Arvind SmartSpaces Limited

10th Annual Report 2017-18

ARVIND SMARTSPACES

Board of Directors

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

Audit Committee

Mr. Pratul Shroff	:	Chairman
Mr. Prem Prakash Pangotra	:	Member
Dr. Indira J. Parikh	:	Member
Mr. Kamal Singal	:	Member
Mr. Nirav Kalyanbhai Shah	:	Member

Nomination & Remuneration Committee

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

Stakeholders Relationship Committee

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

Corporate Social Responsibility Committee

Mr. Sanjay S. Lalbhai	:	Chairman
Mr. Prem Prakash Pangotra	:	Member
Dr. Indira J. Parikh	:	Member
Mr. Kamal Singal	:	Member

Management Committee

Mr. Sanjay S. Lalbhai	:	Chairman
Mr. Kulin S. Lalbhai	:	Member
Mr. Kamal Singal	:	Member

Key Managerial Personnel

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

Auditors

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

Arvind SmartSpaces Limited

CIN: L45201GJ2008PLC055771
24, Government Servant's Society,
Nr. Municipal Market, Off C.G. Road, Navrangpura,
Ahmedabad - 380009. Phone No. 079-30137000
Email: investor@arvindinfra.com
Website: www.arvindsmartspaces.com

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URGENT

FOR THE ATTENTION OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

Shareholders are informed that in view of recent amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, SEBI has mandated that transfer of securities would be carried out in dematerialised form only. Accordingly, effective from 5th December 2018, your Company will not be able to effect any request for transfer of shares held in the Company, in physical form. In view of this, all shareholders holding shares in physical form are requested to get their shares dematerialized latest by 5th December 2018 in order to protect the liquidity of their shares.

Shareholders are further informed that SEBI vide its Circular dated 20th April 2018 has also directed Issuer Companies through their RTAs to collect copy of PAN and BANK ACCOUNT details of the securities holders holding it in physical form. Your Company, through its RTA has initiated steps by sending a separate letter to all the shareholders holding shares in physical form for registration of their KYC details with supporting documents to RTA. Shareholders may please get in touch with the RTA or the Company Secretary for any further assistance in this regards immediately.

Registrar And Transfer Agent

Link Intime India Private Limited,
506-508, Amarnath Business Centre-1 (abc-1),
Beside Gala Business Centre, Near St. Xavier's College Corner,
Off C G Road, Ellisbridge, Ahmedabad 380006.
Tel No : +91 79 26465179 /86 / 87
E-mail id : ahmedabad@linkintime.co.in, Website : www.linkintime.co.in

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the members of the Company will be held on Friday, the 31st August, 2018 at 10:00 A.M. at J. B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. V S Marg, Ahmedabad - 380015 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 31st March, 2018 and the reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Sanjay S. Lalbhai (holding DIN 00008329), who retires by rotation in terms of Article 149 of the Articles of Association of the Company and being eligible, offers himself for reappointment.

3. To ratify the appointment of M/s. S R B C & Co LLP, Chartered Accountants as Statutory Auditors of the Company and 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 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. S R B C & Co LLP, Chartered Accountants, having Firm Registration No. 324982E / E300003 as Statutory Auditor of the Company from this 10th Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration plus GST, Out-of-pocket expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

SPECIAL BUSINESS

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

   RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad having Firm Registration No. 000025, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2019, amounting to Rs. 75,000 (Rupees Seventy Five Thousand only) as also the payment of GST as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.

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

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

Date: 1st May, 2018

NOTES

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

   A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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

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

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

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

6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form and to the

Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. Unit: Arvind SmartSpaces Limited, 506-508, Amarnath Business Centre-1 (abc-1) Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006 in case the shares are held by them in physical form.

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

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

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

8. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 21st August, 2018 to Thursday, the 23rd August, 2018 (both days inclusive) for the purpose of AGM.

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

10. The Notice of the AGM and Annual Report of the Company for the year ended 31st March, 2018 is posted on the Company's website www.arvindsmartspaces.com and may be accessed by the members.

11. Electronic copy of the Annual Report for the year ended 31st March, 2018 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for the year ended 31st March, 2018 are being sent by the permitted mode.

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

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

14. The route map showing direction to reach the venue of the 10th AGM is annexed.

15. Instructions for e-voting

A separate sheet containing the complete details of the instructions for e-voting is being sent to all the shareholders along with the Annual Report for the year ended 31st March, 2018 to enable them to cast their votes through e-voting.

Registered Office:
24, Government Servant's Society,
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Ahmedabad - 380009

By Order of the Board

Prakash Makwana
Company Secretary

Date: 1st May, 2018

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

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2019 at a remuneration of ₹75,000 (Rupees Seventy Five Thousand only) plus GST and out of pocket expenses.

