<b>556.64</b>

### 25 Other expenses

Particulars	For the year 2023-24	For the year 2022-23
Repairs and maintenance		
Buildings	0.16	5.39
Others	15.84	18.87
Rates and taxes	13.09	46.28
Travelling expenses	142.14	90.48
Power and fuel	102.50	80.64
Advertisement	305.25	400.35
Brokerage and commission charges	365.95	111.64
Legal and professional charges	1,100.13	783.88
Secretarial expenses	46.09	48.03
Information Technology expenses	163.12	86.48
Auditors' remuneration (Refer note a)	23.29	21.71
Insurance charges	78.37	48.59
CSR expenses (Refer note b)	75.00	60.00
Disposal of Items of property, plant and equipment	31.07	17.44
Rent (Refer note 40)	1.02	-
Donation	1.85	-
Printing & Stationary & Postage	24.15	21.94

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 25 Other expenses (contd.)

Particulars	For the year 2023-24	For the year 2022-23
Security Expenses	34.71	48.03
Site General expense	44.02	6.75
Miscellaneous expenses	340.22	153.09
	<b>2,907.97</b>	<b>2,049.60</b>

#### a. Payment to Auditors

Particulars	For the year 2023-24	For the year 2022-23
Statutory audit fees	14.00	13.75
Limited review fees	7.57	6.27
Certification Fees	-	1.00
Out of pocket expenses	1.72	0.69
	<b>23.29</b>	<b>21.71</b>

#### b (i) Details of CSR expenditure

Particulars	For the year 2023-24			For the year 2022-23		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
<b>Gross amount required to be spent during the year</b>	-	-	74.11	-	-	59.84
<b>Amount approved by the Board</b>			75.00			60.00
<b>Amount spent during the year</b>						
Construction/acquisition of any asset	8.55	-	8.55	-	-	-
On purposes other than above	66.45	-	66.45	60.00	-	60.00
<b>Total</b>	<b>75.00</b>	<b>-</b>	<b>75.00</b>	<b>60.00</b>	<b>-</b>	<b>60.00</b>

#### b (ii) Details related to spent / unspent obligations:

Particulars	March 31, 2024	March 31, 2023
a) Contribution to Charitable Trust, Spent by that trust	75.00	36.45
b) Direct Expenditure	-	23.55
c) Amount Unspent	-	-
<b>Total</b>	<b>75.00</b>	<b>60.00</b>

**Note 1:** Nature of CSR activities undertaken by company includes Rural digital education, projects around area of operations and supplementary education for municipal school students .

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)

Opening Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at March 31, 2024	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c"	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)

Opening Balance as at April 1, 2023	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at March 31, 2024
-	-	74.11	75.00	-

### Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)

Opening Balance as at April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at March 31, 2023	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)

Opening Balance as at April 1, 2022	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at March 31, 2023
-	-	59.84	60.00	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 26 Income Tax

#### (a) Tax expenses

The major components of income tax expenses for the years ended March 31, 2024 and March 31, 2023 are :

##### Statement of Profit and Loss :

Particulars	For the year 2023-24	For the year 2022-23
<b>Profit or loss section :</b>		
<b>Current income tax</b>		
Current income tax charge	1,216.87	1,004.97
Adjustment of tax pertaining to earlier years	(7.75)	(104.21)
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(21.47)	6.34
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,187.65</b>	<b>907.10</b>
<b>OCI section :</b>		
<b>Deferred tax related to items recognised in OCI during in the year:</b>		
Net loss/(gain) on remeasurements of defined benefit plans	11.10	5.72
<b>Income tax effect recognised in OCI</b>	<b>11.10</b>	<b>5.72</b>

#### (b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:

##### Statement of Profit and Loss :

Particulars	For the year 2023-24	For the year 2022-23
Accounting profit before income tax	6,700.99	4,734.41
<b>Tax on accounting profit at statutory income tax rate 25.17% (March 31, 2023: 25.17%)</b>	<b>1,686.64</b>	<b>1,191.65</b>
Income exempt from taxes	(527.59)	(175.67)
Expenses disallowed	40.67	23.75
Adjustment of tax pertaining to earlier years	(7.75)	(104.21)
Others	(4.32)	(28.41)
<b>Tax expense reported in the statement of profit or loss (Effective Incometax rate - 17.72% (March 31, 2023: 19.16%))</b>	<b>1,187.65</b>	<b>907.11</b>

Tax expense reported in the statement of profit or loss (Effective Incometax rate - 17.72% (March 31, 2023: 19.16%))

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### (c) Deferred tax

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	As at March 31, 2024	As at March 31, 2023	For the year 2023-24	For the year 2022-23	For the year 2023-24	For the year 2022-23
<b>a) Deferred Tax Liabilities</b>						
Impact of difference between tax depreciation and depreciation charged for the financial reporting	24.04	49.17	-	-	25.13	(17.28)
Impact of Difference between Lease Liabilities and Right of Use of Assets	7.91	-	-	-	(7.91)	-
Impact of Fair value of Mutual funds	26.52	-	-	-	(26.52)	-
<b>Gross deferred tax liabilities</b>	<b>58.47</b>	<b>49.17</b>	<b>-</b>	<b>-</b>	<b>(9.30)</b>	<b>(17.28)</b>
<b>b) Deferred Tax Assets</b>						
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	116.59	85.82	11.10	5.72	(30.77)	(12.66)
Income offered for tax but not recognized in the books	-	-	-	-	-	1.72
<b>Gross deferred tax assets</b>	<b>116.59</b>	<b>85.82</b>	<b>11.10</b>	<b>5.72</b>	<b>(30.77)</b>	<b>(10.94)</b>
<b>Deferred tax expense/ (income)</b>			<b>11.10</b>	<b>5.72</b>	<b>(21.47)</b>	<b>6.34</b>
<b>Deferred tax assets/ (liabilities)</b>	<b>74.94</b>	<b>42.37</b>				

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

Particulars	For the year 2023-24	For the year 2022-23
Opening balance as at April 1, 2023	42.37	42.99
Deferred tax credit/(charge) during the year recognised in profit or loss	21.47	(6.34)
Deferred tax credit/(charge) during the year recognised in OCI	11.10	5.72
<b>Closing balance as at March 31, 2024</b>	<b>74.94</b>	<b>42.37</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 27 Earnings per share ( EPS )

Basic EPS is calculated by dividing the profit for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit for the year attributable to equity shareholders 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 table reflects the income and share data used in the basic and diluted EPS computation.

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

Particulars	For the year 2023-24	For the year 2022-23
<b>Earnings per share (Basic and Diluted)</b>		
Profit after tax attributable to equity shareholders	5,513.34	3,827.31
<b>Total number of equity shares at the end of the year</b>	<b>4,53,43,979</b>	<b>4,53,11,979</b>
<b>Weighted average number of equity shares</b>		
For basic EPS	4,53,12,154	4,39,50,441
For diluted EPS	4,57,52,475	4,54,83,390
Nominal value of equity shares	10.00	10.00
Basic earnings per share	12.17	8.71
Diluted earnings per share	12.05	8.41
<b>Weighted average number of equity shares for basic EPS</b>	<b>4,53,12,154</b>	<b>4,39,50,441</b>
Effect of dilution: stock options granted under ESOP	4,40,321	1,97,955
Effect of dilution: share warrants	-	13,34,995
<b>Weighted average number of equity shares adjusted for the effect of dilution</b>	<b>4,57,52,475</b>	<b>4,54,83,390</b>

### 28 Commitments and Contingencies

#### a. Commitments

As at March 31, 2024 the company has given net advance of Rs. 6519.22 Lac/- (March 31, 2023: Rs. 4,072.01 Lac) 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. Further the company has commitment on capital account ( Net of advances) amounting to Rs. 1800 Lac (March 31, 2023: Rs. NIL) relating to purchase of assets.

#### b. Contingent liabilities

##### Claims against the company not acknowledged as debt:

Particulars	For the year 2023-24	For the year 2022-23
<b>Disputed demands in respect of -</b>		
Income tax	597.27	563.03
Indirect Tax (TDR)	226.54	207.44
Indirect Tax - Goods & Service Tax Act 2017	247.30	-
Indirect Tax (VAT)	-	42.22

#### Notes:

The Company has not recognized and acknowledged the claims as liability in the books of account amounting to Rs.597.27 Lac (March 31, 2023: Rs.563.03 Lac) 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 company has been advised by its tax counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.

## **Notes to Standalone Financial Statements** for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

The Company has not recognized and acknowledged the claims as liability in the books of account amounting to Rs. 473.84 Lac (March 31, 2023: Rs. 249.66 Lac ) which have been made against the company by Department of Goods and service tax & Karnataka VAT, since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The claim of TDR of Rs. 226.54 Lac (March 31, 2023: Rs. 207.44 Lac) , Out of which Rs. 207.44 is paid under protest while Rs.42.22 have been paid in cash and by furnishing Bank guarantee which has been settled and revoked as on March 31, 2024. Further, the claim of Rs. 247.30 (March 31, 2023: Nil) pertains to denial of Tran-1 credit on the grounds that transitional credit availed is in excess to the credit available in the KVAT returns. The company has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.

### **29 Segment Reporting**

The Company's primary business is development of real estate comprising of residential, commercial and industrial projects. Company's performance for operation as defined in Ind AS 108 is evaluated as a whole by the Managing Director & CEO/Chief Financial Officer who are chief operating decision maker ('CODM') of the Company based on which development of real estate activities are considered as a single operating segment. The Company reports geographical segment which is based on the areas in which major operating divisions of the Company operate and the entire operations are based only in India and hence no further disclosures are made in this regards. During the year 2023-24 and 2022-23 , no single external customer has generated revenue of 10% or more of the Company's total revenue.

### **30 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 scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized Rs. 182.06 Lac (March 31, 2023 : Rs. 137.66 Lac) as expense towards contributions to these plans. The company does not have any further obligation in this regards.

#### **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.



## Notes to standalone financial statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### March 31, 2024 : Changes in defined benefit obligation

Particulars	April 1, 2023		Gratuity cost charged to statement of profit and loss		Benefit paid	Remeasurement (gains)/losses in other comprehensive income				Contributions by employer	March 31, 2024	
			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
Gratuity												
Defined benefit obligation	217.61		32.87	16.08	48.95	(12.75)	(0.60)	25.89	18.81	44.11	-	297.91
<b>Benefit liability</b>	<b>217.61</b>		<b>32.87</b>	<b>16.08</b>	<b>48.95</b>	<b>(12.75)</b>	<b>(0.60)</b>	<b>25.89</b>	<b>18.81</b>	<b>44.11</b>	<b>-</b>	<b>297.91</b>

### March 31, 2023 : Changes in defined benefit obligation

Particulars	April 1, 2022		Gratuity cost charged to statement of profit and loss		Benefit paid	Remeasurement (gains)/losses in other comprehensive income				Contributions by employer	March 31, 2023	
			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
Gratuity												
Defined benefit obligation	176.66		26.47	11.32	37.80	(19.58)	-	(9.19)	31.92	22.73	-	217.61
<b>Benefit liability</b>	<b>176.66</b>		<b>26.47</b>	<b>11.32</b>	<b>37.80</b>	<b>(19.58)</b>	<b>-</b>	<b>(9.19)</b>	<b>31.92</b>	<b>22.73</b>	<b>-</b>	<b>217.61</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.39%
Future salary increase	8.00%	7.00%
Attrition rate	For service 2 years and below 20.00% p.a. For service 3 years to 5 years 10.00% p.a. For service 6 years and above 5.00% p.a.	15.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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

### Gratuity

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		March 31, 2024	March 31, 2023
<b>Gratuity</b>			
Discount rate	1% increase	(21.97)	(8.58)
	1% decrease	25.32	9.38
Salary increase	1% increase	24.87	9.33
	1% decrease	(22.01)	(8.69)
Attrition rate	1% increase	(2.79)	(0.81)
	1% decrease	3.00	0.82

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

Particulars	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
Within the next 12 months (next annual reporting period)	29.52	43.01
2 to 5 years	67.18	97.84
6 to 10 years	182.13	113.57
Beyond 11 years	335.30	60.88
<b>Total expected payments</b>	<b>614.14</b>	<b>315.30</b>

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

Particulars	Years	
	March 31, 2024	March 31, 2023
Gratuity	9	5

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 31 Share-based payments

The company provides share-based payment schemes to its employees. During the year ended March 31, 2024, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

#### Employee Stock Option (ESOP) Scheme (2016)

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 September 23, 2016. In accordance with the ESOP 2016 :

- The Company has on August 23, 2018, granted 3,70,000 options to the eligible employees of the company at an exercise price of Rs. 158.30/-. The options under this grant would vest to the employees in the ratio of 25%, 25% and 50% on 1st year, 2nd year and 5th year respectively from the date of grant, based on continued service and certain performance parameters. These options can be exercised by the employees within period of five years from the date of respective vesting of options.
- The Company has on March 29, 2022, granted 4,50,000 options to the eligible employees of the company and subsidiaries, at an exercise price of Rs. 194.05/-. The options under this grant would vest to the employees in the ratio of 40% and 60% on 2nd year and 3rd year respectively from the date of grant, based on continued service and certain performance parameters. These options can be exercised by the employees within period of five years from the date of respective vesting of options.

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

Particulars	For the year 2023-24	For the year 2022-23
Expense arising from equity-settled share-based payment transactions	124.09	123.77
<b>Total</b>	<b>124.09</b>	<b>123.77</b>

\*There were no cancellations or modifications to the plan during the year ended March 31, 2024 or March 31, 2023.

#### Movement during the year:

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

Particulars	For the year 2023-24		For the year 2022-23	
	ESOP Scheme 2016 (Tranch-1)	ESOP Scheme 2016 (Tranch-2)	ESOP Scheme 2016 (Tranch-1)	ESOP Scheme 2016 (Tranch-2)
<b>Options</b>				
Outstanding at the beginning of the year	3,70,000	4,50,000	3,70,000	4,50,000
Exercised during the year	-	32,000	-	-
Outstanding at the end of the year	3,70,000	4,18,000	3,70,000	4,50,000
Exercisable at the end of the year	3,70,000	1,48,000	1,85,000	-
weighted average share price at the exercise date	-	666.85	-	-
weighted average remaining contractual life ( In years )	3.39	6.99	4.39	7.99

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.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 32 Fair value disclosures for financial assets and financial liabilities

Below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments:

Particulars	Carrying amount		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Financial assets measured at amortised cost</b>				
Investments ( Refer Note 4 )	26,141.81	18,485.87	26,141.81	18,485.87
Loans given ( Refer Note 5 )	17,720.04	27,039.84	17,720.04	27,039.84
Trade Receivables ( Refer Note 6 )	187.00	178.31	187.00	178.31
Other financial assets ( Refer Note 9 )	11,832.98	5,974.39	11,832.98	5,974.39
Cash and cash equivalents ( Refer Note 7 )	3,892.16	1,914.38	3,892.16	1,914.38
Other bank balances ( Refer Note 8 )	11.48	4.40	11.48	4.40
<b>Total</b>	<b>59,785.47</b>	<b>53,597.19</b>	<b>59,785.47</b>	<b>53,597.19</b>
<b>Financial assets measured at fair value through profit or loss</b>				
Investment in mutual funds ( Refer Note 4 )	8,693.40	5,931.88	8,693.40	5,931.88
<b>Total</b>	<b>8,693.40</b>	<b>5,931.88</b>	<b>8,693.40</b>	<b>5,931.88</b>
<b>Financial liabilities measured at amortised cost</b>				
Borrowings ( Refer Note 14 )	6,190.94	5,193.03	6,190.94	5,193.03
Trade payables ( Refer Note 15 )	3,079.90	1,647.35	3,079.90	1,647.35
Other financial liabilities ( Refer Note 16 )	4,817.21	364.75	4,817.21	364.75
<b>Total</b>	<b>14,088.05</b>	<b>7,205.13</b>	<b>14,088.05</b>	<b>7,205.13</b>

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

### 33 Fair value measurement hierarchy

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

	Level	March 31, 2024	March 31, 2023
<b>Assets disclosed at fair value</b>			
Investments ( Refer Note 4 )	Level - 1	8,693.40	5,931.88

The management assessed that carrying amount of unquoted Investments, cash and cash equivalents, other bank balance, trade receivables, loans, Other financial assets, trade payable and other financial liabilities approximate their fair values largely due to the short term maturities of these instruments. Borrowings are to be repaid as per specified repayment schedule.

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

### 34 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

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	March 31, 2024	March 31, 2023
Borrowings	6,190.94	5,193.04
Less: Cash and cash equivalents	(3,892.16)	(1,914.38)
<b>Net Debt (A)</b>	<b>2,298.78</b>	<b>3,278.66</b>
Equity share capital	4,534.40	4,531.20
Other equity	52,522.38	48,354.35
<b>Total Equity (B)</b>	<b>57,056.78</b>	<b>52,885.55</b>
<b>Gearing Ratio (C=A/B)</b>	<b>0.04</b>	<b>0.06</b>

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

### 35 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, Investments, 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 March 31, 2024 and March 31, 2023. 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 March 31, 2024 and March 31, 2023.

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.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	Changes in interest rate	Effect of profit before tax
March 31, 2024	+1%	(61.91)
	-1%	61.91
March 31, 2023	+1%	(51.93)
	-1%	51.93

### 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 (net) is as follows:

Particulars	March 31, 2024	March 31, 2023
More than 6 months	13.87	13.87
Others	173.13	164.44
<b>Total receivables</b>	<b>187.00</b>	<b>178.31</b>

#### 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 March 31, 2024 and March 31, 2023 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	More than 5 Years	Total
<b>Year ended March 31, 2024</b>						
Borrowings*	-	465.64	1,210.92	4,660.85	-	6,337.41
Trade payables	-	3,079.90	-	-	-	3,079.90
Other financial liabilities	4062.03	597.23	-	-	-	4659.26
Lease Liabilities	-	7.62	22.86	251.34	88.59	370.41
	<b>4062.03</b>	<b>4150.39</b>	<b>1,233.78</b>	<b>4,912.19</b>	<b>88.59</b>	<b>14446.98</b>

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	More than 5 Years	Total
<b>Year ended March 31, 2023</b>						
Borrowings*	-	58.83	205.67	4,977.19	-	5,241.69
Trade payables	-	1,647.35	-	-	-	1,647.35
Other financial liabilities	-	311.70	-	-	-	311.70
Lease Liabilities	-	0.92	2.75	25.41	50.24	79.31
	-	<b>2,018.80</b>	<b>208.42</b>	<b>5,002.60</b>	<b>50.24</b>	<b>7,280.05</b>

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

### 36 Disclosure in respect interest in joint ventures and subsidiaries

#### (a) List of subsidiaries

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding	
			March 31, 2024	March 31, 2023
<b>(i)</b>	<b>Companies</b>			
1	Arvind Hebbal Homes Pvt. Ltd.	India	100.00%	100.00%
2	Arvind Homes Pvt. Ltd.	India	100.00%	100.00%
3	Arvind SmartHomes Pvt. Ltd.	India	100.00%	100.00%
<b>(ii)</b>	<b>LLPs</b>			
1	ASL Facilities Management LLP	India	99.00%	99.00%
2	Uplands facilities Management 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	51.43%	51.43%
6	Arvind Five Homes LLP*	India	51.00%	51.00%
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%	99.79%
10	Arvind Smart City LLP	India	93.21%	93.21%
11	Arvind Infrabuild LLP	India	99.00%	99.00%
12	Thol Highlands LLP	India	75.00%	99.00%
13	Adroda Homes LLP	India	75.00%	-
14	Bavla Homes LLP	India	51.00%	-
15	Kalyangadh Homes LLP	India	75.00%	-
16	Lagdana Homes LLP	India	99.00%	-
17	Arvind Green Homes LLP (Formerly known as Amplus Ahmedabad Projects LLP)	India	99.00%	-
18	Arvind Integrated Projects LLP (Subsidiary from March 01,2024)	India	99.00%	-

\*Profit sharing of Arvind SmartSpaces Limited in Ahmedabad East Infrastructure LLP is 94% during March 31, 2024 and March 31, 2023.

\*Profit sharing of Arvind SmartSpaces Limited in Arvind Five Homes LLP is 41% during March 31, 2024 and March 31, 2023

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### (b) List of joint ventures

Sr No.	Name of Joint Ventures	Country of incorporation	Percentage of holding	
			March 31, 2024	March 31, 2023
(i)	<b>LLPs</b>			
1	Arvind Bsafal Homes LLP*	India	50.00%	50.00%

\* Profit sharing of Arvind SmartSpaces Limited in Arvind Bsafal Homes LLP is 41% during March 31, 2024 and March 31, 2023.