In accordance with the provisions of Section 148 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 shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

The Board recommends the above resolution for your approval.

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

Annexure to Item No. 2 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)

<table>
<tr><td>Name of the Director</td><td colspan="3">Sanjay S. Lalbhai</td></tr>
<tr><td>Director Identification No. (DIN)</td><td colspan="3">00008329</td></tr>
<tr><td>Date of Birth</td><td colspan="3">10th April, 1954</td></tr>
<tr><td>Nationality</td><td colspan="3">Indian</td></tr>
<tr><td>Date of Appointment on the Board</td><td colspan="3">28th March, 2015</td></tr>
<tr><td>Qualifications</td><td colspan="3">1. Bachelor of Science
2. Masters in Management Studies</td></tr>
<tr><td>Expertise in specific functional area</td><td colspan="3">● Business Strategy,
● Product Development & Branding,
● Operations and General Management</td></tr>
<tr><td>Number of shares held in the Company</td><td colspan="3">200155 Equity Shares</td></tr>
<tr><td>List of the directorships held in other companies (excluding Foreign, Private and Section 8 Companies)*</td><td colspan="3">1. Arvind Limited
2. Adani Ports and Special Economic Zone Ltd.
3. Arvind Fashions Limited
4. Arvind Lifestyle Brands Limited
5. Anveshan Heavy Engineering Limited
6. The Anup Engineering Limited</td></tr>
<tr><td>Number of Board Meetings attended during the year.</td><td colspan="3">2 out of 5 meetings held during the financial year 2017-2018</td></tr>
<tr><td rowspan="3">Chairman/Member in the Committees of the Boards of companies in which he is Director.*</td><td>Name of the Company</td><td>Committee</td><td>Chairman/Member</td></tr>
<tr><td>Arvind SmartSpaces Limited</td><td>Stakeholders’ Relationship Committee</td><td>Chairman</td></tr>
<tr><td>Arvind Limited</td><td>Stakeholders’ Relationship Committee</td><td>Member</td></tr>
<tr><td>Relationships between Directors inter-se.</td><td colspan="3">Mr. Sanjay S. Lalbhai is father of Kulin S. Lalbhai Non-Executive Director of the Company.</td></tr>
<tr><td colspan="4">* Directorship includes Directorship of other Indian Public Companies and Committee membership includes only Audit Committee and Stakeholders’ Relationship Committee of Public Limited Company (whether Listed or not).</td></tr>
</table>

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

Date: 1st May, 2018

By Order of the Board

Prakash Makwana
Company Secretary

DIRECTORS' REPORT

To, The Members,

Your Directors have pleasure in presenting the Tenth Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the financial year ended on 31st March, 2018.

1. FINANCIAL RESULTS :

Highlights of the Financial Results for year are as under: [₹ in lacs]

Particulars	Standalone		Consolidated	
	2017-18	**2016-17**	**2017-18**	**2016-17**
Total Revenue	14,216.01	9,484.30	20,224.07	15,874.13
Profit before Finance costs, Depreciation and Amortisation & Tax	**5,068.99**	**3,234.66**	**6,495.41**	**4,421.25**
Less: Finance Costs	1,465.22	1,158.03	1,539.29	1,158.03
Less : Depreciation and Amortisation	85.25	82.17	109.39	103.34
Profit before share in profit/(loss) of Joint ventures & Tax	**3,518.52**	**1,994.46**	**4,846.73**	**3,159.88**
Share of Profit/(Loss) from Joint ventures	-	-	(12.74)	69.79
Profit before tax	**3518.52**	**1,994.46**	**4,833.99**	**3,229.67**
Less : Current Tax	536.16	(37.74)	1,679.47	1095.99
Less : Deferred Tax	4.33	(26.75)	10.44	(31.34)
Profit for the year	**2,978.02**	**2,058.95**	**3,144.08**	**2,165.02**
Other comprehensive income (net of tax)	(6.45)	(1.49)	(6.45)	(1.49)
Total comprehensive income for the year	**2,971.57**	**2,057.46**	**3,137.63**	**2,163.53**
Profit/(Loss) attributable to :				
Equity holders of the parent	-	-	3,011.05	2,026.57
Non-controlling interest	-	-	126.58	136.96

2. OPERATIONS :

The standalone total revenue of the company stood at ₹ 14,216.01 lacs compared to ₹ 9,484.30 lacs in the previous year, showing an increase of 50%. Total comprehensive income stood at ₹ 2,971.57 lacs as compared to ₹ 2,057.46 lacs in the previous fiscal, showing an increase of 44%.

The consolidated total revenue of the company stood at ₹ 20,224.07 lacs compared to ₹ 15,874.13 lacs in the previous fiscal, showing an increase of 27%. Total comprehensive income stood at ₹ 3,137.63 lacs as compared to ₹ 2,163.53 lacs in the previous fiscal, showing an increase of 45%.

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

3. DIVIDEND:

Keeping in mind the need to conserve the resources for the future development of the Company, your Directors do not recommended any dividend on Equity Shares for the year under review.

4. TRANSFER TO RESERVES:

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

5. SHARE CAPITAL:

During the year, with the approval of the members at the Extraordinary General Meeting held on 25th January, 2018, the authorised share capital of the Company was increased to ₹ 50,00,00,000 by creation of additional 1,50,00,000 (One Crore Fifty lacs) equity shares of ₹ 10/- (Rupees Ten).

During the year 2017-18, the Company has allotted 2,83,243 equity shares of ₹ 10/- each to the eligible employee/s pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2013 (AIL ESOP 2013) and 31,75,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them under

Tranche II of the Preferential issue made in April 2016. Consequently, the paid up equity share capital of the Company as at 31st March, 2018 stood at ₹ 31,86,75,500/- consisting of 3,18,67,550 equity shares of ₹ 10/- each.

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

6. EMPLOYEE STOCK OPTION SCHEME:

The Company has instituted the Arvind Infrastructure Limited (now Arvind SmartSpaces Limited) - Employees Stock Option Scheme - 2013 (AIL ESOP 2013) 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.

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

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

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

8. FINANCE :

During the year, the Company has made fresh borrowings of ₹ 6,668.73 lacs for its working capital requirements. Total Debt of the Company stands at ₹ 16,072.55 lacs as on 31st March, 2018.

9. DEPOSITS:

The Company has not accepted or renewed any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence furnishing the details of deposit in terms of Chapter V of the Companies Act, 2013 is not applicable to the Company. Further there are no outstanding deposits as at 31st March, 2018.

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

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

11. INDIAN ACCOUNTING STANDARDS (IND AS):

In terms of Section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, the Company, its subsidiaries, joint venture and associates companies have adopted IND AS w.e.f. 1st April, 2017 and these financial results alongwith the comparatives have been prepared accordingly.

12. CONSOLIDATED FINANCIAL STATEMENTS:

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

13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

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

As a part of initiatives under CSR, the Company has undertaken Rural Development Programme at its project sites at Nasmed and Adhana villages at Kalol, Gandhinagar, Gujarat which activities is included in Schedule VII of the Companies Act, 2013. The brief details of Corporate Social Responsibility Policy and the amount spent during the financial year 2017-18 on the said activity is enclosed as **Annexure - B**.

14. HUMAN RESOURCES:

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

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

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

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

15. RISK MANAGEMENT:

The Real Estate market is inherently a cyclical market and is affected by macroeconomics 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 such events which if occurred will adversely affect either/or, value to shareholders, ability of Company to achieve objectives, ability to implement business strategies, the manner in which the Company operates and reputation as "Risks". Further, such risk are categorized into Strategic Risks, Operating Risks and Regulatory Risks.

Under the framework, the Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

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

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Whistle Blower Policy to deal with the instances of fraud or 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://arvindsmartspaces.com/wp-content/uploads/2018/05/whistleblower-Policy_AIL.pdf

In order to achieve the purpose of the whistle blower policy of the Company i.e. to conduct the business of the Company in fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior and by developing a culture where it is safe for all its stakeholders to report concerns about any unethical/improper practices and events of misconduct, the Company has organised workshops for its vendors, contractors and employees in Ahmedabad and Bangalore where the Company has its various projects to spread awarness of this platform.

18. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As on 31st March, 2018, the Company has 9 subsidiaries including one wholly owned subsidiary and 2 Joint venture Companies.

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

The Company has framed a policy for determining material subsidiaries, which has been posted on company's website at www.arvindsmartspaces.com.

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors consist of 7 Directors out of which 1 is Executive Director, 2 are Non-Executive Non-Independent Directors and 4 are Non-Executive Independent Directors including Woman Director which 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 Article of Association, Mr. Sanjay S. Lalbhai (DIN 00008329) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment as the Director of the Company.

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

None of the Directors are disqualified from being appointed as Directors as specified in section 164 of the Companies Act, 2013. The profile of Directors forms part of the Corporate Governance Report.

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

20. 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 annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees on the basis of criteria formulated by the Nomination and Remuneration Committee which are broadly in compliance with the Guidance Note on Board Evaluation issued by SEBI vide its Circular dated 5th January, 2018. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

21. REMUNERATION POLICY :

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is explained in the Corporate Governance Report forming part of this Report.