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	As at	
	March 31, 2024	March 31, 2023	March 31, 2023
	Arvind Bsafal Homes LLP	Arvind Bsafal Homes LLP	Arvind Integrated Projects LLP
Assets	51.82	91.27	0.51
Liabilities	0.69	0.40	0.74
Income	0.57	3.93	-
Expense (Including depreciation and tax)	0.31	<b>0.51</b>	<b>0.43</b>

### 37 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.12	1.07	5%	-
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.11	0.10	11%	-
Debt Service Coverage ratio	Earnings for debt service = Net Profit after taxes + Non-cash operating expenses (depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc."	Debt service = Interest & Lease Payments + Principal Repayments	1.37	0.91	51%	Increase in ratio is due to increase in net profit
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	10%	8%	31%	Higher return mainly due to increase in net profit
Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.23	0.33	-29%	Increase in ratio is due to increase in average inventory



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 37 Ratio Analysis and its elements (contd.)

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales	Average Trade Receivable	66.26	73.35	-10%	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases/ services - purchase return	Average Trade Payables	2.34	1.89	24%	-
Net Capital Turnover Ratio	Net sales = Total sales	Working capital = Current assets - Current liabilities	2.55	4.47	-43%	Increased in Working capital mainly due to increased investment and inventory
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	36%	32%	12%	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	12%	9%	26%	Higher return mainly due to increase in Earnings before interest and taxes
Return on Investment						
a. Mutual Funds	Gain on sale/ fair valuation of investment	Average investment in Mutual Funds	7%	7%	4%	-
b. Fixed Income Investments	Interest income	Average investment in Fixed Income investments	7%	7%	-3%	Investment in fixed income investment for a shorter term as large investments are in mutual funds

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 38 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 Private Limited	Subsidiary Company
Arvind Homes Private Limited	Subsidiary Company
Arvind Smart Homes Private limited	Subsidiary Company (w.e.f August 12, 2022)
Arvind Bsfal Homes LLP	Joint Venture
Arvind Integrated Projects LLP	Joint Venture (Upto February 28, 2024) Subsidiary Entity (Partner in LLP) (w.e.f March 01,2024)
ASL Facilities Management LLP	Subsidiary Entity (Partner in LLP)
Uplands facilities management LLP (Formerly known as Arvind Altura LLP)	Subsidiary Entity (Partner in LLP)
Changodar Industrial Infrastructure (One) LLP	Subsidiary Entity (Partner in LLP)
Chirping Woods Homes LLP	Fellow subsidiary Entity (Partner in LLP)
Ahmedabad Industrial Infrastructure (One) LLP	Subsidiary Entity (Partner in LLP)
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)
Arvind Smart City LLP	Subsidiary Entity (Partner in LLP)
Yogita Shelters LLP	Subsidiary Entity (Partner in LLP)
Arvind Infrabuild LLP	Subsidiary Entity (Partner in LLP) (w.e.f. October 6, 2022)
Thol Highlands LLP	Subsidiary Entity (Partner in LLP) (w.e.f. July 8, 2022)
Adroda Homes LLP	Subsidiary Entity (Partner in LLP) (w.e.f. May 30, 2023)
Bavla Homes LLP	Subsidiary Entity (Partner in LLP) (w.e.f. June 1, 2023)
Ahmedabad Chhabasar Homes LLP	Fellow Subsidiary Entity (Partner in LLP) (w.e.f. June 2, 2023)
Kalyangadh Homes LLP	Subsidiary Entity (Partner in LLP) (w.e.f. May 30, 2023)
Arvind Surat Homes LLP (Formerly known as Kesardi Homes LLP)	Fellow Subsidiary Entity (Partner in LLP) (w.e.f. June 2, 2023)
Lagdana Homes LLP	Subsidiary Entity (Partner in LLP) (w.e.f. June 2, 2023)
Arvind Green Homes LLP (Formerly known as Amplus Ahmedabad Projects LLP)	Subsidiary Entity (Partner in LLP) (w.e.f. February 1, 2024)
Mr. Sanjay S. 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. Pallavi Vyas	Non-Executive Director
Mr. Nirav Kalyanbhai Shah	Non-Executive Director
Mr. Ankit Jain	Chief Financial Officer - Key Managerial Personnel
Mr. Prakash Makwana	Company Secretary - Key Managerial Personnel
Aura Securities Private limited	Enterprise having significant influence by Key Management Personnel

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### A. Name of related parties and nature of relationship :

Entity name	Relationship
Aura Merchandise Private Limited	Enterprise having significant influence by Key Management Personnel
Aura Business Ventures LLP	Enterprise having significant influence by Key Management Personnel
Kausalya Realserve LLP	Enterprise having significant influence by Key Management Personnel
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	March 31, 2024	March 31, 2023
<b>Remuneration</b>		
Mr. Kamal Singal	439.78	418.23
Mr. Ankit Jain	178.84	135.99
Mr. Prakash Makwana	38.66	40.87
<b>Director's Sitting Fees &amp; Commission</b>		
Mr. Kulin Lalbhai	23.50	-
Mr. Sanjay Lalbhai	6.80	-
Mr. Prem Prakash Pangotra	8.80	6.50
Mr. Pratul Shroff	6.60	6.00
Ms. Pallavi Vyas	6.60	4.80
Mr. Nirav Kalyanbhai Shah	7.70	6.30
<b>Sale of Inventory / Assignment of Receivables</b>		
Arvind Hebbal Homes Private Limited	240.00	2,760.00
Arvind Infracon LLP	-	68.00
Mr. Ankit Jain and relatives	-	-
Kausalya Realserve LLP	-	-
Mr. Prakash Makwana	-	-
<b>Project Management Consultancy Income</b>		
Arvind Limited	872.68	733.27
<b>Expenses incurred</b>		
Arvind Lifestyle Brands Ltd	-	8.40
<b>Rent and Professional charges paid</b>		
Arvind Limited	11.04	33.81
<b>Purchase of Asset</b>		
Arvind Limited	-	3.68
<b>Purchase of Asset</b>		
Arvind Hebbal Homes Private Limited	5.35	-
<b>Sale of Asset</b>		
Arvind Smart Homes Private limited	0.86	-
Arvind Homes Private limited	2.90	-
Arvind Hebbal Homes Private Limited	0.79	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
Ahmedabad East Infrastructure LLP	2.58	-
<b>Advance for Land (Net)</b>		
Arvind Five Homes LLP	(540.88)	5,283.32
Ahmedabad East Infrastructure LLP	(1,054.90)	6,987.08
<b>Reimbursement of Employee Benefit Expense</b>		
Ahmedabad East Infrastructure LLP	335.80	406.68
Uplands Facilities Management LLP	25.27	18.35
Arvind Infracon LLP	98.71	408.51
Arvind Homes Private limited	328.72	189.73
Chirping Woods Homes LLP	200.64	150.95
Arvind Smart Homes Private limited	359.98	25.60
Arvind Hebbal Homes Private Limited	358.35	384.18
Yogita Shelters LLP	197.91	177.73
Kalyangadh Homes LLP	20.32	-
Thol Highlands LLP	8.41	-
Adroda Homes LLP	155.34	-
<b>Reimbursement of expenses received /(paid) (net)</b>		
Arvind Limited	256.16	59.47
Arvind Bsafal Homes LLP	7.45	0.37
Arvind Infracon LLP	-	68.89
Ahmedabad East Infrastructure LLP	12.74	11.12
Ahmedabad Industrial Infrastructure (One) LLP	0.27	0.11
Yogita Shelters LLP	1.51	(1.28)
Arvind Hebbal Homes Private Limited	28.83	79.71
Arvind Homes Private limited	17.24	15.50
Arvind Smart Homes Private limited	14.08	-
Arvind Five Homes LLP	-	0.93
Adroda Homes LLP	25.88	-
<b>Interest income from Limited Liability Partnerships</b>		
Ahmedabad East Infrastructure LLP	203.79	183.08
Arvind Five Homes LLP	11.30	168.70
Arvind Infracon LLP	-	217.37
Yogita Shelters LLP	87.47	44.18
Arvind Homes Private limited	580.72	825.60
Arvind Smart Homes Private limited	1,610.51	587.80
Arvind Hebbal Homes Private Limited	408.21	1,101.19
Kalyangadh Homes LLP	147.27	-
Adroda Homes LLP	43.93	-
Interest on OCDs to Arvind Smart Homes Private limited	50.00	-
<b>Investments made during the year</b>		
Ahmedabad East Infrastructure LLP	3,235.00	5,690.01
Ahmedabad Industrial Infrastructure (One) LLP	6.50	4.00
Arvind Five Homes LLP	757.00	1,101.48
Arvind Beyond Five Club LLP	220.00	173.00
Arvind Infracon LLP	16,491.50	5,774.13

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
Changodar Industrial Infrastructure (One) LLP	8.02	9.77
Yogita Shelters LLP	995.00	-
Arvind Smart City LLP	1,589.34	4,405.96
Arvind Infrabuild LLP	-	710.99
Kalyangadh Homes LLP	5,902.81	-
Lagdana Homes LLP	0.99	-
Arvind Smart Homes Private Limited	-	2,601.00
Thol Highlands LLP	698.00	-
Adroda Homes LLP	7,639.89	-
Uplands Facilities Management LLP	10.00	-
Bavla Homes LLP	1,262.51	-
Arvind Green Homes LLP	0.99	-
Arvind Integrated Projects LLP	0.49	-
<b>Investments withdrawn during the year</b>		
Ahmedabad East Infrastructure LLP	4,033.76	10,646.24
Arvind Bsafal Homes LLP	16.40	3.45
Arvind Five Homes LLP	348.00	4,526.60
Ahmedabad Industrial infrastructure (One) LLP	70.00	67.00
Arvind Infracon LLP	19,910.50	9,486.42
Arvind Beyond Five Club LLP	205.00	20.00
Changodar Industrial Infrastructure (One) LLP	6.55	-
Yogita Shelters LLP	125.00	140.00
Kalyangadh Homes LLP	607.00	-
Adroda Homes LLP	7,639.14	-
Arvind Smart City LLP	250.74	-
Bavla Homes LLP	45.00	-
Thol Highlands LLP	1.24	-
<b>Advance Share of Profit from LLPs</b>		
Arvind Infracon LLP	3,057.51	-
Adroda Homes LLP	835.86	-
Arvind Homes Private Limited	168.66	-
<b>Loans Given</b>		
Arvind Hebbal Homes Private Limited	1,639.28	460.93
Arvind Smart Homes Private Limited	13,237.16	17,088.28
Arvind Homes Private Limited	5,449.50	4,417.69
<b>Loans Repaid</b>		
Arvind Hebbal Homes Private Limited	5,849.53	-
Arvind Smart Homes Private Limited	10,440.36	3,298.98
Arvind Homes Private Limited	13,355.86	1,410.64
<b>Other receivable in respect of Project transfer</b>		
Arvind Hebbal Homes Private Limited	-	7,000.00
<b>Share of Profit/(Loss) from investments in LLP</b>		
Ahmedabad East Infrastructure LLP	1,204.69	(1,864.69)
Arvind Infracon LLP	891.31	2,528.55
Arvind Bsafal Homes LLP	0.11	1.40

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
Arvind Integrated LLP	-	(0.07)
<b>Money received against share warrants</b>		
Kausalya Realserve LLP	-	2,180.25
<b>Exercise of share options under ESOS / ESOP</b>		
Mr. Ankit Jain	23.29	-

### C. Disclosure in respect of outstanding balance as at March 31, 2024 :

Particulars	March 31, 2024	March 31, 2023
<b>Receivables for common sharing expenses</b>		
Arvind homes private Limited	355.02	204.91
Ahmedabad East Infrastructure LLP	362.66	439.22
Yogita Shelters LLP	213.74	191.95
Arvind Infracon LLP	106.61	268.33
Chirping Woods Homes LLP	216.69	163.02
Uplands Facilities Management LLP	27.29	19.82
Arvind Smart Homes Private Limited	388.78	27.65
Arvind Hebbal Homes Private Limited	387.02	414.91
Kalyangadh Homes LLP	21.95	-
Thol Highlands LLP	9.08	-
Adroda Homes LLP	167.77	-
Ahmedabad Chhabasar Homes LLP	100.96	-
Arvind Surat Homes LLP	0.42	-
<b>Other receivables / ( Payables) from LLP</b>		
Yogita Shelters LLP	2.10	2.30
Ahmedabad East Infrastructure LLP	5,882.85	6,934.63
Arvind Infracon LLP	2.38	19.43
Arvind Beyond Five Club LLP	-	-
Arvind Hebbal Homes Private Limited	6.71	21.75
Arvind Five homes LLP	7,495.55	8,028.50
Arvind Smart City LLP	-	0.87
Arvind Homes Private Limited	7.79	11.86
Adroda Homes LLP	8.83	-
Arvind Smart Homes Private Limited	16.72	-
<b>Advance Share of Profit from LLPs</b>		
Arvind Infracon LLP	(3,057.51)	-
Adroda Homes LLP	(835.86)	-
Arvind Homes Private Limited	(168.66)	-
<b>Receivables for Interest accrued but not due</b>		
Arvind Five Homes LLP	59.99	168.70
Ahmedabad East Infrastructure LLP	203.79	183.09
Arvind Infracon LLP	-	217.37
Arvind Hebbal Homes Private Limited	367.39	1,141.05
Arvind homes private limited	522.64	743.04
Yogita Shelters LLP	87.47	44.18
Arvind Smart Homes Private Limited	2,028.48	529.02

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### C. Disclosure in respect of outstanding balance as at March 31, 2024 :

Particulars	March 31, 2024	March 31, 2023
Kalyangadh Homes LLP	147.27	-
Adroda Homes LLP	43.93	-
<b>Trade Receivable</b>		
Arvind Limited	172.86	164.43
<b>Trade payables</b>		
Arvind Homes Private limited	-	5.87
Arvind Limited	5.09	80.32
Ahmedabad East Infrastructure LLP	-	207.56
Yogita Shelters LLP	-	5.17
Arvind Five Homes LLP	-	0.02
Mr. Prem Prakash Pangotra	4.50	5.00
Mr. Pratul Shroff	4.50	5.00
Ms. Pallavi Vyas	4.00	4.00
Mr. Nirav Kalyanbhai Shah	4.50	5.00
Mr. Sanjay S. Lalbhai	3.60	-
Mr. Kulin Lalbhai	19.80	-
<b>Employee Benefits Expense Payable</b>		
Mr. Kamal Singal	105.54	20.29
Mr. Ankit Jain	5.87	4.64
Mr. Prakash Makwana	2.57	5.29
<b>Advance to suppliers</b>		
Arvind Limited	-	6.50
Changodar Industrial Infrastructure (One) LLP	-	0.02
<b>Loans Given/(Taken)</b>		
Arvind Homes Private Limited	-	7,912.67
Arvind Hebbal Homes Private Limited	1,133.95	5,337.88
Arvind Smart Homes Private limited	16,586.09	13,789.29
<b>Capital Contributions (Initial and Additional)</b>		
Ahmedabad East Infrastructure LLP	2,844.59	2,438.66
Arvind Bsafal Homes LLP	8.33	24.62
Ahmedabad Industrial Infrastructure (One) LLP	1,281.27	1,344.77
ASL Facilities Management LLP	32.49	32.49
Uplands facility management LLP	12.36	2.36
Arvind Beyond Five Club LLP	433.38	418.38
Arvind Five Homes LLP	438.10	29.10
Arvind Infracon LLP	0.99	2,529.54
Changodar Industrial Infrastructure (One) LLP	27.96	26.50
Arvind Infrabuild LLP	710.99	710.99
Yogita Shelters LLP	2,698.22	1,828.22
Arvind Smart City LLP	6,585.84	5,247.24
Kalyangadh Homes LLP	5,295.81	-
Lagdana Homes LLP	0.99	-
Arvind Integrated Projects LLP	0.49	-
Thol Highlands LLP	697.75	-
Arvind Green Homes LLP	0.99	-
Adroda Homes LLP	0.75	-

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### C. Disclosure in respect of outstanding balance as at March 31, 2024 :

Particulars	March 31, 2024	March 31, 2023
Bavla Homes LLP	1,217.51	-
<b>Investment in subsidiary company</b>		
Arvind Hebbal Homes Private Limited	1.00	1.00
Arvind Homes Private Limited	1,251.00	1,251.00
Arvind Smart Homes Private limited	2,601.00	2,601.00

### D. Terms and conditions of transactions with related parties :

- 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 except as specified and expected based on terms of agreement 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.
- 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.
- Refer note 31 for ESOPs granted as per ESOP schemes

### E. Commitments with related parties :

The company has not provided any commitment to the related party as at March 31, 2024 (March 31, 2023: Rs. Nil)

### F. Transactions with key management personnel :

Compensation of key management personnel of the Company

Particulars	March 31, 2024	March 31, 2023
Short-term employee benefits	657.27	595.08
Post employment benefits		
Other long-term employment benefits		
<b>Total compensation paid to key management personnel</b>	<b>657.27</b>	<b>595.08</b>

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.

## 39 Disclosures for Ind AS 115

### Revenue from contracts with customers:

#### 1 Disaggregation of revenue

Below is the disaggregation of the Company's revenue from contracts with customers, which is in agreement with the contracted price and is recognised in accordance with revenue recognition policy. ( Refer Note -2.2 (i))

Particulars	Note	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Revenue from contracts with customers</b>			
Commercial and residential units	19	12,101.94	10,317.99
<b>Timing of revenue recognition</b>			
Revenue transferred at a point in time		12,101.94	10,317.99



## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 2 Contract balances

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Trade and other receivables	6	187.00	178.31
Contract liabilities	18	40,655.63	36,963.93

Trade receivables are generally on credit terms of upto 30-60 days.

Contract liabilities include advances received from customers representing transaction price allocated to unsatisfied performance obligations. The increase in contract liabilities majorly pertains to revenue to be recognised pertaining to Uplands - II and Highgrove projects since BU for the same is yet to be received / Sale deeds yet to be executed.

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue recognised during the year that was included in the contract liability balance at the beginning of the year.	10,871.67	5,930.75

### 3 Performance obligations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
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	44,933.41	46,631.58

\*\*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.

For information on major customers refer Note-29.

## 40 Leases

### Company as a lessee

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. Right to use assets are initially recognized that is equal to lease liabilities on the initial application date.

The company has lease contract for office building at head office-Ahmedabad used for its operations with lease term of 3 years and option of further extension for additional 7 years at the option of lessee . Accordingly, a right-of-use asset of Rs. 82.14 Lac and a corresponding lease liability of Rs. 82.14 Lac has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The company's obligations under its leases are secured by the lessor's title to the leased assets. The lease contract includes extension and termination options and variable lease payments, which are further discussed below.

The company has lease contract for office building at Bangalore used for its operations with lease term of 7 years . Accordingly, a right-of-use asset of Rs. 318.81 Lac and a corresponding lease liability of Rs. 318.81 Lac has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The company's obligations under its leases are secured by the lessor's title to the leased

## Notes to Standalone Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

assets. The lease contract includes extension and termination options and variable lease payments, which are further discussed below.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
<b>As at April 1</b>	73.92	-
Additions ( Refer Note 3.2)	318.81	82.14
Depreciation Expense ( Refer Note 3.2)	53.75	8.21
<b>As at March 31</b>	<b>338.98</b>	<b>73.92</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
<b>As at April 1</b>	79.31	-
Additions	318.82	82.14
Accretion of interest	39.81	8.21
Payments	(67.53)	(11.04)
<b>As at March 31</b>	<b>370.41</b>	<b>79.31</b>
Current	30.49	3.66
Non-current	339.92	75.65

The maturity analysis of lease liabilities disclosed as below:

Particulars	March 31, 2024	March 31, 2023
Maturity analysis of contractual undiscounted cashflows		
Less than one Year	30.49	3.66
One to Five Years	251.34	25.41
More than 5 Years	88.59	50.24
<b>Total</b>	<b>370.41</b>	<b>79.31</b>

The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The following are the amounts recognised in profit or loss:

Particulars	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets (Refer Note 3.3)	53.75	8.21
Interest expense on lease liabilities (Refer Note 24)	39.81	8.21
Expense relating to short-term leases (included in other expenses)	1.02	-
<b>Total amount recognised in statement of profit or loss</b>	<b>94.58</b>	<b>16.42</b>

The company had total cash outflows for leases of Rs. 67.53 Lac in March 31, 2024 (Rs. 11.04 Lac in March 31, 2023). The company had non-cash additions of right-of-use assets and lease liabilities of Rs. 318.81 Lac in March 31, 2023 (Rs.82.14 Lac in March 31, 2023).

The Company has incurred leasehold improvement cost of Rs. 66.83 Lac which will be amortised over the tenure of lease. ( Refer Note 3.1)

### 41 Events after the reporting period:

The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer Note 13 for details.

## Notes to Standalone Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

**42** The company has migrated to SAP Application software from legacy Farvision software wef July 31, 2023 for maintaining its books of account during the year. In respect of SAP Application software, which has a feature of recording audit trail (edit log) facility, the same has operated for all the transactions recorded in the Application except that audit trail feature is not enabled for direct changes to data when using certain access rights to the HANA application. Further there is no instance of audit trail feature being tampered with in respect of the SAP Application accounting software. In respect of legacy software, Farvision which was operated by a third-party software service provider, Management is not in possession of Service Organization Controls report to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

### 43 Other statutory Information:

- a The Company has availed loans from banks on the basis of security of current assets. The Company files statement of current assets with the bank on periodical basis. There are no material discrepancies between the statements filed by the Company and the books of accounts of the Company.
- b The company has not been declared a wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- c There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- d The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- e The company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.
- f There is no immovable property whose title deed is not held in the name of the company.
- g There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- h The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i The company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- j The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- k The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Prevention of Money-Laundering Act, 2002 wherever applicable.

## **Notes to Standalone Financial Statements** for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

**44** These financial statements is not signed by CFO since existing CFO has resigned with effect from April 22, 2024.

**45** The figures for the previous year have been regrouped wherever necessary to conform with the current year's classification.

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**per Sukrut Mehta**

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6,2024

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6,2024

# INDEPENDENT AUDITOR'S REPORT

To  
the Members of  
**Arvind SmartSpaces Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated 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") and its joint venture comprising of the consolidated Balance sheet as at March 31, 2024, 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 financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us 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 venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 and its joint venture as at March 31, 2024, their consolidated profit including other comprehensive loss, 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 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 Financial Statements' section of our report. We are independent of the Group and its joint venture 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 financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 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 financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue from contracts with customer (Refer Note 2.3 of the consolidated financial statements)</b></p>	
<p>In accordance with the requirements of Ind AS 115, Group's revenue from real estate projects is recognized at a point in time, which is upon the Group satisfying its performance obligation and the customer obtaining control of the promised asset.</p> <p>Application of Ind AS 115 requires significant judgment in determining when 'control' of the property underlying the performance obligation is transferred to the customer and in assessment of whether the contracts with customers involved any financing element.</p> <p>As the revenue recognition involves significant judgement, we regard this as a key audit matter.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ We assessed the management evaluation of whether the contracts with customers involved any financing element, taking in to account the consideration received in accordance with the terms of the contract.</li> <li>▪ We performed test of details, on a sample basis, and inspected the underlying customer contracts, sale deed documents, evidencing the satisfaction of performance obligation and the transfer of control of the property based on which revenue is recognized at a point in time.</li> <li>▪ We performed cut off procedures for determination of revenue in appropriate reporting period.</li> <li>▪ We assessed the disclosures made in accordance with the requirements of Ind AS 115.</li> </ul>
<p><b>Assessing the carrying value of Inventory (Refer Note 2.3 of the consolidated financial statements)</b></p>	
<p>As at March 31, 2024, the carrying value of the inventory of ongoing and completed real estate projects is Rs.136,195.91 Lac. The inventories are held at the lower of the cost and net realizable value.</p> <p>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. 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.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>▪ Obtained an understanding of the management process for determination of the Net realizable value (NRV) including estimating the future costs to complete for stock of ongoing projects.</li> <li>▪ Obtained, read and assessed the management's process in estimating the future costs to complete stock of ongoing projects.</li> <li>▪ Assessed the methods used by the management, in determining the NRV of ongoing and completed real estate projects and tested the underlying assumptions used by the management in arriving at those projections.</li> <li>▪ Performed sensitivity analysis on these key assumptions to assess any potential downside.</li> </ul> <p>- For sample of selected projects:</p> <ul style="list-style-type: none"> <li>▪ Compared the forecasted costs to complete the project to the construction costs of other similar projects</li> <li>▪ Compared the NRV to recent sales in the project or to the estimated selling price.</li> <li>▪ Compared the carrying value to the NRV.</li> </ul>

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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 financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated 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 loss, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint venture 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 and management of limited liability partnerships included in the Group and of its joint venture 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 venture 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 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 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 and management of limited liability partnership included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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 venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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 venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. 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 financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 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

- (a) We did not audit the financial statements and other financial information, in respect of 17 subsidiaries, whose financial statements include total assets of Rs. 46,636.66 Lac as at March 31, 2024, and total revenues of Rs. 115.19 Lac and net cash outflows of Rs. 682.81 Lac for the year ended on that date. These 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 financial statements also include the Group's share of net profit of Rs. 0.11 Lac for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 joint venture, 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, 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 and joint venture, is based solely on the reports of such other auditors.

Our opinion above on the consolidated 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:



- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive loss, 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 financial statements;
- (d) In our opinion, the aforesaid consolidated 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 and Subsidiaries as on March 31, 2024 taken on record by the respective Board of Directors of the Holding Company and its subsidiaries, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, 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, 2024 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).
- (i) 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, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint venture in its consolidated financial statements - Refer Note 28 to the consolidated financial statements;
  - ii. The Group and its joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2024.
  - iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, as disclosed in note 44 to the consolidated financial statements, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The respective managements of the Holding Company and its subsidiaries

which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, as disclosed in note 44 to the consolidated financial statements, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 43 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend and one-time special dividend for the year which is subject to the approval of the members at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. The Group has migrated to SAP Application software from legacy Farvision software for

maintaining its books of account during the year. Based on our examination of books of account of the Holding Company and subsidiaries incorporated in India which included test checks, Holding Company and subsidiaries has used accounting software SAP, for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled for direct changes to data when using certain access rights as explained in note 42 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the SAP Application accounting software.

In respect of legacy software Farvision, which was operated by third-party service provider, in the absence of Service Organization Controls report we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the period for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 24101974BKERSG2212

Place of Signature: Ahmedabad

Date: May 06, 2024

## ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE ON CONSOLIDATED FINANCIAL STATEMENTS OF ARVIND SMARTSPACES LIMITED

(xxi) Qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	Arvind Smartspaces Limited	L45201GJ2008PLC055771	Holding Company	iii(c )
2.	Arvind Hebbal Homes Private Limited	U45200GJ2011PTC066023	Subsidiary	xvii, ix(d)
3	Arvind Homes Private Limited	U70104GJ2019PTC108188	Subsidiary	xvii, ix(d)
4	Arvind Smarthomes Private Limited	U70109GJ2022PTC134678	Subsidiary	xvii

### For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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### per Sukrut Mehta

Partner

Membership Number: 101974

UDIN: 24101974BKERSG2212

Place of Signature: Ahmedabad

Date: May 06, 2024

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED 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")**

In conjunction with our audit of the consolidated financial statements of Arvind Smartspaces Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls over financial reporting 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting, both, issued by ICAI. 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

with reference to 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A company's internal financial controls over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls

with reference to consolidated financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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### **per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 24101974BKERSG2212

Place of Signature: Ahmedabad

Date: May 06, 2024

## Consolidated Balance Sheet as at March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	4,795.68	4,527.01
Capital work in progress	3.1	1,865.27	1,572.11
Other Intangible assets	3.2	188.29	42.19
Right of use assets	3.3	338.98	73.92
Intangible assets under development	3.2	-	144.20
Financial assets			
(i) Other financial assets	9	14,387.78	3,830.20
Deferred tax assets (net)	26	2,601.14	3,041.91
Income tax assets (net)		1,159.52	1,231.35
Other non-current assets	11	13,565.47	2,111.42
<b>Total non-current assets</b>		<b>38,902.13</b>	<b>16,574.31</b>
<b>Current Assets</b>			
Inventories	10	1,36,195.91	95,703.18
Financial assets			
(i) Investment in joint ventures	4	8.33	24.62
(ii) Investments	5	10,320.04	8,324.43
(iii) Trade receivables	6	261.84	271.29
(iv) Cash and cash equivalents	7	6,302.70	6,360.78
(v) Bank balance other than (iv) above	8	11.48	4.40
(vi) Other financial assets	9	9,301.60	13,721.37
Other current assets	11	8,934.74	10,076.50
<b>Total current assets</b>		<b>1,71,336.64</b>	<b>1,34,486.57</b>
<b>Total assets</b>		<b>2,10,238.77</b>	<b>1,51,060.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	4,534.40	4,531.20
Other equity	13	44,921.73	42,109.97
<b>Equity attributable to equity holders of the parent</b>		<b>49,456.13</b>	<b>46,641.17</b>
Non-controlling interests		13,160.93	2,898.96
<b>Total Equity</b>		<b>62,617.06</b>	<b>49,540.13</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	14	9,094.81	14,270.75
(ii) Lease Liabilities		339.92	75.65
Long term provisions	17	411.65	271.00
Deferred tax liabilities (net)	26	50.58	-
<b>Total non-current liabilities</b>		<b>9,896.96</b>	<b>14,617.40</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	14	1,556.92	230.09
(ii) Lease Liabilities		30.49	3.66
(iii) Trade payables			
Total outstanding dues of micro enterprise and small enterprises	15	304.58	99.43
Total outstanding dues of creditors other than micro enterprise and small enterprises	15	12,060.40	5,893.98
(iv) Other financial liabilities	16	1,557.72	1,578.88
Other current liabilities	18	1,21,536.38	78,820.72
Short term provisions	17	51.58	69.98
Current tax liabilities (net)		626.67	206.61
<b>Total current liabilities</b>		<b>1,37,724.74</b>	<b>86,903.35</b>
<b>Total equity and liabilities</b>		<b>2,10,238.77</b>	<b>1,51,060.88</b>
Summary of Material Accounting Policies	2.3		

The accompanying notes are an integral part of these 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 : May 6,2024

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6,2024

## Consolidated Statement of Profit and Loss for the year ended March 31,2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	Note	For the year 2023-24	For the year 2022-23
<b>INCOME</b>			
Revenue from contracts with customers	19	34,117.72	25,591.68
Other income	20	970.01	733.36
<b>Total Income</b>		<b>35,087.73</b>	<b>26,325.04</b>
<b>EXPENSES</b>			
Cost of construction materials and components consumed	21	2,596.67	1,701.57
Land development costs		35,093.29	19,244.64
Construction and labour costs		11,508.82	10,585.91
Changes in inventories	22	(40,004.30)	(18,962.62)
Employee benefits expenses	23	5,390.16	3,681.91
Finance costs	24	4,093.81	1,399.47
Depreciation and amortisation expense	3.1/3.2/3.3	450.40	270.90
Other expenses	25	8,387.59	4,446.88
<b>Total Expenses</b>		<b>27,516.44</b>	<b>22,368.66</b>
Share of profit from joint venture		0.11	1.33
<b>Profit from operations before tax</b>		<b>7,571.40</b>	<b>3,957.71</b>
<b>Tax expense:</b>			
Current tax charge	26	2,118.02	1,802.73
Adjustment of tax pertaining to earlier years	26	(56.99)	(104.06)
Deferred tax charge/(credit)	26	401.29	(523.67)
<b>Total tax expense</b>		<b>2,462.33</b>	<b>1,175.00</b>
<b>Net Profit for the year</b>		<b>5,109.08</b>	<b>2,782.71</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains/(losses) on defined benefit plans		(44.10)	(22.73)
Income tax effect		11.10	5.72
<b>Total other comprehensive income/(loss) for the year, net of tax</b>		<b>(33.00)</b>	<b>(17.01)</b>
<b>Total Comprehensive Income for the year</b>		<b>5,076.08</b>	<b>2,765.70</b>
<b>Profit for the year attributable to :</b>			
Equity holders of the parent company		4,157.06	2,560.75
Non-controlling interests		952.02	221.96
<b>Other comprehensive income attributable to :</b>			
Equity holders of the parent company		(33.00)	(17.01)
Non-controlling interests		-	-
<b>Total comprehensive income attributable to :</b>			
Equity holders of the parent company		4,124.06	2,543.74
Non-controlling interests		952.02	221.96
<b>Earnings per equity share (nominal value per share Rs. 10/- (March 31 2023: Rs. 10/-))</b>	27		
Basic		9.17	5.83
Diluted		9.09	5.63
Summary of Material Accounting Policies	2.3		

The accompanying notes are an integral part of these 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 : May 6,2024

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6,2024

## Consolidated Cash Flow Statement for the year ended March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	For the year 2023-24	For the year 2022-23
<b>A. Cash flow from operating activities</b>		
Profit for the year before tax	7,571.40	3,957.71
Adjustments to reconcile profit before tax to net cash flow:		
Share of profit of LLP and joint ventures	(0.11)	(1.33)
Depreciation and amortization expense	450.40	270.90
Loss on sale of property, plant and equipment (Net)	31.30	17.51
Finance cost	4,093.81	1,399.47
Share based payment expense	124.11	123.77
Interest income	(34.80)	(547.61)
Gain on sale of Mutual funds	(791.00)	(62.85)
Sundry balances written off/ written back (Net)	152.67	54.57
<b>Operating profit before working capital changes</b>	<b>11,597.78</b>	<b>5,212.14</b>
Adjustments for:		
Increase in trade payables	6,371.57	267.17
Increase in provisions	78.16	26.00
Increase in other liabilities	42,715.66	24,602.05
Increase in financial liabilities	170.14	110.05
(Increase) in inventory	(40,492.73)	(19,082.70)
(Increase) in financial assets	(6,054.48)	(11,022.21)
(Increase) / Decrease in trade receivables	9.45	(165.15)
(Increase) in other assets	(9,826.17)	(6,413.23)
Cash generated from / (used in) operations	4,569.38	(6,465.88)
Direct taxes paid (net of refund)	(1,519.25)	(3,638.39)
<b>Net cashflow generated from / (used in) operating activities</b> [A]	<b>3,050.13</b>	<b>(10,104.27)</b>
<b>B. Cash flow from investing activities</b>		
(investments) in mutual funds	(1,204.61)	(8,261.16)
(Investments)/redemption of fixed deposits	(73.71)	482.38
(Investment)/Proceeds from other bank balances	(7.08)	-
Purchase of property, plant and equipment including CWIP, capital advances and intangibles	(1,593.33)	(1,052.00)
Proceeds from withdrawal of investments in joint ventures	16.40	3.80
Proceeds from sale of property, plant and equipments	51.46	90.65
Interest received	34.48	584.48
<b>Net cashflow (used in) investing activities</b> [B]	<b>(2,776.39)</b>	<b>(8,151.85)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long term borrowings	5,268.77	9,625.92
Repayment of long term borrowings	(4,307.21)	(4,499.93)
Proceeds from issue of debentures	3,000.00	5,200.00
Repayment of debentures	(8,002.80)	(1,680.00)
Capital contribution in LLP by minority partners	11,697.19	879.54
Withdrawal from LLP by minority partners	(2,387.23)	(1,704.42)
Payment of lease liabilities	(67.29)	(11.04)
Finance costs paid	(4,107.12)	(463.93)
Dividend paid	(1,488.22)	-
Proceeds from issue of share capital through ESOPs & warrants (including securities premium)	62.09	2,180.26
<b>Net cashflow (used in) / generated from financing activities</b> [C]	<b>(331.82)</b>	<b>9,526.40</b>
<b>Net (decrease) in cash and cash equivalents</b> [A+B+C]	<b>(58.08)</b>	<b>(8,729.72)</b>
Cash and cash equivalents at the beginning of the year	6,360.78	15,090.50



## Consolidated Cash Flow Statement for the year ended March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

Particulars	For the year 2023-24	For the year 2022-23
Cash and cash equivalents at the end of the year	6,302.70	6,360.78
Components of cash and cash equivalents (Refer note - 7)		
Balances with banks	3,164.46	3,913.68
Cash in hand	6.91	11.81
Fixed deposits having maturity of less than 3 months	3,131.33	2,430.89
	<b>6,302.70</b>	<b>6,360.78</b>
Summary of Material Accounting Policies	2.3	

### Notes to the Cash Flow Statement:

- The Cash Flow Statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.
- Changes in liabilities arising from financing activities :

Particulars	April 1, 2023	Cash flow	New Leases	Other	March 31, 2024
Non-current borrowings (Note 14)	14,500.84	(4,041.24)	-	192.12	10,651.72
Accrued interest (Note 16)	48.65	-	-	97.82	146.47
Lease Liability (Note 41)	79.31	(67.29)	318.81	39.58	370.41
<b>Total liabilities from financing activities</b>	<b>14,628.80</b>	<b>(4,108.53)</b>	<b>318.81</b>	<b>329.52</b>	<b>11,168.60</b>

Particulars	April 1, 2022	Cash flow	New Leases	Other	March 31, 2023
Non-current borrowings (Note 14)	3,016.82	8,645.99	-	2,838.03	14,500.84
Accrued interest (Note 16)	-	-	-	48.65	48.65
Lease Liability (Note 41)	-	(11.04)	82.14	8.21	79.31
<b>Total liabilities from financing activities</b>	<b>3,016.82</b>	<b>8,634.95</b>	<b>82.14</b>	<b>2,894.89</b>	<b>14,628.80</b>

Note : The 'other' column includes accrued interest & lease liabilities and the effect of reclassification if any, of non-current portion of borrowings to current, including lease liabilities due to passage of time etc.

- Non cash financing and Investing activities:

Particular	March 31, 2024	March 31, 2023
Acquisition of Right of use of Assets (refer Note 41)	318.81	82.14

- Figures in brackets indicate outflow.

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

#### Sanjay Lalbhai

Chairman

DIN : 00008329

#### Kamal Singal

MD & CEO

DIN : 02524196

#### per Sukrut Mehta

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6, 2024

#### Prakash Makwana

Company Secretary

Place : Ahmedabad

Date : May 6, 2024

## Consolidated Statement of Changes in Equity for the year ended March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

### A. Equity share capital (Refer Note 12)

#### F.Y. 2023-24

Particulars	Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the current Year	Changes in equity share capital during the current year	Balance as at March 31, 2024
Equity Shares of Rs.10 each Issued, Subscribed and fully paid up	4,531.20	-	4,531.20	3.20	4,534.40
	<b>4,531.20</b>	-	<b>4,531.20</b>	<b>3.20</b>	<b>4,534.40</b>

#### F.Y. 2022-23

Particulars	Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the current Year	Changes in equity share capital during the current year	Balance as at March 31, 2023
Equity Shares of Rs.10 each Issued, Subscribed and fully paid up	4,246.20	-	4,246.20	285.00	4,531.20
	<b>4,246.20</b>	-	<b>4,246.20</b>	<b>285.00</b>	<b>4,531.20</b>

## Consolidated Statement of Changes in Equity for the year ended March 31, 2024

(Amount in Rs. Lac unless stated otherwise)

### B. Other Equity

For the year ended March 31 2024:

Particulars	Reserves and Surplus attributable to equity holders of the Parent company (Refer note 13)					Non-controlling Interest	Total other equity
	Securities Premium	Capital Reserve	Share based Payment Reserve	Retained Earnings	Total		
<b>As at April 1, 2023</b>	<b>27,864.86</b>	<b>38.36</b>	<b>124.87</b>	<b>14,081.88</b>	<b>42,109.97</b>	<b>2,898.96</b>	<b>45,008.93</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Profit for the year	-	-	-	4,157.06	4,157.06	952.02	5,109.08
Remeasurement gains/(losses) on defined benefit plans (net of taxes)	-	-	-	(33.00)	(33.00)	-	(33.00)
<b>Total comprehensive income for the year</b>	<b>27,864.86</b>	<b>38.36</b>	<b>124.87</b>	<b>18,205.94</b>	<b>46,234.03</b>	<b>3,850.98</b>	<b>50,085.01</b>
Against Issue of equity shares pursuant to exercise of ESOP	58.90	-	-	-	58.90	-	58.90
Transferred on exercise of stock options	-	-	(22.03)	22.03	-	-	-
Compensation expense for options granted during the year	-	-	124.09	-	124.09	-	124.09
Withdrawal of capital by non controlling interests	-	-	-	-	-	9,309.95	9,309.95
Dividend	-	-	-	(1,495.30)	(1,495.30)	-	(1,495.30)
<b>As at March 31, 2024</b>	<b>27,923.76</b>	<b>38.36</b>	<b>226.93</b>	<b>16,732.67</b>	<b>44,921.73</b>	<b>13,160.93</b>	<b>58,082.66</b>

## Consolidated Statement of Changes in Equity

for the year ended March 31, 2024  
(Amount in Rs. Lac unless stated otherwise)

For the year ended March 31 2023:

Particulars	Reserves and Surplus attributable to equity holders of the Parent company (Refer note 13)					Non-controlling Interest	Total other equity
	Securities Premium	Capital Reserve	Share based Payment Reserve	Retained Earnings	Equity Component of Compound Financial Instrument		
<b>As at April 1, 2022</b>	<b>25,242.86</b>	<b>38.36</b>	<b>1.10</b>	<b>11,234.15</b>	<b>2,418.43</b>	<b>3,763.15</b>	<b>42,698.04</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Profit for the year	-	-	-	2,560.75	-	221.96	2,782.71
Remeasurement gains/(losses) on defined benefit plans (net of taxes)	-	-	-	(17.01)	-	-	(17.01)
<b>Total comprehensive income for the year</b>	<b>25,242.86</b>	<b>38.36</b>	<b>1.10</b>	<b>13,777.88</b>	<b>2,418.43</b>	<b>3,985.11</b>	<b>45,463.74</b>
Equity Component of Compound Financial Instrument	-	-	-	-	(2,418.43)	-	(2,418.43)
Against issue of equity shares pursuant to exercise of preferential issue	2,622.00	-	-	-	-	-	2,622.00
Compensation expense for options granted during the year	-	-	123.77	-	-	-	123.77
Acquisition of non controlling interest	-	-	-	304.00	-	-	304.00
Withdrawal of capital by non controlling interests	-	-	-	-	-	(1,086.15)	(1,086.15)
<b>As at March 31, 2023</b>	<b>27,864.86</b>	<b>38.36</b>	<b>124.87</b>	<b>14,081.88</b>	<b>-</b>	<b>2,898.96</b>	<b>45,008.93</b>

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**per Sukrut Mehta**

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6, 2024

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6, 2024

# Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

## 1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Arvind SmartSpaces Limited (“Holding Company” or “ASL”) (CIN: L45201GJ2008PLC055771) and its subsidiaries (the Holding Company and its Subsidiaries together referred to as “the Group”) and its Joint Ventures for the year ended March 31, 2024. The Company is a public company domiciled in India and is incorporated on December 26, 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 in the business of development of real estate comprising of residential, commercial and industrial projects.

The consolidated financial statements were authorized and approved for issue in accordance with a resolution of the directors on May 06, 2024.

## 2. MATERIAL ACCOUNTING POLICIES

### 2.1 Statement of compliance and basis of preparation

The consolidated financial statements of the Group and its joint ventures 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 Consolidated financial statements.

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

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 Rs. and all values are rounded to the nearest Lac (Rs. 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements provide comparative information in respect of the previous year. In addition, the Group presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

### 2.2 Summary of Material Accounting Policies

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its joint ventures as at March 31, 2024. 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.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

#### 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.

## **Notes to Consolidated Financial Statements** for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

- 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 property, plant and equipment, 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 31 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 Material 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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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. 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.

## **Notes to Consolidated Financial Statements** for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that incremental future economic benefits associated with the item will flow to the company.

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.

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 for its intended 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.

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost less accumulated impairment loss, if any.

### **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.

The leasehold improvements are depreciated over the period of lease term or life of asset whichever is less.

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 softwares and SAP 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. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. 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 expenditures relating to real estate activity are inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost



## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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.

### 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.

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.

#### (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

## **Notes to Consolidated Financial Statements** for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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")**

The Company's share in profits from LLPs, 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.

## **I. 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.

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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

### 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.

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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.

### 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. Leases

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (i) the contract involves the use of identified asset; (ii) the

## **Notes to Consolidated Financial Statements** for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

### **Where the Group is the lessee**

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

### **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 with the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient. 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

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies - Revenue from contracts with customers.

### **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

## **Notes to Consolidated Financial Statements** for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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.

### **xi. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **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

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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.

### u. Dividend

The Group recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## 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:

Evaluation of indicators for impairment of Investment in Joint Ventures:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

### (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.

## **Notes to Consolidated Financial Statements** for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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.

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 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 the customer.

## **2.4 New Standards, Interpretation and amendments adopted by the Group**

### **New and amended Standards:-**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The group applied for the first-time these amendments.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

### (i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the group's financial statements.

### (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the group's financial statements.

### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendment have no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 1, 2022.

#### Standards notified but not yet effective:

There are no standards that are notified and not yet effective as on the date.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 3.1 Property Plant and Equipment

Particulars	Buildings	Equipments	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Land	Leasehold Improvements (Refer Note 41)	Total	Capital Work in progress*
<b>Cost ( Refer note 1 below)</b>										
<b>At April 1, 2022</b>	<b>3,211.09</b>	<b>577.91</b>	<b>344.39</b>	<b>40.08</b>	<b>94.39</b>	<b>436.87</b>	<b>158.34</b>	-	<b>4,863.07</b>	<b>1,204.07</b>
Additions	50.05	159.30	48.37	21.11	52.87	170.75	3.59	82.15	588.21	412.61
Disposals/transfers	-	(73.77)	(43.52)	(3.11)	(2.17)	(66.79)	-	-	(189.36)	(44.56)
<b>At March 31, 2023</b>	<b>3,261.15</b>	<b>663.45</b>	<b>349.24</b>	<b>58.08</b>	<b>145.10</b>	<b>540.83</b>	<b>161.93</b>	<b>82.15</b>	<b>5,261.92</b>	<b>1,572.11</b>
Additions	-	117.25	87.25	2.49	31.18	326.61	-	66.83	631.61	500.14
Disposals/transfers	-	(25.36)	(15.85)	(1.23)	(7.14)	(117.44)	(3.59)	-	(170.61)	(206.99)
<b>At March 31, 2024</b>	<b>3,261.14</b>	<b>755.34</b>	<b>420.64</b>	<b>59.34</b>	<b>169.14</b>	<b>750.00</b>	<b>158.34</b>	<b>148.98</b>	<b>5,722.92</b>	<b>1,865.27</b>
<b>Accumulated Depreciation</b>										
<b>At March 31, 2022</b>	<b>115.59</b>	<b>113.95</b>	<b>99.51</b>	<b>11.05</b>	<b>64.43</b>	<b>163.32</b>	-	-	<b>567.85</b>	-
Depreciation charge for the year	61.13	58.49	38.04	8.21	17.31	60.77	-	4.32	248.26	-
On Disposals	-	(19.76)	(25.34)	(1.16)	(2.05)	(32.89)	-	-	(81.20)	-
<b>At March 31, 2023</b>	<b>176.72</b>	<b>152.67</b>	<b>112.21</b>	<b>18.10</b>	<b>79.69</b>	<b>191.20</b>	-	<b>4.32</b>	<b>734.91</b>	-
Depreciation charge for the year	61.78	62.74	36.11	9.04	31.69	67.07	-	12.32	280.74	-
On Disposals	-	(9.97)	(8.51)	(1.03)	(6.48)	(62.42)	-	-	(88.41)	-
<b>At March 31, 2024</b>	<b>238.50</b>	<b>205.44</b>	<b>139.81</b>	<b>26.11</b>	<b>104.89</b>	<b>195.86</b>	-	<b>16.64</b>	<b>927.24</b>	-
<b>Net book value</b>										
<b>At March 31, 2024</b>	<b>3,022.63</b>	<b>549.89</b>	<b>280.83</b>	<b>33.23</b>	<b>64.25</b>	<b>554.14</b>	<b>158.34</b>	<b>132.34</b>	<b>4,795.68</b>	<b>1,865.27</b>
<b>At March 31, 2023</b>	<b>3,084.43</b>	<b>510.77</b>	<b>237.04</b>	<b>39.98</b>	<b>65.41</b>	<b>349.63</b>	<b>161.93</b>	<b>77.83</b>	<b>4,527.01</b>	<b>1,572.11</b>

\*Capital work in progress mainly includes amount incurred towards development of club house at Arvind Beyond Five Club LLP

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Capital work in progress (CWIP) Ageing Schedule

At March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	293.15	368.04	242.21	961.86	1865.27
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>293.15</b>	<b>368.04</b>	<b>242.21</b>	<b>961.86</b>	<b>1865.27</b>

At March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	368.04	242.21	95.68	866.18	1572.11
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>368.04</b>	<b>242.21</b>	<b>95.68</b>	<b>866.18</b>	<b>1572.11</b>

There are no capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24.

### 3.2 Other Intangible assets

Particulars	Software/ Trademark	Intangible Asset under Development	Total
<b>Cost (Refer note 1 below)</b>			
<b>At April 1, 2022</b>	<b>54.94</b>	<b>69.35</b>	<b>124.29</b>
Additions	20.93	74.84	95.77
Disposals	-	-	-
<b>At March 31, 2023</b>	<b>75.87</b>	<b>144.19</b>	<b>220.06</b>
Additions	212.76	68.57	281.34
Disposals	-	(212.76)	(212.76)
<b>At March 31, 2024</b>	<b>288.64</b>	<b>-</b>	<b>288.64</b>
<b>Accumulated Amortisation</b>			
<b>At April 1, 2022</b>	<b>19.25</b>	<b>-</b>	<b>19.25</b>
Amortisation for the year	14.43	-	14.43
<b>At March 31, 2023</b>	<b>33.68</b>	<b>-</b>	<b>33.68</b>
Amortisation for the year	66.67	-	66.67
<b>At March 31, 2024</b>	<b>100.35</b>	<b>-</b>	<b>100.35</b>
<b>Net book value</b>			
<b>At March 31, 2024</b>	<b>188.29</b>	<b>-</b>	<b>188.29</b>
<b>At March 31, 2023</b>	<b>42.19</b>	<b>-</b>	<b>42.19</b>

**Note 1 :** For property plant & equipment and intangible assets existing as on April 1, 2016 i.e. the date of transition to Ind AS, the group had elected to continue Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 "First Time Adoption of Indian Accounting Standard". Accordingly, the net WDV as per Indian GAAP as on April 1, 2016 was considered as Gross block under Ind AS and the accumulated depreciation was accordingly netted off as on April 1, 2016.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 3.2 a Intangible Asset under Development Ageing Schedule

As at March 31, 2023

Particulars	Amount in Intangible under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Refer Note 1 below)	74.85	69.39	-	-	144.24
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144.24</b>

Note-1 : Intangible assets under development for FY22-23 consists of SAP software under development and patents & trademark which has been capitalised in FY23-24. There are no intangible assets under development as on March 31, 2024.

### 3.3 Right of use assets:

Particulars	Building -HO	Building -RO	Total
<b>Cost</b>			
<b>At April 1, 2023</b>	<b>82.14</b>	<b>-</b>	<b>82.14</b>
Additions	-	318.81	318.81
Disposals	-	-	-
<b>At March 31, 2024</b>	<b>82.14</b>	<b>318.81</b>	<b>400.95</b>
<b>Accumulated Amortisation</b>			
<b>At April 1, 2023</b>	<b>8.21</b>	<b>-</b>	<b>8.21</b>
Amortisation charge for the year	8.21	45.54	53.75
<b>At March 31, 2024</b>	<b>16.42</b>	<b>45.54</b>	<b>61.97</b>
<b>Net book value</b>			
<b>At March 31, 2024</b>	<b>65.71</b>	<b>273.27</b>	<b>338.98</b>
<b>At March 31, 2023</b>	<b>73.92</b>	<b>-</b>	<b>73.92</b>

Note-1 : Intangible assets under development for FY22-23 consists of SAP software under development and patents & trademark which has been capitalised in FY23-24. There are no intangible assets under development as on March 31, 2024.

### 4 Investment in joint ventures

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Unquoted (carried at cost)</b>				
<b>In capital of Limited Liability Partnership firms (joint ventures)</b>				
Arvind Bsafal Homes LLP	-	-	8.33	24.62
<b>Aggregate value of unquoted investments.</b>	<b>-</b>	<b>-</b>	<b>8.33</b>	<b>24.62</b>

Note : (i) Aggregate value of impairment of Investment is Nil. (March 23- Rs.Nil)

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 5 Other Investments

Particulars	Current portion	
	March 31, 2024	March 31, 2023
<b>In Mutual Funds (Quoted)</b>		
45,837.60 (March 31, 2023 : 2,11,441.37) Units of Aditya Birla Sunlife Liquid Fund - Regular - Growth	176.78	760.76
18,109.82 (March 31, 2023 : 9,079.78) Units of Kotak Liquid Fund - Regular - Growth	876.50	410.17
56,638.65 (March 31, 2023 : 17,340.23) Units of HDFC Liquid Fund - Regular - Growth	2,660.83	760.19
13,177.83 (March 31, 2023 : 28,621.05) Units of SBI Liquid Fund - Regular - Growth	493.60	1,000.62
23,705.64 (March 31, 2023 : 7,339.70) Units of Nippon India Liquid Fund - Regular - Growth	1,668.42	400.25
29,951.21 (March 31, 2023 : 27,284.52) Units of UTI Liquid Fund - Cash Plan - Regular - Growth	1,784.20	999.57
1,26,101.43 (March 31, 2023 : 3,02,303.18) Units of ICICI Prudential liquid fund - Regular - Growth	446.87	1,000.00
58,237.45 (March 31, 2023 : 24,166.10) Units of Axis Liquid Fund - Regular - Growth	1,567.43	600.32
40,372.73 (March 31, 2023 : 40,372.73) Units of Aditya Birla Sunlife Liquid Fund - Reg - Growth	-	145.26
5,845.46 (March 31, 2023 : 5,845.46) Units of Axis Liquid Fund - Reg - Growth	-	145.21
1,74,154.57 (March 31, 2023 : 1,74,154.57) Units of ICICI Pru Liquid Fund - Reg - Growth	-	575.85
16,436.29 (March 31, 2023 : 19,390.41) Units of UTI Liquid Fund - Cash Plan - Reg - Growth	645.40	710.37
32,842.55 (March 31, 2023 : 32,842.55) Units of Axis Liquid Fund - Reg - Growth	-	815.86
<b>Total investments</b>	<b>10,320.04</b>	<b>8,324.43</b>
<b>Aggregate value of Quoted investments</b>	<b>10,320.04</b>	<b>8,324.43</b>

**Note :** i) Aggregate and market value of Quoted investment is Rs.10,320.04 Lac.(March 23- 8,324.43)  
ii) Aggregate value of impairment of Investment is NIL. (March 23- Rs. NIL)

### 6 Trade receivables

Particulars	March 31, 2024	March 31, 2023
<b>Trade receivables ( refer note below )</b>		
(Unsecured , Considered good, unless Otherwise stated)	261.84	271.29
	<b>261.84</b>	<b>271.29</b>
Trade Receivables considered good	261.84	271.29
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	3.74	3.74
Less: Impairment allowance - credit impaired	(3.74)	(3.74)
	<b>261.84</b>	<b>271.29</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### Trade receivables Ageing Schedule (Refer Notes below)

As at March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	247.67	-	-	-	14.17	261.84
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	3.74	3.74
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>247.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.91</b>	<b>265.58</b>

As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	257.12	-	-	-	14.17	271.29
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	3.74	3.74
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>257.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.91</b>	<b>275.03</b>

**Note :** (i) Since all the above trade receivables of the Group are unsecured and considered good except those which are disclosed as credit impaired, the further bifurcation of receivables in other categories as required by Schedule III of Companies Act, 2013 viz : (a) Secured, (b) Receivables which have significant increase in credit risk is not applicable.

(ii) For amounts due and terms and conditions relating to related party receivables, refer Note 39

(iii) For information about credit risk and market risk related to trade receivables, refer note 35

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

(iv) No trade or other receivables are due from directors or other officers of the Group, either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

(v) Trade receivables are non interest bearing and are generally on credit terms of upto 30-60 days

\* Following is the table summarized change in impairment allowance using lifetime expected credit loss model:

	March 31, 2024	March 31, 2023
At the beginning of the year	3.74	3.74
Provision during the year	-	-
Utilised/Reversed during the year	-	-
At the end of the year	<b>3.74</b>	<b>3.74</b>

### 7 Cash and cash equivalents

Particulars	March 31, 2024	March 31, 2023
Balances with banks:		
- In current accounts	3,164.46	3,913.68
Cash in hand	6.91	11.81
Fixed deposits having maturity of less than 3 months	3,131.33	2,430.89
	<b>6,302.70</b>	<b>6,360.78</b>

### 8 Other bank balances

Particulars	March 31, 2024	March 31, 2023
<b>Balances with banks</b>		
- Earmarked balances for unclaimed dividend	11.48	4.40
	<b>11.48</b>	<b>4.40</b>

### 9 Other financial assets

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>(Unsecured, considered good)</b>				
Security deposits	588.26	316.99	20.00	-
Interest accrued - others	-	-	14.73	5.12
Loan given to partners (repayable on demand)	3,269.46	3,369.46	-	-
Advance for land, recoverable in cash	10,316.14	-	9,266.66	13,651.84
Bank deposits *	213.92	140.22	-	-
Others	-	3.53	0.21	64.41
	<b>14,387.78</b>	<b>3,830.20</b>	<b>9,301.60</b>	<b>13,721.37</b>

\*Non-current bank deposits consists of deposits which are lien as a stipulation of sanction for various loans.

### 10 Inventories (At lower of cost and net realisable value)

Particulars	March 31, 2024	March 31, 2023
Construction work-in-progress	1,32,524.55	93,629.31
Unsold developed plots of land and units	2,582.96	1,473.90
Construction materials	1,088.40	599.97
	<b>1,36,195.91</b>	<b>95,703.18</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 11 Other assets

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>(Unsecured, considered good)</b>				
Prepaid expenses	5.96	7.29	58.64	429.03
Advances to suppliers	0.62	272.07	1,092.26	1,125.43
Capital Advance	600.00	-	-	-
Balance with government authorities	207.19	207.44	1,613.68	847.25
Advance for land (refer note below)	11,828.83	1,002.13	5,722.36	7,024.69
Other advances	922.88	622.49	447.80	650.10
	<b>13,565.47</b>	<b>2,111.42</b>	<b>8,934.74</b>	<b>10,076.50</b>

- Note:** (i) 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.
- (ii) Balance with government authorities includes amounts paid under protest Rs.207.19 Lac ( March 31, 2023 : Rs.207.19 Lac )
- (iii) No advances are due from directors or other officers of the group, either severally or jointly with any other person.

### 12 Equity share capital

Particulars	March 31, 2024	March 31, 2023
<b>(a) Authorised</b>		
5,00,00,000 (March 31, 2023 : 5,00,00,000) equity shares of Rs. 10/- each (P.Y. Rs. 10/-)	5,000.00	5,000.00
<b>(b) Issued, subscribed and fully paid-up</b>		
4,53,43,979 (March 31, 2023 : 4,53,11,979) equity shares of Rs. 10/- each (P.Y. Rs. 10/-)	4,534.40	4,531.20

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

Particulars	March 31, 2024		March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares</b>				
<b>Outstanding at beginning of the year</b>	4,53,11,979	4,531.20	4,24,61,979	4,246.20
<b>Add :</b>				
Equity shares issued under ESOP scheme	32,000	3.20	-	-
Shares issued pursuant to conversion of preferential share warrants	-	-	28,50,000	285.00
<b>Outstanding at end of the year</b>	<b>4,53,43,979</b>	<b>4,534.40</b>	<b>4,53,11,979</b>	<b>4,531.20</b>

- (d) The group has allotted Nil (March 31, 2023 - 28,50,000) equity shares of Rs.10 each on pursuant to conversion of warrants to equity shares to Kausalya Realserve LLP.

#### (e) Terms / rights attached to the equity shares

The parent company has only one class of shares referred to as equity shares having a par value of Rs.10/- . Each holder of equity shares is entitled to one vote per share. The parent 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.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

(f) During the year ended March 31, 2024, the group has issued 32000 (March 31, 2023 - NIL) equity shares of Rs.10 each to the eligible employee's pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2016 (AIL ESOP 2016) for shares reserved for issue under ESOP scheme.

(g) For details of shares reserved for issue under the share based payment plan of the group, Please refer note 31.

### (h) Number of shares held by holding company and shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2024			March 31, 2023		
	No. of shares	Rs. in Lac	% Holding	No. of shares	Rs. in Lac	% Holding
<b>Equity shares of Rs.10 each fully paid</b>						
Aura Securities Private Limited	1,87,12,646	1,871.26	41.27%	1,87,12,646	1,871.26	41.30%
HDFC Capital Affordable Real Estate Fund - 1	40,32,200	403.22	8.89%	40,32,200	403.22	8.90%
Kausalya Realserve LLP	21,50,000	215.00	4.74%	28,50,000	285.00	6.29%
Ketankumar Ratilal Patel	22,65,101	226.51	5.00%	22,65,101	226.51	5.00%

As per records of the parent company, including its register of shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### (i) Details of shares held by promoters

As at March 31, 2024

Class of Shares	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares*	% change during the year
Equity shares of Rs. 10 each fully paid	Aura Securities Private Limited	1,87,12,646	-	1,87,12,646	41.27%	-0.03%
	Sanjaybhai Shrenikbhai Lalbhai	2,00,155	(10.00)	2,00,145	0.44%	0.00%
	Jayshreeben Sanjaybhai Lalbhai	33	-	33	0.00%	0.00%
	Punit Sanjaybhai	371	-	371	0.00%	0.00%
	Sanjaybhai Shrenikbhai Lalbhai, as representative trustee of discretionary trust	-	10	10	0.00%	0.00%
<b>Total</b>		<b>1,89,13,205</b>	<b>-</b>	<b>1,89,13,205</b>	<b>41.71%</b>	

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### As at March 31, 2023

Class of Shares	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares*	% change during the year
Equity shares of Rs10 each fully paid	Aura Securities Private Limited	1,87,12,646	-	1,87,12,646	41.30%	0%
	Sanjaybhai Shrenikbhai Lalbhai	2,00,155	-	2,00,155	0.44%	0%
	Jayshreeben Sanjaybhai Lalbhai	33	-	33	0.00%	0%
	Punit Sanjaybhai	371	-	371	0.00%	0%
<b>Total</b>		<b>1,89,13,205</b>	<b>-</b>	<b>1,89,13,205</b>	<b>41.74%</b>	

\*Disclosed as rounded to two decimals

### 13 Other equity

Particulars	March 31, 2024	March 31, 2023
<b>(a) Securities Premium</b>		
Balance at the beginning of the year	27,864.86	25,242.86
Add : Received during the year on issue of equity shares	58.90	2,622.00
<b>Balance at the end of the year</b>	<b>27,923.76</b>	<b>27,864.86</b>
<b>(b) Share Based Payment Reserve</b>		
Balance at the beginning of the year	124.87	1.10
Add : Compensation expense for options granted during the year	124.09	123.77
Less : Transferred to General reserve on exercise of stock options	(22.03)	-
<b>Balance at the end of the year</b>	<b>226.93</b>	<b>124.87</b>
<b>(c) Retained Earnings</b>		
Balance at the beginning of the year	14,081.88	11,234.14
Add: Profit for the year	4,157.06	2,560.75
Less : Dividend	(1,495.30)	-
Add: Acquisition of non controlling interest	-	304.00
Add : Transferred on exercise of stock options	22.03	
Items of other comprehensive income recognised directly in retained earning:		
Remeasurement gains / (losses) on defined benefit plans, Net of taxes	(33.00)	(17.01)
<b>Balance at the end of the year</b>	<b>16,732.67</b>	<b>14,081.88</b>
<b>(e) Capital Reserve</b>		
Balance at the beginning of the year	38.36	38.36
<b>Balance at the end of the year</b>	<b>38.36</b>	<b>38.36</b>
<b>(f) Equity Component of Compound Financial Instrument</b>		
Balance at the beginning of the year	-	2,418.43
Add: Movement in OCI (Net) during the year	-	(2,418.43)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
	<b>44,921.73</b>	<b>42,109.97</b>

#### 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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

### 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.

### Retained Earnings

The cumulative gain or loss arising from the operations which is retained by the group is recognised and accumulated under the head of retained earnings.

### Capital Reserve

Capital reserve on consolidation represents excess of fair value of net assets acquired over consideration paid.

### Distribution Proposed

#### Proposed dividends on Equity shares

Particulars	March 31, 2024	March 31, 2023
Proposed dividend for the year ended on March 31, 2024: Rs.3.5 per share (March 31, 2023: Rs.3.30 per share) (Refer Note Below)	1,587.04	1,495.30

The Board of Directors recommended a final dividend of Rs.2.5 per equity share (March 31, 2023: Rs.1.65/- per share) and special dividend of Rs.1 per equity share (March 31, 2023: Rs.1.65/- per share), totalling to a dividend of Rs.3.5 per equity share (March 31, 2023: Rs.3.30 per share) of face value of Rs.10 each, for the financial year ended March 31, 2024.

Proposed dividends on equity shares are subject to approval at the annual general meeting and is not recognised as a liability as at March 31, 2024.

### 14 Borrowings (at amortised cost)

Particulars	Effective Rate of Interest	Maturity	March 31, 2024	March 31, 2023
<b>Non-current borrowings</b>				
Vehicle loans from banks (Secured)	7.25% - 9.5%	2024-2029	357.67	226.89
<b>Term loans (Secured):</b>				
- From Banks	9% - 10%	2025	-	4,048.32
- From Financial institutions	10% - 11%	2027	5,950.01	986.28
Debentures	3% / 9% Coupon	2031-2032	4,344.04	9,239.36
<b>Total</b>			<b>10,651.72</b>	<b>14,500.84</b>
Less : Current maturities of long term borrowings disclosed under other financial liabilities			(1,556.92)	(230.09)
<b>Total</b>			<b>9,094.81</b>	<b>14,270.75</b>
<b>Current borrowings</b>				
Current maturities of long term borrowings			1,556.92	230.09
<b>Total</b>			<b>1,556.92</b>	<b>230.09</b>

#### Nature of Securities on above Loans:

1. Term loan taken and outstanding of Rs. NIL (March 31, 2023 : Rs.4095.98 Lac) and overdraft facility from ICICI Bank Limited is secured by first mortgage of unsold units of project "Arvind Aavishkaar" and "Arvind Oasis" together with hypothecation of receivables from the same projects.
2. Term loan taken and outstanding of Rs.6000 Lac (March 31, 2023 : Rs.1,000 Lac) from TATA Capital Limited is secured by way of mortgage of NA land at project Uplands township situated at Nasmed village, Gandhinagar owned by Ahmedabad East Infrastructure LLP (Subsidiary Company).
3. Vehicle loans amounting to Rs.357.67 Lac (March 31, 2023 : Rs.226.89 Lac) are secured by respective vehicles.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

- 4 a. 3% redeemable unsecured optionally convertible debentures - Nil ( March 31, 2023 : 5000 ) having face value of Rs. Nil (March 31, 2023 : Rs. 76,062 ) each amounting to Rs. Nil Lac (March 31, 2023 :Rs. 3803.1Lac).
- b. 9% redeemable optionally convertible debentures - Nil ( March 31, 2023 : 4200) having face value of Rs. 1,00,000 (March 31, 2023 : Rs. 1,00,000) each .These debentures are secured by First Ranking exclusive charge against land , Inventory and receivables of Arvind Fruits of Life project in Arvind Smarthomes Private Limited.
- c. 3% redeemable optionally convertible debentures - 4000 ( March 31, 2023 : 1000) having face value of Rs. 1,00,000 (March 31, 2023 : Rs. 1,00,000 ) each. These debentures are secured by First Ranking exclusive charge against land , Inventory and receivables of Arvind Orchards project in Arvind Smarthomes Private Limited.

### Terms of Repayment of Loans

<b>Secured Loan</b>	
ICICI Bank Limited	Group has availed Rs.1,500 Lac ( March 31,2023 : Rs.1,500 Lac) overdraft facility with a tenure of 32 months (including moratorium of 8 months ending on May 2023).
<b>Vehicle Loan</b>	
HDFC Bank Limited and ICICI Bank Limited	Loan is repayable in monthly instalments on varied dates as mentioned above.
<b>Term Loan</b>	
ICICI Bank Limited	Group has borrowed Rs.NIL ( March 31,2023 : Rs.8,500 Lac) with a tenure of 32 months (including moratorium of 8 months ending on May 2023). The said loan is repaid fully in FY 2023-24.
TATA capital financial services limited	Loan of Rs.6,000 Lac (March 31, 2023 : Rs.1,000 Lac) at the rate of 10.3% p.a. with a tenure of 12 structured quarterly payment (including moratorium of 15 months) starting from December, 2022.
<b>Debentures</b>	
3% redeemable unsecured optionally convertible debentures:	One of the Subsidiary Company, Arvind homes Private Limited has issued Optionally Convertible Redeemable Debentures ("OCRD") having a coupon rate @ 3% p.a. The Term of the Debentures shall be 15 (Fifteen) years from the date of allotment of first tranche of Debenture unless redeemed or converted earlier. At the option of debenture holder, these OCRD are convertible into equity shares at a ratio which is mutually agreed upon between the Debenture holders and the Company at any time on or before 15 years after obtaining prior written approval of all the holders of Debentures and all the Shareholders. The resulting shares upon conversion shall rank pari-passu in all respect with the existing equity shares issued by Subsidiary Company.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

9% redeemable optionally convertible debentures:	One of the Subsidiary Company, Arvind Smart homes Private Limited has issued Optionally Convertible Redeemable Debentures (“OCRD”) having a coupon rate @ 9% p.a. The term of the Debentures shall be 8 (Eight) years from the date of allotment of first tranche of Debenture or such date as may be extended by mutual agreement between the Subsidiary Company and Debenture holder subject to maximum of 10 (Ten) years unless redeemed or converted earlier.
	At the option of debenture holder, these OCRD are convertible into equity shares at a ratio which is mutually agreed upon between the Debenture holders and the Company at any time on or before 8 years extendable to 10 years after obtaining prior written approval of all the holders of Debentures and all the Shareholders. The resulting shares upon conversion shall rank pari-passu in all respect with the existing equity shares issued by Subsidiary Company.
3% redeemable optionally convertible debentures:	One of the Subsidiary Company, Arvind Smart homes Private Limited has issued Optionally Convertible Redeemable Debentures (“OCRD”) having a coupon rate @ 3% p.a. The term of the Debentures shall be 8 (Eight) years from the date of allotment of first tranche of Debenture or such date as may be extended by mutual agreement between the Subsidiary Company and Debenture holder subject to maximum of 10 (Ten) years unless redeemed or converted earlier. At the option of debenture holder, these OCRD are convertible into equity shares at a ratio which will be mutually agreed upon between the Debenture holders and the Company at any time on or before 8 years extendable to 10 years after obtaining prior written approval of all the holders of Debentures and all the Shareholders. The resulting shares upon conversion shall rank pari-passu in all respect with the existing equity shares issued by Subsidiary Company.

### 15 Trade payables

Particulars	March 31, 2024	March 31, 2023
Total outstanding dues of micro and small enterprises	304.58	99.43
<b>Total outstanding dues of creditors other than micro and small enterprises:</b>		
For goods and services	9,603.44	4,326.74
For land	2,456.96	1,567.24
	<b>12,364.98</b>	<b>5,993.41</b>
Trade payables	12,364.98	5,893.69
Trade payables to related parties (Refer Note 39)	-	99.72
	<b>12,364.98</b>	<b>5,993.41</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024  
 (Amount in Rs. Lac, unless stated otherwise)

### Note 1 : Trade payables Ageing Schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises (MSME)	304.58	-	-	-	304.58
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Others)	10,720.84	355.79	534.32	449.45	12,060.40
(iii) Disputed dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises (Others)	-	-	-	-	-
	<b>11,025.42</b>	<b>355.79</b>	<b>534.32</b>	<b>449.45</b>	<b>12,364.98</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises (MSME)	99.43	-	-	-	99.43
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Others)	4,010.05	619.66	223.03	1,041.24	5,893.98
(iii) Disputed dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises (Others)	-	-	-	-	-
	<b>4,109.48</b>	<b>619.66</b>	<b>223.03</b>	<b>1,041.24</b>	<b>5,993.41</b>

### Note 2: Details of transactions with struck off companies

Name of the party	Nature of Transactions	Transactions during the year ended March 31,2024	Balance Outstanding as at March 31,2024	Relationship with the struck off company
KRISHNA MARKETING	Payable	-	-	-
LINTAS INDIA PVT. LTD.	Payable	-	-	-
OMICRON MARKETING	Payable	-	-	-
PATEL TRADERS	Payable	-	-	-
SETU INFRASTRUCTURE	Payable	-	-	-
R J ASSOCIATES	Payable	-	-	-
SM CONSTRUCTION	Payable	-	-	-
Sagar Fabrication	Payable	-	-	-
RUDRA ENTERPRISE	Payable	-	-	-
MURLIDHAR ENGINEERING	Payable	-	-	-
J K ASSOCIATES	Payable	-	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Name of the party	Nature of Transactions	Transactions during the year ended March 31,2023	Balance Outstanding as at March 31,2023	Relationship with the struck off company
KRISHNA MARKETING	Receivable	4.24	2.14	-
LINTAS INDIA PVT. LTD.	Payable	(4.72)	-	-
OMICRON MARKETING	Payable	*	*	-
PATEL TRADERS	Payable	*	*	-
SETU INFRASTRUCTURE	Payable	*	*	-
R J ASSOCIATES	Payable	*	*	-
SM CONSTRUCTION	Payable	*	*	-
Sagar Fabrication	Payable	-	*	-
RUDRA ENTERPRISE	Payable	-	*	-
MURLIDHAR ENGINEERING	Payable	*	*	-
J K ASSOCIATES	Payable	(1.41)	-	-

\*Amount less than Rs. 1 Lac

**Note 3:** Trade payables for goods and services are non-interest bearing and are normally settled on 30 to 90 days terms

**Note 4:** Based on information and records available with Group, details of suppliers who are registered as micro, small or medium enterprise under “The Micro, Small and Medium Enterprise Development Act, 2006” (Act) till March 31, 2024 is as mentioned below. This has been relied upon by the auditors.

On the basis of the information and records available with management, details of dues to micro and small enterprises as defined under the MSMED Act, 2006 are as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount remaining unpaid to any supplier as at the year end	304.58	99.43
Interest due thereon	-	-
Amount of interest paid in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

**Note 5:** Refer Note 35 for group’s credit risk management process.

### 16 Other financial liabilities

Particulars	March 31, 2024	March 31, 2023
Interest accrued but not due on borrowings	146.47	343.12
Unclaimed Dividend	11.48	4.40
Employee Benefits Expense Payable	483.24	311.71
Advances against capital contribution	916.53	919.65
	<b>1,557.72</b>	<b>1,578.88</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 17 Provisions

Particulars	Non current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Provision for employee benefits</b>				
Provision for gratuity (Refer Note 30)	296.99	174.60	27.35	43.01
Provision for leave encashment	114.66	96.40	24.22	26.97
	<b>411.65</b>	<b>271.00</b>	<b>51.58</b>	<b>69.98</b>

### 18 Other current liabilities

Particulars	March 31, 2024	March 31, 2023
Advances from customers (Refer Note 40 - contract liabilities)	1,20,151.22	77,789.16
Statutory dues	1,109.43	989.84
Other payables	275.73	41.72
	<b>1,21,536.38</b>	<b>78,820.72</b>

### 19 Revenue from operations

Particulars	For the year 2023-24	For the year 2022-23
<b>Revenue from contracts with customers ( Refer note 40)</b>		
Commercial and residential units	33,023.56	24,576.14
<b>Other operating revenue</b>		
Plot cancellation and transfer fees	64.33	49.33
Project consultancy income	872.68	733.27
Maintenance Income	62.43	142.36
Others	94.72	90.58
	<b>34,117.72</b>	<b>25,591.68</b>

### 20 Other income

Particulars	For the year 2023-24	For the year 2022-23
<b>Interest on</b>		
- Bank deposits	34.80	82.60
- Financial assets measured at amortised cost	-	455.71
Fair value gain on investments carried at fair value through profit or loss	72.47	60.53
Gain on sale of Mutual funds	718.53	62.85
Others	144.22	71.67
	<b>970.01</b>	<b>733.36</b>

### 21 Cost of construction materials and components consumed

Particulars	For the year 2023-24	For the year 2022-23
<b>Inventory at the beginning of the year</b>	599.97	487.94
Add : Purchases	3,085.09	1,813.60
Less : Inventory at the end of the year	(1,088.40)	(599.97)
<b>Cost of construction materials and components consumed</b>	<b>2,596.67</b>	<b>1,701.57</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 22 Changes in inventories

Particulars	For the year 2023-24	For the year 2022-23
<b>Closing Stock</b>		
Unsold developed plots of land and units	2,582.96	1,473.90
Construction work-in-progress	1,32,524.55	93,629.31
	<b>1,35,107.51</b>	<b>95,103.21</b>
<b>Opening Stock</b>		
Unsold developed plots of land and units	1,473.90	3,676.89
Construction work-in-progress	93,629.31	72,463.70
	<b>95,103.21</b>	<b>76,140.59</b>
<b>Increase in inventories</b>	<b>(40,004.30)</b>	<b>(18,962.62)</b>

### 23 Employee benefit expenses

Particulars	For the year 2023-24	For the year 2022-23
Salaries, allowances and bonus	4,969.76	3,295.66
Contribution to provident and other funds(Refer Note 30)	182.06	137.66
Employee stock option expenses/ charge (Refer note 31)	124.09	123.77
Gratuity (Refer Note 30)	48.95	37.80
Staff welfare expenses	65.30	87.02
	<b>5,390.16</b>	<b>3,681.91</b>

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on May 3, 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

### 24 Finance costs\*

Particulars	For the year 2023-24	For the year 2022-23
<b>Interest on</b>		
Term loan	467.83	577.20
Vehicle loans from banks	65.52	16.99
Debenture	3,391.10	584.84
Others	129.54	212.23
Lease	39.82	8.21
	<b>4,093.81</b>	<b>1,399.47</b>

\*Net of interest amounting to Rs.3391.10 Lac (P.Y. Rs.584.84 Lac) inventorised to qualifying construction work-in-progress.

### 25 Other expenses

Particulars	For the year 2023-24	For the year 2022-23
Repairs and maintenance :		
Buildings	0.16	5.39
Others	29.63	34.95

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 25 Other expenses (contd.)

Particulars	For the year 2023-24	For the year 2022-23
Rates and taxes	567.83	282.57
Travelling expenses	197.62	120.08
Power and fuel	248.34	219.77
Advertisement	803.08	742.25
Brokerage and commission charges	1,520.25	443.45
Legal and professional charges	2,030.95	1,280.15
Secretarial expenses	48.32	50.88
Information Technology expenses	174.12	88.87
Auditors' remuneration (Refer note a)	36.64	30.12
Insurance charges	99.52	74.34
CSR expenses (Refer note b)	75.00	60.00
Disposal of Items of property, plant and equipment	31.30	17.51
Rent (Refer note 41)	15.32	16.22
Donation	9.01	400.00
Partners' Remuneration	1,487.36	5.00
Printing & Stationary & Postage	24.39	21.94
Security Expenses	34.71	48.03
Site General expense	44.02	6.75
Club & Restaurent expenses	199.34	44.25
Miscellaneous expenses	710.67	454.36
	<b>8,387.59</b>	<b>4,446.88</b>

#### a. Payment to Auditors

Particulars	For the year 2023-24	For the year 2022-23
Statutory audit fees	26.75	22.16
Limited review fees	7.57	6.27
Certification Fees	0.60	1.00
Out of pocket expenses	1.72	0.69
	<b>36.64</b>	<b>30.12</b>

#### b. (i) Details of CSR expenditure

Particulars	For the year 2023-24			For the year 2022-23		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
<b>Gross amount required to be spent during the year</b>	-	-	74.11	-	-	59.84
<b>Amount approved by the Board</b>	-	-	75.00	-	-	60.00
<b>Amount spent during the year</b>	-	-	-	-	-	-
Construction/acquisition of any asset	8.55	-	8.55	-	-	-
On purposes other than above	66.45	-	66.45	60.00	-	60.00
<b>Total</b>	<b>75.00</b>	<b>-</b>	<b>75.00</b>	<b>60.00</b>	<b>-</b>	<b>60.00</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### b. (ii) Details related to spent / unspent obligations:

Particulars	March 31, 2024	March 31, 2023
a) Contribution to Charitable Trust , Spent by that trust	75.00	36.45
b) Direct Expenditure	-	23.55
	<b>75.00</b>	<b>60.00</b>

**Note 1:** Nature of CSR activities undertaken by group includes Rural digital education, projects around area of operations and supplementary education for municipal school students

#### Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)

Opening Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Closing	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)

Opening Balance as at April 1 2023	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at March 31, 2024
-	-	74.11	75.00	-

#### Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)

Opening Balance as at April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at March 31, 2023	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)

Opening Balance as at 1 April, 2022	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at 31 March, 2023
-	-	59.84	60.00	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 26 Income Tax

#### (a) Tax expenses

The major components of income tax expenses for the years ended March 31, 2024 and March 31, 2023 are :

##### Statement of Profit and Loss :

Particulars	For the year 2023-24	For the year 2022-23
<b>Profit or loss section :</b>		
<b>Current income tax</b>		
Current tax charge	2,118.02	1,802.73
Adjustment of tax pertaining to earlier years	(56.99)	(104.06)
<b>Deferred tax charge</b>		
Relating to origination and reversal of temporary differences	401.29	(523.67)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>2,462.32</b>	<b>1,175.00</b>
<b>OCI section :</b>		
<b>Deferred tax related to items recognised in OCI during in the year:</b>		
Net loss/(gain) on remeasurements of defined benefit plans	11.10	5.72
<b>Income tax effect recognised in OCI</b>	<b>11.10</b>	<b>5.72</b>

#### (b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

##### Statement of Profit and Loss :

Particulars	For the year 2023-24	For the year 2022-23
Accounting profit before income tax	7,571.40	3,957.71
Tax on accounting profit at statutory income tax rate 25.17% (March 31, 2023: 25.17%)	1,905.72	996.16
On account of different tax rate in subsidiaries	561.70	296.52
Expenses disallowed	40.67	23.76
Adjustment of tax pertaining to earlier years	(56.99)	(104.06)
Others	11.24	(37.38)
<b>Tax expense at an effective tax rate of 32.52% (31 March, 2023: 29.69%)</b>	<b>2,462.32</b>	<b>1,175.00</b>

#### (c) Deferred tax

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	As at March 31, 2024	As at March 31, 2023	For the year 2023-24	For the year 2022-23	For the year 2023-24	For the year 2022-23
<b>a) Deferred Tax Liabilities</b>						
Impact of difference between tax depreciation and depreciation charged for the financial reporting	24.04	49.17	-	-	25.12	(17.28)
Impact of difference between Lease Liabilities and Right of Use of Assets	7.91	-	-	-	(7.91)	-
Impact of Fair value of Mutual Funds	26.52	-	-	-	(26.52)	-
<b>Gross deferred tax liabilities</b>	<b>58.47</b>	<b>49.17</b>	<b>-</b>	<b>-</b>	<b>(9.31)</b>	<b>(17.28)</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	As at March 31, 2024	As at March 31, 2023	For the year 2023-24	For the year 2022-23	For the year 2023-24	For the year 2022-23
<b>b) Deferred Tax Assets</b>						
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	116.59	85.82	11.10	5.72	(19.67)	(6.55)
Impact of losses carried forward	2,593.61	3,005.26	-	-	411.65	(534.39)
<b>Gross deferred tax assets</b>	<b>2,710.21</b>	<b>3,091.08</b>	-	-	<b>391.98</b>	<b>(540.94)</b>
<b>Deferred tax expense/(income)</b>	-	-	<b>11.10</b>	<b>5.72</b>	<b>401.28</b>	<b>(523.67)</b>
Deferred tax assets/(liabilities)	<b>2,651.72</b>	<b>3,041.91</b>	-	-	-	-

Deferred tax asset is recognized on unabsorbed depreciation and carry forward losses to the extent it is probable that future taxable profits will be available against which the deductible temporary differences, unabsorbed depreciation and carried forward tax losses can be utilised. The Subsidiary entities has tax losses comprising business loss that are available for offsetting against future taxable profit for eight years and unabsorbed depreciation available for offsetting against future taxable profits. Based upon margin from sale of existing projects, the Group believes there is reasonable certainty that deferred tax asset will be recovered.

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

Particulars	For the year 2023-24	For the year 2022-23
Opening balance as at April 1	3,041.91	2,512.52
Deferred tax credit/(charge) during the year recognised in profit or loss	(401.29)	523.67
Deferred tax credit/(charge) during the year recognised in OCI	11.10	5.72
<b>Closing balance as at March 31</b>	<b>2,651.72</b>	<b>3,041.91</b>

## 27 Earnings per share (EPS)

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	March 31, 2024	March 31, 2023
<b>Earnings per share (Basic and Diluted)</b>		
Profit after tax attributable to equity holders of the parent	4,157.06	2,560.75
<b>Total number of equity shares at the end of the year</b>	<b>4,53,43,979</b>	<b>4,53,11,979</b>
<b>Weighted average number of equity shares</b>		
For basic EPS	4,53,12,154	4,39,50,441
For diluted EPS	4,57,52,475	4,54,83,390
Nominal value of equity shares	10.00	10.00
Basic earnings per share	9.17	5.83
Diluted earnings per share	9.09	5.63
<b>Weighted average number of equity shares for basic EPS</b>	<b>4,53,12,154</b>	<b>4,39,50,441</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2024	March 31, 2023
Effect of dilution: stock options granted under ESOP	4,40,321	1,97,955
Effect of dilution: share warrants	-	13,34,995
<b>Weighted average number of equity shares adjusted for the effect of dilution</b>	<b>4,57,52,475</b>	<b>4,54,83,390</b>

### 28 Commitments and Contingencies

#### a. Commitments

As at March 31, 2024 the group has given net advance of Rs.30,671.51 Lac/- (March 31, 2023: Rs.16,858.97 Lac) 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 March 31, 2024, one of the subsidiary has Rs.3269.46 Lac (March 31, 2023 : Rs.3,369.46 Lac) outstanding as interest free loan given to its Land Managing Partners. Further the group has commitment on capital account (net of advances) amounting to Rs.1800 Lac (March 31, 2023: Rs. NIL) relating to purchase of assets.

#### b. Contingent liabilities

Claims against the group not acknowledged as debt:

Particulars	March 31, 2024	March 31, 2023
<b>Disputed demands in respect of -</b>		
Income Tax (Refer note a)	611.27	576.07
Indirect Tax (TDR) (Refer note b)	226.54	207.44
Indirect Tax (VAT) (Refer note b)	-	42.22
Indirect Tax - Goods & Service Tax Act 2017 (Refer note b)	247.30	-
Excise (Refer note c)	4.90	4.90
Service Tax (Refer note c)	6.80	6.80
Others	0.72	0.72

#### Notes:

- The group has not recognized and acknowledged the claims as liability in the books of account amounting to Rs.610.30 Lac (March 31, 2023: Rs.576.07 Lac) 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 group has been advised by its tax counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.
- The group has not recognized and acknowledged the claims as liability in the books of account amounting to Rs.473.84 Lac (March 31, 2023: Rs.249.66 Lac ) which have been made against the group by Department of Goods and service tax & Karnataka VAT, since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The claim of TDR of Rs.226.54 Lac (March 31, 2023: Rs.207.44 Lac), out of which Rs.207.44 is paid under protest, while Rs 42.22 have been paid in cash and by furnishing Bank guarantee which has been settled and revoked as on March 31, 2024. The group has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.
- The group has not recognized and acknowledged the claims as liability in the books of account amounting to Rs.11.70 Lac (March 31, 2023: Rs.11.70 Lac) 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

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

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.

### 29 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 Managing Director & CEO/Chief Financial Officer who are 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 and hence no further disclosures are made in this regards. During the year 2023-24 and 2022-23, no single external customer has generated revenue of 10% or more of the Group's total revenue.

### 30 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 Rs.182.06 Lac (March 31,2023 : Rs.137.66 Lac ) as expense towards contributions to these plans.

#### 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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### March 31, 2024 : Changes in defined benefit obligation

Particulars	April 1, 2023		Gratuity cost charged to statement of profit and loss		Benefit paid	Remeasurement (gains)/losses in other comprehensive income				Contributions by employer	March 31, 2024	
			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 demographic assumptions	Actuarial changes arising from changes in financial assumptions			Experience adjustments
Gratuity												
Defined benefit obligation	217.61		32.87	16.08	48.95	(12.75)	(0.60)	25.89	18.81	44.11	-	297.91
<b>Benefit liability</b>	<b>217.61</b>		<b>32.87</b>	<b>16.08</b>	<b>48.95</b>	<b>(12.75)</b>	<b>(0.60)</b>	<b>25.89</b>	<b>18.81</b>	<b>44.11</b>	<b>-</b>	<b>297.91</b>

### March 31, 2023 : Changes in defined benefit obligation

Particulars	April 1, 2022		Gratuity cost charged to statement of profit and loss		Benefit paid	Remeasurement (gains)/losses in other comprehensive income				Contributions by employer	March 31, 2023	
			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 demographic assumptions	Actuarial changes arising from changes in financial assumptions			Experience adjustments
Gratuity												
Defined benefit obligation	176.66		26.47	11.32	37.80	(19.58)	-	(9.19)	31.92	22.73	-	217.61
<b>Benefit liability</b>	<b>176.66</b>		<b>26.47</b>	<b>11.32</b>	<b>37.80</b>	<b>(19.58)</b>	<b>-</b>	<b>(9.19)</b>	<b>31.92</b>	<b>22.73</b>	<b>-</b>	<b>217.61</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.39%
Future salary increase	8.00%	7.00%
Attrition rate	For service 2 years and below 20.00% p.a. For service 3 years to 5 years 10.00% p.a. For service 6 years and above 5.00% p.a."	15%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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

### Gratuity

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		March 31, 2024	March 31, 2023
<b>Gratuity</b>			
Discount rate	1% increase	(21.97)	(8.58)
	1% decrease	25.32	9.38
Salary increase	1% increase	24.87	9.33
	1% decrease	(22.01)	(8.69)
Attrition rate	1% increase	(2.79)	(0.81)
	1% decrease	3.00	0.82

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

Particulars	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
Within the next 12 months (next annual reporting period)	29.52	43.01
2 to 5 years	67.18	97.84
6 to 10 years	182.13	113.57
Beyond 11 years	335.30	60.88
<b>Total expected payments</b>	<b>614.14</b>	<b>315.30</b>

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

Particulars	Years	
	March 31, 2024	March 31, 2023
Gratuity	9	5

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

### 31 Share-based payments

The Group provides share-based payment schemes to its employees. During the year ended March 31, 2024, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

#### Employee Stock Option (ESOP) Scheme (2016)

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 September 23, 2016. In accordance with the ESOP 2016 :

- a. The group has on August 23, 2018, granted 3,70,000 options to the eligible employees of the company at an exercise price of Rs.158.30/-. The options under this grant would vest to the employees in the ratio of 25%, 25% and 50% on 1st year, 2nd year and 5th year respectively from the date of grant, based on continued service and certain performance parameters. These options can be exercised by the employees within period of five years from the date of respective vesting of options
- b. The group has on March 29, 2022, granted 4,50,000 options to the eligible employees of the company and subsidiaries, at an exercise price of Rs.194.05/-. The options under this grant would vest to the employees in the ratio of 40% and 60% on 2nd year and 3rd year respectively from the date of grant, based on continued service and certain performance parameters. These options can be exercised by the employees within period of five years from the date of respective vesting of options.

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

Particulars	For the year 2023-24	For the year 2022-23
Expense arising from equity-settled share-based payment transactions	124.09	123.77
<b>Total</b>	<b>124.09</b>	<b>123.77</b>

\*There were no cancellations or modifications to the plan during the year ended March 31, 2024 or March 31, 2023.

#### Movement during the year:

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

Particulars	March 31, 2024		March 31, 2023	
	ESOP Scheme 2016 (Tranch-1)	ESOP Scheme 2016 (Tranch-2)	ESOP Scheme 2016 (Tranch-1)	ESOP Scheme 2016 (Tranch-2)
<b>Options</b>				
Outstanding at the beginning of the year	3,70,000	4,50,000	3,70,000	4,50,000
Exercised during the year	-	32,000	-	-
Outstanding at the end of the year	3,70,000	4,18,000	3,70,000	4,50,000
Exercisable at the end of the year	3,70,000	1,48,000	1,85,000	-
weighted average share price at the exercise date	-	666.85	-	-
weighted average remaining contractual life ( In years )	3.39	6.99	4.39	7.99

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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

### 32 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:

Particulars	Carrying amount		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Financial assets measured at amortised cost</b>				
Investments ( Refer Note 4 )	8.33	24.62	8.33	24.62
Trade Receivables ( Refer Note 6 )	261.84	271.29	261.84	271.29
Other financial assets ( Refer Note 9 )	23,689.38	17,551.58	23,689.38	17,551.58
Cash and cash equivalents ( Refer Note 7 )	6,302.70	6,360.78	6,302.70	6,360.78
Other bank balances ( Refer Note 8 )	11.48	4.40	11.48	4.40
<b>Total</b>	<b>30,273.73</b>	<b>24,212.67</b>	<b>30,273.73</b>	<b>24,212.67</b>
<b>Financial assets measured at fair value through profit or loss</b>				
Investment in mutual funds ( Refer Note 5 )	10,320.04	8,324.43	10,320.04	8,324.43
<b>Total</b>	<b>10,320.04</b>	<b>8,324.43</b>	<b>10,320.04</b>	<b>8,324.43</b>
<b>Financial liabilities measured at amortised cost</b>				
Borrowings ( Refer Note 14 )	10,651.72	14,500.84	10,651.72	14,500.84
Trade payables ( Refer Note 15 )	12,364.98	5,993.41	12,364.98	5,993.41
Other financial liabilities ( Refer Note 16 )	1,557.72	1,578.88	1,557.72	1,578.88
<b>Total</b>	<b>24,574.42</b>	<b>22,073.13</b>	<b>24,574.42</b>	<b>22,073.13</b>

### 33 Fair value measurement hierarchy

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

Particulars	Level	March 31, 2024	March 31, 2023
<b>Assets disclosed at fair value</b>			
Investment in mutual funds ( Refer Note 5 )	Level - 1	10,320.04	8,324.43

The management assessed that carrying amount of unquoted Investments, cash and cash equivalents, other bank balance, trade receivables, loans, Other financial assets, trade payable and other financial liabilities approximate their fair values largely due to the short term maturities of these instruments. Borrowings are to be repaid as per specified repayment schedule

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

### 34 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

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	March 31, 2024	March 31, 2023
Borrowings	10,651.72	14,500.84
Less: Cash and cash equivalents	6,302.70	6,360.78
<b>Net Debt (A)</b>	<b>4,349.02</b>	<b>8,140.07</b>
Equity share capital	4,534.40	4,531.20
Other equity	44,921.73	42,109.97
<b>Total Equity (B)</b>	<b>49,456.13</b>	<b>46,641.17</b>
<b>Gearing Ratio (C=A/B)</b>	<b>0.09</b>	<b>0.17</b>

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

### 35 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, Investments, 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 March 31, 2024 and March 31, 2023. 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 March 31, 2024 and March 31, 2023.

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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	Changes in interest rate	Effect of profit before tax
March 31, 2024	+1%	(63.08)
	-1%	63.08
March 31, 2023	+1%	(52.61)
	-1%	52.61

### 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 group's credit risk in this respect.

The ageing of trade receivables (net) is as follows:

Particulars	March 31, 2024	March 31, 2023
More than 6 months	14.17	14.17
Others	247.67	257.12
<b>Total receivables</b>	<b>261.84</b>	<b>271.29</b>

#### 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 March 31, 2024 and March 31, 2023 is the carrying amounts.

### 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	More than 5 years	Total
<b>Year ended March 31, 2024</b>						
Borrowings*	-	492.46	1,210.92	9,094.81	-	10,798.19
Trade payables	-	12,364.98	2,456.96	-	-	14,821.94
Lease Liabilities	-	7.62	22.86	251.35	88.59	370.42
Other financial liabilities	928.01	483.24	-	-	-	1,411.25
	<b>928.01</b>	<b>13,348.30</b>	<b>3,690.74</b>	<b>9,346.16</b>	<b>88.59</b>	<b>27401.80</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	More than 5 Years	Total
<b>Year ended March 31, 2023</b>						
Borrowings*	-	13.64	216.44	14,270.76	-	14,500.84
Trade payables	-	5,993.41	-	-	-	5,993.41
Lease Liabilities	-	0.92	2.75	75.65	50.24	129.56
Other financial liabilities	924.05	311.71	-	-	-	1,235.76
	<b>924.05</b>	<b>6,319.68</b>	<b>219.19</b>	<b>14,346.41</b>	<b>50.24</b>	<b>21,859.57</b>

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

### 36 Disclosure in respect interest in joint ventures and subsidiaries

#### (a) List of subsidiaries

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding	
			March 31, 2024	March 31, 2023
<b>(i)</b>	<b>Companies</b>			
1	Arvind Hebbal Homes Pvt. Ltd.	India	100%	100%
2	Arvind Homes Pvt. Ltd.	India	100%	100%
3	Arvind SmartHomes Pvt. Ltd.	India	100%	100%
<b>(ii)</b>	<b>LLPs</b>			
1	ASL Facilities Management LLP	India	100%	100%
2	Uplands facilities management LLP	India	100%	100%
3	Changodar Industrial Infrastructure (One) LLP	India	100%	100%
4	Ahmedabad Industrial Infrastructure (One) LLP	India	100%	100%
5	Ahmedabad East Infrastructure LLP (Refer Note)	India	55.24%	55.24%
6	Arvind Five Homes LLP (Refer Note)	India	52%	52%
7	Arvind Infracon LLP	India	100%	100%
8	Arvind Beyond Five Club LLP	India	100%	100%
9	Yogita Shelters LLP	India	100%	100%
10	Arvind Smart City LLP	India	94.17%	94.17%
11	Arvind Infrabuild LLP	India	100%	100%
12	Chirping woods Homes LLP	India	100%	100%
13	Thol Highlands LLP	India	76%	100%
14	Adroda Homes LLP	India	76%	-
15	Ahmedabad Chhabasar Homes LLP	India	76%	-
16	Bavla Homes LLP	India	52%	-
17	Kalyangadh Homes LLP	India	76%	-
18	Arvind Surat Homes LLP(Formerly known as Kesardi Homes LLP)	India	100%	-
19	Lagdana Homes LLP	India	100%	-
20	Arvind Integrated Projects LLP	India	100%	-
21	Arvind Green Homes LLP(Formerly known as Amplus Ahmedabad Project LLP)	India	100%	-

#### 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 following:

- Investment in Ahmedabad East Infrastructure LLP where share of profit of Holding Company is 98% during March 31, 2024 and March 31, 2023

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

2. Investment in Arvind Five Homes LLP where share of profit of Holding company is 41% during March 31, 2024 and March 31, 2023
3. Investment in Kalyangadh Homes LLP where share of profit of Holding company is 56.37% during March 31, 2024.
4. Investment in Ahmedabad Chhabasar Homes LLP where share of profit of Holding company is 52% during March 31, 2024.
5. Investment in Adroda Homes LLP where share of profit of Holding company is 52% during March 31, 2024.
6. Investment in Bavla Homes LLP where share of profit of Holding company is 50% during March 31, 2024.

### **Summarised financial information of subsidiaries having material non-controlling interests:**

Management has determined that below LLP have material non controlling interests. The summarised financial information of the LLP are provided below. This information is based on amounts before inter-company eliminations.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### a. Summarised balance sheet information:

Particulars	Kalyangadh Homes LLP		Adroda Homes LLP		Arvind Five Homes LLP		Ahmedabad East LLP	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Current assets	9,086.66	-	6,522.59	-	5,254.19	6,070.29	9,068.45	13,936.78
Non - current assets	2,904.32	-	3,979.52	-	6,557.43	5,170.68	7,606.85	9,307.48
Current liabilities	1,786.48	-	7,579.51	-	8,457.10	9,427.69	12,998.16	21,916.73
Non - current liabilities	-	-	15.42	-	-	-	58.83	54.21
<b>Total equity</b>	<b>10,204.50</b>	<b>-</b>	<b>2,907.18</b>	<b>-</b>	<b>3,354.52</b>	<b>1,813.28</b>	<b>3,618.31</b>	<b>1,273.32</b>
<b>Attributable to:</b>								
Equity holders of the parent	5,199.58	-	(1,086.82)	-	(339.59)	(748.57)	3,413.43	936.06
Non controlling interests	5,004.92	-	3,994.00	-	3,694.10	2,561.85	204.88	337.26

### b. Summarised statement of profit and loss:

Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Revenue	-	-	0.72	-	1,834.18	-	13,756.87
Total Expenses	148.29	-	388.01	-	627.31	473.83	8,685.25	1,714.62
<b>Profit before tax</b>	<b>(148.29)</b>	<b>-</b>	<b>(387.29)</b>	<b>-</b>	<b>1,206.87</b>	<b>695.04</b>	<b>5,071.62</b>	<b>(273.12)</b>
Tax expenses	(51.82)	-	(135.34)	-	278.08	242.88	1,772.23	(93.81)
<b>Total comprehensive income</b>	<b>(96.47)</b>	<b>-</b>	<b>(251.96)</b>	<b>-</b>	<b>928.79</b>	<b>452.17</b>	<b>3,299.39</b>	<b>(179.31)</b>
<b>Attributable to:</b>								
Equity holders of the parent	(96.47)	-	(251.96)	-	-	185.39	3,276.14	(134.66)
Non controlling interests	-	-	-	-	928.79	266.78	23.26	(44.66)

### c. Summarised cash flow:

Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Operating activities	(10,082.63)	-	(2,607.31)	-	(529.17)	3,178.59	1,207.37
Investing activities	-	-	(193.40)	-	0.00	0.83	(69.58)	(185.86)
Financing activities	10,153.71	-	3,134.45	-	492.48	(3,106.32)	(1,137.34)	(7,351.55)
<b>Net increase/(Decrease) in cash and cash equivalents</b>	<b>71.08</b>	<b>-</b>	<b>333.75</b>	<b>-</b>	<b>(36.69)</b>	<b>73.10</b>	<b>0.45</b>	<b>(162.95)</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### (b) Investment in joint ventures

#### List of joint ventures

Sr No.	Name of Joint Ventures	Country of incorporation	Percentage of holding	
			March 31, 2024	March 31, 2023
	<b>LLPs</b>			
1	Arvind Bsafal Homes LLP*	India	50%	50%

\*Profit sharing of Arvind SmartSpaces Limited in Arvind Bsafal Homes LLP is 41% during March 31, 2024 and March 31, 2023.

Management has determined its investments in joint ventures are individually immaterial. Aggregate information of the above joint ventures are as follows:

Particulars	March 31, 2024	March 31, 2023
Group's share in:		
Net profit/(loss)	0.11	1.33
Total comprehensive income	0.11	1.33
Aggregate carrying value of the investments (Refer Note 4)	8.33	24.62

# Notes to Consolidated Financial Statements for the year ended March 31, 2024

## 37 Disclosures as per Schedule III of Companies Act, 2013

(Amount in Rs. Lac, unless stated otherwise)

Name of the enterprise	2023-24									
	Net assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated share in profit and loss	Amount	As % of consolidated share in other comprehensive income	Amount	As % of consolidated share in total comprehensive income	Amount		
<b>Parent company</b>										
Arvind SmartSpaces Limited	115%	57,056.78	133%	5,513.32	100%	(33.00)	133%	5,480.32		
<b>Subsidiaries</b>										
Arvind Hebbal Homes Pvt. Ltd.	-3%	(1,723.09)	-12%	(517.46)	0%	-	-13%	(517.46)		
Ahmedabad East Infrastructure LLP	7%	3,618.31	79%	3,299.39	0%	-	80%	3,299.39		
Ahmedabad Industrial Infrastructure (One) LLP	3%	1,333.92	0%	15.81	0%	-	0%	15.81		
ASL Facilities Management LLP	0%	6.92	0%	(0.29)	0%	-	0%	(0.29)		
Uplands facility Management LLP	0%	(108.59)	-3%	(134.71)	0%	-	-3%	(134.71)		
Arvind Beyond Five Club LLP	1%	421.78	0%	(3.97)	0%	-	0%	(3.97)		
Arvind Five Homes LLP	7%	3,354.53	22%	928.79	0%	-	23%	928.79		
Arvind Infracore LLP	-6%	(3,115.98)	36%	1,511.12	0%	-	37%	1,511.12		
Changodar Industrial Infrastructure (One) LLP	0%	(7.04)	0%	(7.03)	0%	-	0%	(7.03)		
Yogita Shelters LLP	4%	2,058.85	-8%	(314.35)	0%	-	-8%	(314.35)		
Arvind Homes Private Limited	-2%	(806.16)	-23%	(973.81)	0%	-	-24%	(973.81)		
Arvind Smart City LLP	13%	6,576.84	0%	(0.47)	0%	-	0%	(0.47)		
Chirping Woods Homes LLP	-12%	(6,152.26)	-1%	(60.01)	0%	-	-1%	(60.01)		
Thol Highlands LLP	1%	697.18	0%	(0.59)	0%	-	0%	(0.59)		
Arvind Infrabuild LLP	1%	638.07	0%	(0.36)	0%	-	0%	(0.36)		
Arvind SmartHomes Pvt. Ltd.	0%	3.65	-39%	(1,608.63)	0%	-	-39%	(1,608.63)		
Adroda Homes LLP	6%	2,907.18	-6%	(251.96)	0%	-	-6%	(251.96)		
Bavla Homes LLP	2%	1,217.78	0%	(0.22)	0%	-	0%	(0.22)		
Kalyangadh Homes LLP	21%	10,204.51	-2%	(96.47)	0%	-	-2%	(96.47)		
Kesardi Homes LLP	0%	2.78	0%	(0.22)	0%	-	0%	(0.22)		
Lagdana Homes LLP	0%	0.78	0%	(0.22)	0%	-	0%	(0.22)		
Arvind Integrated Projects LLP	0%	(0.12)	0%	(0.40)	0%	-	0%	(0.40)		
Arvind Green Homes LLP	0%	0.91	0%	(0.07)	0%	-	0%	(0.07)		
Ahmedabad Chhabasars Homes LLP	5%	2,629.12	-1%	(34.38)	0%	-	-1%	(34.38)		
<b>Joint Ventures (investment accounted for using equity method)</b>										
Arvind Bsafal Homes LLP	0%	0.11	0%	0.11	0%	-	0%	0.11		
<b>Non controlling interests</b>										
Ahmedabad East Infrastructure LLP	0%	(204.88)	-1%	(23.26)	0%	-	-1%	(23.26)		
Yogita Shelters LLP	0%	-	0%	-	0%	-	0%	-		
Arvind Five Homes LLP	-7%	(3,694.10)	-22%	(928.79)	0%	-	-23%	(928.79)		
Arvind Smart City LLP	0%	0.19	0%	-	0%	-	0%	-		
Thol Highlands LLP	0%	(0.24)	0%	-	0%	-	0%	-		
Adroda Homes LLP	-8%	(3,994.00)	0%	-	0%	-	0%	-		
Bavla Homes LLP	0%	(0.48)	0%	-	0%	-	0%	-		
Ahmedabad Chhabasars Homes LLP	-1%	(262.50)	0%	-	0%	-	0%	-		
Kalyangadh Homes LLP	-10%	(5,004.92)	0%	-	0%	-	0%	-		
Intercompany elimination	-37%	(18,199.66)	-52%	(2,153.84)	0%	-	-52%	(2,153.84)		
<b>Total</b>	<b>100%</b>	<b>49,456.13</b>	<b>100%</b>	<b>4,157.06</b>	<b>100%</b>	<b>(33.00)</b>	<b>100%</b>	<b>4,124.06</b>		

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 37 Disclosures as per Schedule III of Companies Act, 2013

Name of the enterprise	2022-23							
	Net assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated share in profit and loss	Amount	As % of consolidated share in other comprehensive income	Amount	As % of consolidated share in total comprehensive income	
<b>Parent</b>								
Arvind SmartSpaces Limited	113%	52,885.55	149%	3,827.30	100%	(17.01)	150%	3,810.29
<b>Subsidiaries</b>								
Arvind Hebbal Homes Pvt. Ltd.	-3%	(1,205.65)	-31%	(784.34)	0%	-	-31%	(784.34)
Ahmedabad East Infrastructure LLP	3%	1,273.32	-7%	(179.32)	0%	-	-7%	(179.32)
Ahmedabad Industrial Infrastructure (One) LLP	3%	1,381.61	0%	7.94	0%	-	0%	7.94
ASL Facilities Management LLP	0%	7.20	0%	1.52	0%	-	0%	1.52
Uplands facility Management LLP (Formerly known as Arvind Altura LLP)	0%	16.12	0%	6.06	0%	-	0%	6.06
Arvind Beyond Five Club LLP	1%	410.75	0%	(0.94)	0%	-	0%	(0.94)
Arvind Five Homes LLP	4%	1,813.27	18%	452.17	0%	-	18%	452.17
Arvind Infracore LLP	4%	1,678.90	67%	1,711.62	0%	-	67%	1,711.62
Changodar Industrial Infrastructure (One) LLP	0%	(1.45)	0%	(10.25)	0%	-	0%	(10.25)
Yogita Shelters LLP	3%	1,503.21	-2%	(54.62)	0%	-	-2%	(54.62)
Arvind Homes Private Limited	0%	167.66	-38%	(982.91)	0%	-	-39%	(982.91)
Arvind Smart City LLP	11%	5,238.71	0%	(2.73)	0%	-	0%	(2.73)
Chirping Woods Homes LLP	-6%	(2,786.56)	-1%	(30.39)	0%	-	-1%	(30.39)
Thol Highlands LLP	0%	(0.23)	0%	(0.23)	0%	-	0%	(0.23)
Arvind Infrabuild LLP	1%	639.08	-3%	(71.92)	0%	-	-3%	(71.92)
Arvind Smarthomes Pvt. Ltd.	3%	1,612.28	-19%	(488.72)	0%	-	-19%	(488.72)
<b>Joint Venture (investment accounted for using equity method)</b>								
Arvind Bsafal Homes LLP	0%	1.40	0%	1.40	0%	-	0%	1.40
Arvind Integrated Projects LLP	0%	(0.07)	0%	(0.07)	0%	-	0%	(0.07)
<b>Non controlling interests</b>								
Ahmedabad East Infrastructure LLP	-1%	(337.26)	2%	44.66	0%	-	2%	44.66
Yogita Shelters	0%	-	0%	-	0%	-	0%	-
Arvind Five Homes LLP	-5%	(2,561.86)	-10%	(266.78)	0%	-	-10%	(266.78)
Arvind Smart City LLP	0%	0.16	0%	0.16	0%	-	0%	0.16
Intercompany elimination	-32%	(15,094.97)	-24%	(618.87)	0%	-	-24%	(618.87)
<b>Total</b>	<b>100%</b>	<b>46,641.17</b>	<b>100%</b>	<b>2,560.75</b>	<b>100%</b>	<b>(17.01)</b>	<b>100%</b>	<b>2,543.74</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 38 Ratio Analysis and its elements

As per Para 12.1 of Guidance Note on Division II - Ind AS Schedule III to the Companies Act 2013 The requirement of Analytical Ratios is not relevant at CFS level and hence group need not disclose in CFS.

### 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. Pallavi Vyas	Non-Executive Director
Mr. Nirav Kalyanbhai Shah	Non-Executive Director
Mr. Ankit Jain	Chief Financial Officer - Key Managerial Personnel
Mr. Prakash Makwana	Company Secretary - Key Managerial Personnel
Ms. Garima Jain	Close member of Key Managerial Personnel
Mr. Mahaveer Jain	Close member of Key Managerial Personnel
Ms. Usha Jain	Close member 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	Enterprise having significant influence by Key Management Personnel
Aura Merchandise Private Limited	Enterprise having significant influence by Key Management Personnel
Aura Business Ventures LLP	Enterprise having significant influence by Key Management Personnel
Kausalya Realserve LLP	Enterprise having significant influence by Key Management Personnel
Arvind Lifestyle Brands Ltd	Enterprise having significant influence by Key Management Personnel
Arvind Infrabuild LLP	Company under common control of Key Managerial Personnel
Arvind and Smartvalue Homes LLP	Enterprise having significant influence by Key Management Personnel
Safal Homes LLP	Co-venturer in Joint venture
Arvind Limited	Enterprise having significant influence by Key Management Personnel
Arvind Bsafal Homes LLP	Joint Venture
Arvind Integrated Projects LLP	Joint Venture(Upto February 29,2024) Subsidiary Entity (Partner in LLP) (w.e.f March 01,2024)

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
<b>Remuneration</b>		
Mr. Kamal Singal	439.78	418.23
Mr. Ankit Jain	178.84	135.99
Mr. Prakash Makwana	38.66	40.87
Mr. Dinesh Jasraj Jain	743.68	106.18
Mr. Sharad Govindbhai Patel	743.68	106.18
<b>Director's Sitting Fees &amp; Commission</b>		
Mr. Kulin Lalbhai	23.50	-
Mr. Sanjay Lalbhai	6.80	-
Mr. Prem Prakash Pangotra	8.80	6.50
Mr. Pratul Shroff	6.60	6.00
Ms. Pallavi Vyas	6.60	4.80
Mr. Nirav Kalyanbhai Shah	7.70	6.30
<b>Revenue from operations / Revenue True-ups</b>		
Sharad. G. Patel	(121.30)	-
Roshan Jashraj Jain	179.54	-
<b>Project Management Consultancy Income</b>		
Arvind Limited	872.68	733.27
<b>Reimbursement of Expenses</b>		
Arvind Lifestyle Brands Ltd	-	8.40
Arvind Bsafal Homes LLP	7.45	0.37
<b>Partner's contribution received</b>		
Mr. Dinesh Jasraj Jain	743.68	106.18
Mr. Sharad Govindbhai Patel	743.68	106.18
<b>Partner's contribution paid</b>		
Mr. Dinesh Jasraj Jain	1,033.00	1,272.00
Mr. Sharad Govindbhai Patel	610.00	1,170.00
Mr. Kamal Singal	-	575.00
<b>Share of profit/(Loss)</b>		
Mr. Dinesh Jasraj Jain	(9.33)	(22.33)
Mr. Sharad Govindbhai Patel	(9.33)	(22.33)
<b>Share of Profit/(Loss) from investments in Joint Venture</b>		
Arvind Bsafal Homes LLP	0.11	1.40
Arvind Integrated Projects LLP(Upto February 29,,2024)	-	(0.07)
<b>Rent and Professional charges paid</b>		
Arvind Limited	11.04	33.81
<b>Land purchased</b>		
Mr. Jignesh Govindbhai Patel	-	-
<b>Purchase of Assets</b>		
Arvind Limited	-	3.87
<b>Reimbursement of expenses received (net)</b>		
Arvind Limited	256.16	59.47
<b>Receipts from customers</b>		
Mr. Kamal Singal	(16.50)	20.86
Mr. Ankit Jain	67.72	18.34

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

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

Particulars	March 31, 2024	March 31, 2023
Mr. Prakash Makwana	29.02	3.21
Mr. Garima Jain	155.03	46.53
Mr. Mahaveer Jain	35.80	3.00
Mr. Usha Jain	44.73	5.96
Arvind Bsafal Homes LLP	-	4.02
Kausalya Realserve LLP	106.54	-
<b>Loan Repaid</b>		
Mr. Dinesh Jasraj Jain	100.00	-
<b>Money received against share warrants</b>		
Kausalya Realserve LLP	-	2,180.25
<b>Exercise of share options</b>		
Mr. Ankit Jain	23.29	-

### C. Disclosure in respect of outstanding balance:

Particulars	March 31, 2024	March 31, 2023
<b>Advance for Land</b>		
Others - Relatives of Land Managing Partners	45.71	45.71
<b>Advance from Customer</b>		
Mr. Kamal Singal	4.36	20.86
Mr. Ankit Jain	86.92	18.34
Mr. Garima Jain	200.92	46.53
Mr. Mahaveer Jain	41.76	3.00
Mr. Usha Jain	44.73	5.96
Mr. Prakash Makwana	32.23	3.21
Kausalya Realserve LLP	106.54	-
Sharad. G. Patel	470.21	591.51
Dinesh Jashraj Jain	294.47	294.47
Roshan Jashraj Jain	199.50	159.91
<b>Loans Given</b>		
Mr. Dinesh Jasraj Jain	1,216.98	1,316.98
Mr. Sharad Govindbhai Patel	2,052.49	2,052.49
<b>Trade Receivable</b>		
Arvind Limited	172.86	164.64
<b>Trade payables</b>		
Arvind Limited	5.09	80.72
Mr. Prem Prakash Pangotra	4.50	5.00
Mr. Pratul Shroff	4.50	5.00
Ms. Pallavi Vyas	4.00	4.00
Mr. Nirav Kalyanbhai Shah	4.50	5.00
Mr. Kulin Lalbhai	19.80	-
Mr. Sanjay Lalbhai	3.60	-
<b>Employee Benefits Expense Payable</b>		
Mr. Kamal Singal	105.54	20.29
Mr. Ankit Jain	5.87	4.64

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### C. Disclosure in respect of outstanding balance:

Particulars	March 31, 2024	March 31, 2023
Mr. Prakash Makwana	2.57	5.29
<b>Advance to suppliers</b>		
Arvind Limited	-	13.77
<b>Capital Contributions (Initial and Additional)</b>		
Arvind Bsafal Homes LLP	8.33	24.62

### D. Terms and conditions of transactions with related parties :

- 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 except as specified and expected based on terms of agreement 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.
- 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.
- Refer note 31 for ESOPs granted as per ESOP schemes

### E. Commitments with related parties :

The Group has not provided any commitment to the related party as at March 31, 2024 (March 31, 2023: Rs.Nil)

### F. Transactions with key management personnel :

Compensation of key management personnel of the Group:

Particulars	March 31, 2024	March 31, 2023
Short-term employee benefits	657.27	595.08
<b>Total compensation paid to key management personnel</b>	<b>657.27</b>	<b>595.08</b>

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 group -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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lac, unless stated otherwise)

### 40 Disclosures for Ind AS 115

#### Revenue from contracts with customers:

##### 1 Disaggregation of revenue

Set out below is the disaggregation of the group's revenue from contracts with customers, which is in agreement with the contracted price and is recognised in accordance with revenue recognition policy. ( Refer Note -2.3 (k))

Particulars	Note	For the year 2023-24	For the year 2022-23
<b>Revenue from contracts with customers</b>			
Commercial and residential units	19	33,023.56	24,576.14
		<b>33,023.56</b>	<b>24,576.14</b>
<b>Timing of revenue recognition</b>			
Revenue transferred at a point in time		<b>33,023.56</b>	<b>24,576.14</b>

##### 2 Contract balances

Particulars	Note	As on March 31, 2024	As on March 31, 2023
Trade and other receivables	6	261.84	271.29
Contract liabilities	18	1,20,151.22	77,789.16

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to unsatisfied performance obligations. The increase in contract liabilities majorly pertains to revenue to be recognised pertaining to Uplands, Highgrove and Oasis projects.

Particulars	March 31, 2024	March 31, 2023
Revenue recognised during the year that was included in the contract liability balance at the beginning of the year.	18947.61	20,461.09

##### 3 Performance obligations

Particulars	March 31, 2024	March 31, 2023
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	52,666.81	71,442.68

\*\* The group expects to satisfy the performance obligations when (or as) the underlying real estate projects to which such performance obligations relate are completed.

For information on major customers refer note no.29.



## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

### 41 Leases

The group has operating lease for labour sheds for 11 months which is renewable on periodic basis as per mutually agreed terms and is cancellable by giving one month notice by either parties. The group has availed the exemption of short term lease for the same. Amount charged to profit and loss account in this regards amounts to Rs 15.32 Lac (March 31, 2023: Rs. 16.22 Lac)

#### Group as a lessee

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. Right to use assets are initially recognized that is equal to lease liabilities on the initial application date. The group has lease contract for office building at head office-Ahmedabad used for its operations with lease term of 3 years and option of further extension for additional 7 years at the option of lessee. Accordingly, a right-of-use asset of Rs. 82.14 Lac and a corresponding lease liability of Rs. 82.14 Lac has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The group's obligations under its leases are secured by the lessor's title to the leased assets. The lease contract includes extension and termination options and variable lease payments, which are further discussed below. The group has lease contract for office building at Bangalore used for its operations with lease term of 7 years. Accordingly, a right-of-use asset of Rs. 318.81 Lac and a corresponding lease liability of Rs. 318.81 Lac has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The group's obligations under its leases are secured by the lessor's title to the leased assets. The lease contract includes extension and termination options and variable lease payments, which are further discussed below.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
<b>As at April 1</b>	73.92	-
Additions ( Refer Note 3.2)	318.81	82.14
Depreciation Expense ( Refer Note 3.2)	53.75	8.21
<b>As at March 31</b>	<b>338.98</b>	<b>73.92</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
<b>As at April 1</b>	79.31	-
Additions	318.81	82.14
Accretion of interest	39.82	8.21
Payments	(67.53)	(11.04)
<b>As at March 31</b>	<b>370.41</b>	<b>79.31</b>
Current	30.49	3.66
Non-current	339.93	75.65

The maturity analysis of lease liabilities disclosed as below:

Particulars	March 31, 2024	March 31, 2023
<b>Maturity analysis of contractual undiscounted cashflows</b>		
Less than one Year	30.49	3.66
One to Five Years	251.34	25.41
More than 5 Years	88.59	50.24
<b>Total</b>	<b>370.41</b>	<b>79.31</b>

The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

The following are the amounts recognised in profit or loss:

Particulars	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets (Refer Note 3.2)	53.75	8.21
Interest expense on lease liabilities (Refer Note 24)	39.82	8.21
Expense relating to short-term leases (included in other expenses)	15.32	16.22
<b>Total amount recognised in profit or loss</b>	<b>108.89</b>	<b>32.65</b>

The Group had total cash outflows for leases of Rs. 67.53 in March 31, 2024 (Rs. 11.04 in March 31, 2023). The Group also had non-cash additions to right-of-use assets and lease liabilities of Rs.318.81 Lac in March 31, 2024 (Rs.82.14 in March 31, 2023).

The Group has incurred leasehold improvement cost of Rs. 66.83 Lac which will be amortised over the tenure of lease. ( Refer Note 3.1).

**42** The group has migrated to SAP Application software from legacy Farvision software for maintaining its books of account during the year. In respect of SAP Application software, which has a feature of recording audit trail (edit log) facility, the same has operated for all the transactions recorded in the Application except that audit trail feature is not enabled for direct changes to data when using certain access rights to the HANA application. Further there is no instance of audit trail feature being tampered with in respect of the SAP Application accounting software.

In respect of legacy software, Farvision which was operated by a third-party software service provider, Management is not in possession of Service Organization Controls report to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

### 43 Events after the reporting period:

The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer Note 13 for details.

### 44 Other statutory Information:

- The group has availed loans from banks on the basis of security of current assets. The group files statement of current assets with the bank on periodical basis. There are no material discrepancies between the statements filed by the group and the books of accounts of the group.
- The group has not been declared a wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- There are no proceedings initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The group has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- The group has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.
- There is no immovable property whose title deed is not held in the name of the group.
- There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

## Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Amount in Rs. Lac, unless stated otherwise)

- h The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i The group has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- j The group does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- k The group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Prevention of Money-Laundering Act, 2002 wherever applicable.

**45** These financial statements is not signed by CFO since existing CFO has resigned with effect from April 22, 2024.

**46.** The figures for the previous year have been regrouped wherever necessary to confirm with the current year's classification.

The accompanying notes are an integral part of these 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

For and on Behalf of Board of Directors of

**Arvind SmartSpaces Limited**

CIN : L45201GJ2008PLC055771

**Sanjay Lalbhai**

Chairman

DIN : 00008329

**Kamal Singal**

MD & CEO

DIN : 02524196

**per Sukrut Mehta**

Partner

Membership No. : 101974

Place : Ahmedabad

Date : May 6, 2024

**Prakash Makwana**

Company Secretary

Place : Ahmedabad

Date : May 6, 2024

# 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

Sr. No	Name of Subsidiary	Reporting Period	Exchange Rate	Share Capital/Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investment (Excluding investment in subsidiaries)	Turnover	Profit/(Loss) before Taxation	Provision for Taxation/(Credit)	Profit/(Loss) after Taxation	Proposed Dividend	% of shareholding /capital contribution
1	Arvind Hebbal Homes Private Limited	31-03-2024	Rs.	1.00	(1,724.09)	20,486.90	22,210.00	-	262.30	(690.17)	(172.71)	(517.46)	Nil	100.00
2	Arvind Homes Private Limited	31-03-2024	Rs.	1,251.00	(2,057.18)	22,118.02	22,924.20	-	-	(1,301.32)	(327.51)	(973.81)	Nil	100.00
3	Arvind SmartHomes Private Limited	31-03-2024	Rs.	2,101.00	(2,097.35)	37,478.80	37,475.15	-	-	(2,149.71)	(541.08)	(1,608.63)	Nil	100.00
4	Arvind Infracon LLP	31-03-2024	Rs.	1.00	-	4,272.82	4,271.82	-	8,132.15	2,183.93	672.81	1,511.12	Nil	100.00
5	Arvind Five Homes LLP	31-03-2024	Rs.	1.00	346.95	11,811.63	11,463.68	-	1,817.93	1,206.87	278.08	928.79	Nil	52.00
6	Changodar Industrial Infrastructure (One) LLP	31-03-2024	Rs.	1.00	(35.03)	34.98	69.01	-	-	(7.04)	-	(7.04)	Nil	100.00
7	Arvind Beyond Five Club LLP	31-03-2024	Rs.	1.00	(11.72)	1,976.81	1,987.54	-	-	(3.97)	-	(3.97)	Nil	100.00
8	Uplands Facilities Management LLP	31-03-2024	Rs.	1.00	120.98	132.39	252.38	-	63.02	(134.71)	-	(134.71)	Nil	100.00
9	ASL Facilities Management LLP	31-03-2024	Rs.	1.00	(25.61)	10.40	35.01	-	4.66	(0.29)	--	(0.29)	Nil	100.00
10	Ahmedabad Industrial Infrastructure (One) LLP	31-03-2024	Rs.	1.00	149.49	1,418.25	1,267.76	-	-	15.80	-	15.80	Nil	100.00
11	Ahmedabad East Infrastructure LLP	31-03-2024	Rs.	1.05	3,375.00	11,557.10	8181.10	-	6,576.70	1,899.50	6.63	1,235.80	Nil	55.24
12	Yogita Shelters LLP	31-03-2024	Rs.	1,404.10	(378.00)	3,011.00	1,985.00	-	915.00	(647.00)	(261.00)	(386.00)	Nil	100.00
13	Chirping Woods Homes LLP	31-03-2024	Rs.	1.00	(116.00)	3,865.00	3,979.54	-	--	(92.00)	(32.24)	(60.01)	Nil	100.00
14	Arvind Smart City LLP	31-03-2024	Rs.	1.03	(9.06)	1,510.99	1,519.03	-	-	(0.47)	--	(0.47)	Nil	100.00
15	Arvind Infrabuild LLP	31-03-2024	Rs.	1.00	(72.93)	661.39	733.32	--	--	(0.36)	--	(0.36)	Nil	100.00
16	Arvind Integrated Projects LLP	31-03-2024	Rs.	1.00	(1.11)	1.01	1.13	--	--	(0.39)	-	(0.39)	Nil	100.00
17	Thol Highlands LLP	31-03-2024	Rs.	1.00	(0.82)	1,802.91	1,802.73	--	--	(0.91)	(0.31)	(0.59)	Nil	100.00
18	Adroda Homes LLP	31-03-2024	Rs.	1.00	(251.96)	10,502.11	10,753.07	--	---	(387.29)	(135.44)	(251.96)	Nil	100.00
19	Bavla Homes LLP	31-03-2024	Rs.	1.00	(0.22)	1,218	1,217.53	--	--	(0.22)	--	(0.22)	Nil	100.00

(Rs. in Lac)

Sr. No	Name of Subsidiary	Reporting Period	Exchange Rate	Share Capital/Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investment (Excluding investment in subsidiaries)	Turnover	Profit/(Loss) before Taxation	Provision for Taxation/(Credit)	Profit/(Loss) after Taxation	Proposed Dividend	% of shareholding /capital contribution
20	Arvind Surat Homes LLP (formerly known as Kesardi Homes LLP)	31-03-2024	Rs.	1.00	(0.22)	12.18	11.40	--	--	(0.22)	--	(0.22)	Nil	100.00
21	Ahmedabad Chhabasar LLP	31-03-2024	Rs.	1.00	(34.38)	4,036.00	4,070.00	--	--	(52.85)	(18.47)	(34.38)	Nil	100.00
22	Arvind Green Homes LLP (formerly known as Amplus Ahmedabad Projects LLP)	31-03-2024	Rs.	1.00	(0.09)	0.96	0.05	--	--	(0.07)	--	(0.07)	Nil	100.00
23	Kalyangadh Homes LLP	31-03-2024	Rs.	1.00	(96.47)	11,990.98	12,086.46	--	--	(148.29)	(51.82)	(96.47)	Nil	100.00
24	Lagdana Homes LLP	31-03-2024	Rs.	1.00	(0.22)	1.00	0.22	--	--	(0.22)	--	(0.22)	Nil	100.00

**Notes:** The following information shall be furnished at the end of the statement:

1. Name of subsidiaries which are yet to commence the operations - **NIL**
2. Names of subsidiaries which have been liquidated or sold during the year: **NIL**

## 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 "B": Joint Venture

(Rs. in Lac)

Sr. No	Particulars	Arvind Bsafal Homes LLP
1.	Latest Audited Balance Sheet Date	31.03.2024
2.	Shares of Joint Ventures Held by the Company on the year end	
	i) Number	Not Applicable
	ii) Amount of Investment in joint Ventures	0.50
	iii) Extend of Holding %	Capital Contribution Ratio : 50% Profit Sharing Ratio : 41%
3.	Description of how there is significant influence	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
5.	Net worth attributable to shareholding as per latest Audited Balance sheet	37.25
6.	Profit/(Loss) for the year	
	i) Considered in Consolidation	1.40
	ii) Not Considered in Consolidation	2.02

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

**Sanjay Lalbhai**  
Chairman  
DIN : 00008329

**Kamal Singal**  
MD & CEO  
DIN : 02524196

**Prakash Makwana**  
Company Secretary

Place : Ahmedabad  
Date : May 6,2024

# Notice

NOTICE is hereby given that the 16<sup>th</sup> (Sixteenth) Annual General Meeting of the members of the Company will be held on Thursday, July 25, 2024 at 11:00 am through Video Conference (“VC”) / Other Audio-Visual Means (“OAVM”) (“hereinafter referred to as “electronic mode”) to transact the following Business:

## Ordinary business:

1. To receive, consider and adopt the audited financial statements (including consolidated financial statements) of the Company for the financial year ended on March 31, 2024 and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended on March 31, 2024.
3. To appoint a Director in place of Mr. Sanjay S. Lalbhai (DIN: 00008329), who retires by rotation in terms of Article 187 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 the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Pallavi Vyas (DIN: 08521883), who was appointed as an Independent Director up to August 4, 2024 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules

framed thereunder and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for second term of 5 (five) consecutive years upto August 4, 2029 on the Board of the Company.

**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.

### 5. 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), the remuneration of Rs. Rs. 1,00,000/- (Rupees One Lac Only) plus applicable taxes and re-imbursment 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 on March 31, 2025 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:

24, Government Servant Society,  
Nr. Municipal Market, Off C G Road,  
Navrangpura, Ahmedabad-380009

Date: May 6, 2024

Place: Ahmedabad

By Order of the Board

**Prakash Makwana**  
Company Secretary

## Notes:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs and all other relevant circulars issued from time to time, General Meeting can be held through video conferencing (VC) or other audio visual means (OAVM) without physical attendance of the Members at the venue of General Meeting. Hence, Members can attend and participate in the ensuing Annual General Meeting (AGM) through VC/OAVM. The deemed venue for AGM shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is explained at Note No. 20 below.
2. The Notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depositories, in accordance with the aforesaid MCA Circulars & SEB Circular. Members may note that the Notice of AGM and Annual Report for the FY23-24 will also be available on the Company's website [www.arvindsmartspaces.com](http://www.arvindsmartspaces.com); websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
3. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to the Notice.
4. Members attending the meeting through VC/ OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members may note that the facility of participation at AGM through VC/OAVM will be made available for 1,000 Members on a first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first serve basis.
7. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the businesses under Item No. 4 and 5 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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 and 4 of the Notice is also annexed to the notice.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 19, 2024 till Thursday, July 25, 2024 (both days inclusive).
9. The dividend on equity shares for the year ended on March 31, 2024, if declared at the meeting, will be paid / dispatched subject to deduction of tax at source on due date (i) to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), as of the close of business hours on Wednesday, July 24, 2024 and (ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Wednesday, July 24, 2024.



10. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link:  
[https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf) (FAQ No 38 & 39).
11. Pursuant to the changes introduced by the Finance Act 2020, w.e.f. April 01, 2020, the Company would be required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Dividend (Final and Special) will be paid after deducting the TDS. The Company will be sending out individual communication to the shareholders who have registered their email IDs with us. For the detailed process, the information is available at Company's website at <https://www.arvindsmartspaces.com/investors/updates/>.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. in case the shares are held by them in physical form.
13. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA - Link Intime India Private Limited, for assistance in this regard.
14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime India Pvt. Ltd., the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- 15. Nomination facility:** As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available to the members in respect of the shares held by them. members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the member may submit the same in Form ISR-3 or Form SH-14, as the case may be.
- The said forms can be downloaded from the Company's website at <https://www.arvindsmartspaces.com/investors/downloads/>. members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) in case the shares are held in physical form, quoting their folio no(s).
16. Members intending to require information about Accounts in the Meeting are requested to inform the Company at least 7 days in advance of the date of the AGM.
17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to approach the Company or its RTA to claim their dividends, within the stipulated timeline. Unclaimed and unpaid dividends for the FY18-19 and FY 22-23 will be transferred to this fund on respective due dates i.e. October 09, 2026 and October 06, 2030. Kindly note that once unclaimed and unpaid dividends and shares are transferred to the IEPF, members will have to approach to IEPF Authority for such dividends and shares.
18. All documents referred to in the accompanying Notice of the AGM and explanatory statement

shall be open for inspection without any fee at the registered office of the Company during normal business hours on any working day upto and including the date of the AGM of the Company.

19. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

## **20. Instructions for voting through electronic means (e-Voting):**

- I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (“NSDL”) as the authorized agency, for facilitating voting through electronic means i.e. remote e-Voting and e-Voting during the AGM.
- II. Mr. Hitesh Buch, Practicing Company Secretary (Membership No. FCS 3145, COP 8195) has been appointed as the Scrutinizer to scrutinize the e-Voting during the AGM and remote e-Voting in a fair and transparent manner.
- III. The Results of voting will be declared within two working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer’s Report will be submitted to the Stock Exchanges where the Company’s equity shares are listed (BSE Limited & National Stock Exchange of India Limited) and shall also be displayed on the Company’s website [www.arvindsmartspaces.com](http://www.arvindsmartspaces.com) and NSDL’s website [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- IV. Voting rights of the members for voting through remote e-Voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, July 18, 2024. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business

hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-Voting and voting during the AGM.

- V. The remote e-Voting facility will be available during the following period:
  - a. Commencement of remote e-Voting: 09:00 A.M. (IST) on Monday, July 22, 2024.
  - b. End of remote e-Voting: 05:00 P.M. (IST) on Wednesday, July 24, 2024.
  - c. The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period.
- VI. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
- VII. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- VIII. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning their demat account number/ folio number, PAN, name and registered address. 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.

### **IX. Process and manner for Remote e-Voting:**

Members are requested to follow the below instructions to cast their vote through e-Voting:

#### **How do I vote electronically using NSDL e-Voting system?**





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

### **Step 1: Access to NSDL e-Voting system**

#### **(A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.  <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>   </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> </ol>

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022-4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**(B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode**

**How to Log-into 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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services 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. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
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.nsd.com](http://www.evoting.nsd.com).
  - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.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](mailto: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.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company which is "Arvind SmartSpaces Limited" for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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](mailto:pcs.buchassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

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](http://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](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investor@arvindinfra.com](mailto:investor@arvindinfra.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investor@arvindinfra.com](mailto:investor@arvindinfra.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Instructions for members for e-Voting on the day of the AGM are as under:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

**In case you have not registered your e-mail address with the Company/ Depository, please follow below instructions for registration of e-mail address for obtaining Annual Report and / or login details for e-voting:**

<b>Physical Holding</b>	<b>Visit the link:</b> <a href="https://linkintime.co.in/EmailReg/email_register.html">https://linkintime.co.in/EmailReg/email_register.html</a> and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail address.
<b>Demat Holding</b>	Please contact your Depository Participant (DP) and register your e-mail address in your demat account as per the process advised by your DP.

**21. Instructions for Members for attending the AGM through VC/OAVM:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio Number, PAN and mobile number at [investor@arvindinfra.com](mailto:investor@arvindinfra.com) on or before Thursday, July 18, 2024.
6. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**Registered Office:**

24, Government Servant Society,  
Nr. Municipal Market, Off C G Road,  
Navrangpura, Ahmedabad-380009

Date: May 6, 2024

Place: Ahmedabad

**By Order of the Board**

**Prakash Makwana**  
Company Secretary

## Explanatory statement under section 102(1) of the Companies Act, 2013:

### Item No. 4

In accordance with provisions of Section 149(10) of the Companies Act, 2013 ('the Act'), an Independent Director holds office for a term of five consecutive years on the Board of the Company and she is eligible for re-appointment subject to the approval by members of the Company by way of a special resolution.

Ms. Pallavi Vyas was appointed as an Independent Director by a resolution passed at the Annual General Meeting held on September 29, 2020 for a period of 5 (five) years upto August 4, 2024. The Members are informed that the Board of Directors of the Company ('the Board') at its meeting held on May 6, 2024, on the recommendation of the Nomination and Remuneration Committee, has re-appointed Ms. Pallavi Vyas as an Independent Director of the Company, with effect from August 5, 2029 subject to the approval of the Members of the Company in accordance with the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule IV of the Act, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and her appointment shall not be subject to retire by rotation. A notice has been received from a member proposing Ms. Pallavi Vyas as a candidate for the office of the Director of the Company.

The Board is of the view that her active participation in various Committee and Board meetings, her positive attributes, valuable guidance and suggestions even in the field of Corporate Social Responsibility would benefit the Company. The Board is also satisfied with her report of overall performance evaluation. Declaration has been received from her that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, Ms. Pallavi Vyas fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as

an Independent Director and that she is independent of the management of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Consent of the members by way of Special Resolution is required for re-appointment of Ms. Pallavi Vyas, in terms of Section 149 of the Act.

The details as required under Regulation 36(3) of Listing Regulations and 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. 4 are attached as separate annexure to this Notice.

Ms. Pallavi Vyas and her relatives are interested in this Special Resolution to the extent of their shareholding, if any, in the Company. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution.

### Item No. 5

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025 on a remuneration of Rs. 1,00,000/- (Rupees One Lac only) plus applicable taxes and re-imbursalment of out-of-pocket expenses to be incurred in connection with the audit for the financial year ending March 31, 2025.

In accordance with the provisions of Section 148(3) of the Act read with The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2025.

The Board of Directors recommends the above resolution for your approval.

#### Registered Office:

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Date: May 6, 2024  
Place: Ahmedabad

By Order of the Board

**Prakash Makwana**  
Company Secretary



## Annexure to Item No. 3 & 4 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	Mr. Sanjay S. Lalbhai	Ms. Pallavi Vyas
Director Identification No.	00008329	08521883
Date of Birth	April 10, 1954	February 12, 1972
Age	70 Years	52 Years
Nationality	Indian	USA
Date of Appointment or reappointment on the Board	March 28, 2015	August 5, 2019
Qualifications	<ul style="list-style-type: none"> <li>Bachelor of Science.</li> <li>Masters in Management Studies.</li> </ul>	<ul style="list-style-type: none"> <li>PhD in Public Policy</li> <li>Master of Arts in Economics</li> <li>Bachelor of Arts</li> </ul>
Brief Resume	<p>Sanjay Lalbhai is the Chairman and Non-Executive Director of Arvind SmartSpaces. He is also Chairman of Arvind Limited; Chairman and Non-Executive Director of Arvind Fashions and Anup Engineering. Arvind is a group of businesses that post a turnover 1.7 billion USD and it is under his leadership that it has become one of the largest manufacturers of textiles globally and that the group has established a strong presence in spaces such as apparel retailing, real estate and engineering.</p> <p>Mr. Lalbhai believes that addressing societal concerns and creating long lasting benefit to society is integral to the business strategy. He provides strategic leadership to SHARDA Trust and Arvind Foundation - the CSR arms of the company.</p> <p>Mr. Lalbhai has a deep interest in the field of higher education and serves on the boards of several premier educational institutes. He is the President of Ahmedabad Education Society, President of Ahmedabad University, Chairman of CEPT University and was a past member of the Governing Board of the Indian Institute of Management, Ahmedabad. He provides leadership in the field of research by serving on the Council of Management of the Physical Research Laboratory and as Chairman of Council of Administration of Ahmedabad Textile Industry's Research Association.</p> <p>Mr. Lalbhai is passionate about art. He serves as a Chairman of 'Gujarat Museum Society and the Chairman of the Lalbhai Dalpatbhai institute of Indology. He is also founder and trustee of the Kasturbhai Lalbhai Museum and founder of the Arvind Indigo museum.</p> <p>Mr. Lalbhai has been a practitioner of Heartfulness Meditation since 1994 and has been a trainer in the practice since 2015.</p>	<p>Ms. Pallavi Vyas holds a PhD in Public Policy from the Harris School of Public Policy, University of Chicago. She also holds an MA in Economics from Bowling Green State University and a BA from Mumbai University. She is currently an Associate Professor in Economics and Public Policy at Ahmedabad University. Her fields of interest are Labor Economics, Human Capital Theory, Public Health and Development Economics.</p> <p>She is also a consultant to the World Bank where her projects involve calculating poverty rates for India using Survey to Survey Imputation methods, establishing the relationship between anthropometric indicators for children and wealth measures and a labor market analysis for the Maldives. She was also a consultant to CPWR where she is evaluating medical costs to workers in the construction industry in the U.S. Between 1999 and 2008, Pallavi worked as an economist in economic litigation consulting at Economic Analysis/LECG, in Los Angeles. Her work included analysis in antitrust, securities, brand valuation and corporate labor cases. Prior to joining Economic Analysis/LECG, she worked at the Milken Institute in Santa Monica as a Research Analyst to the President on global economic issues.</p>

Expertise in specific functional area	Refer report on Corporate Governance	Refer report on Corporate Governance
Number of shares held in the Company as on 31-03-2024	200145	Nil
Number of Board Meetings attended during the year.	4 out of 4 meetings	4 out of 4 meetings
Last drawn remuneration	Rs. 6,80,000/-	Rs. 6,60,000/-
List of the directorships held in other companies	Arvind Limited The Anup Engineering Limited Arvind Fashions Limited Animesh Holdings Pvt. Ltd. Arvind Foundation Arvind Indigo Foundation	Nil
Chairman/Member in the Committees of the other companies in which he is Director	Refer report on Corporate Governance	Refer report on Corporate Governance
Listed entities from which has/she has resigned in the past three years	Nil	Nil
Relationships between Directors inter-se.	Mr. Sanjay S. Lalbhai is a Father of Mr. Kulin S. Lalbhai, Vice-chairman and Non-Executive Director of the Company.	-

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Date: May 6, 2024  
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**By Order of the Board**

**Prakash Makwana**  
Company Secretary



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