22. 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 details of the familiarization programme are explained in the Corporate Governance Report. The same is also posted on the website of the Company at https://arvindsmartspaces.com/wp-content/uploads/2018/05/Familiarisation_Programee_for_IDs.pdf

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

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

During the year under review, 5 meetings of the Board of Directors, 4 meetings of Audit Committee, 1 meeting of Nomination and Remuneration Committee, 4 meetings of Stakeholders' Relationship Committee, 2 meetings of Corporate Social Responsibility Committee and 16 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.

24. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

(a) in the preparation of the annual accounts for the year ended on 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

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

(c) they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

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

25. RELATED PARTY TRANSACTIONS:

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

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

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

26. 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.

27. AUDITORS:

(a) Statutory Auditor:

In terms of Section 139 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at its 9th Annual General Meeting held on 14th September, 2017 approved the appointment of M/s. S R B C & Co LLP, Chartered Accountants, having Firm Registration No. 324982E/E300003, as the Statutory Auditors of the Company for the term of 5 years commencing from the 9th Annual General Meeting of the Company till the conclusion of the 14th Annual General Meeting of the Company subject to ratification of their appointment by the Members at every intervening Annual General Meeting.

M/s. S R B C & Co LLP, Statutory Auditors of the Company has furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013 and the rules framed there under. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. The Board, based on the recommendation of the Audit Committee, recommends the ratification of appointment of M/s. S R B C & Co LLP as the Statutory Auditors of the Company.

The members are requested to ratify the appointment of M/s. S R B C & Co LLP, Chartered Accountants and a Resolution seeking Members' ratification for the appointment of M/s. S R B C & Co LLP, Chartered Accountants, as Statutory Auditors, is included at item No. 3 of the notice convening the Annual General Meeting.

Further, the Report given by M/s. S R B C & Co LLP, Chartered Accountants on the financial statements along with the notes to the financial statements of the Company for the financial year 2017-2018 is forming part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act.

(b) Cost Auditors:

On the recommendation of the Audit Committee, the Board of Directors appointed M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 000025), as Cost Auditors of the Company for the year 2018-19 under Section 148 of the Companies Act 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014. M/s Kiran J. Mehta & Co. have confirmed that they are free from disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141 (4) of the Companies Act, 2013 and that their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and an arm's length relationship with the Company.

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

(c) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s N. V. Kathiria & Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2017-18. Report of the Secretarial Audit in Form MR-3 for the financial year 2017-18 is enclosed as **Annexure – C**. The said Report does not any qualification, reservation or adverse remark or disclaimer.

28. ENHANCING SHAREHOLDERS VALUE:

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

29. 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.

30. 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.

31. EXTRACT OF ANNUAL RETURN IN FORM MGT - 9 :

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

32. PARTICULARS OF EMPLOYEES:

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

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

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

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

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

During the financial year 2017-18 the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2018.

34. ACKNOWLEDGEMENTS:

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

By Order of the Board

Date: 1st May, 2018
Place: Ahmedabad

Sanjay S. Lalbhai
Chairman

Annexure – A to the Director's Report

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

The Details of Arvind SmartSpaces Limited Employees Stock Option Scheme - 2013 for the year ended on 31st March, 2018 are as under:

1	**Description of ESOP 2013:**	
(a)	Date of shareholder approval	8th March, 2013
(b)	Total number of shares approved under ESOP 2013.	5% of share capital from time to time.
(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	Grant I – ₹ 41.25 Grant II – ₹ 45.14
(e)	Maximum term of options granted	5 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 as the Company has accounted for the expense using fair value method and the current Profits of the Company along with the Earnings per Share disclosed reflect the impact of such expense
	(i) Difference between Intrinsic value and Fair value compensation cost	
	(ii) Impact on the Profits of the Company (₹)	
	(iii) Impact on Basic Earnings Per Share of the Company (₹)	
	(iv) Impact on Diluted Earnings Per Share of the Company (₹)	
4	Option movement during the year:	
(a)	Options Outstanding at the beginning of theYear	10,22,972
(b)	Options granted during the year	0
(c)	Options forfeited / lapsed during the year	0
(d)	Options vested during the year	2,42,103
(e)	Options exercised during the year	2,83,243
(f)	Number of shares arising as a result of exercise of option	2,83,243
(g)	Money realised by exercise of options (₹)	₹ 1,16,83,774
(h)	Loan repaid by the Trust during the year from exercise price received	NA
(i)	Options Outstanding at the end of the year	7,39,729
(j)	Options Exercisable at the end of the year	7,39,729
5A	Weighted average exercise prices of optionsWhose: Exercise price equals market price of stock Exercise price exceeds market price of stock Exercise price is less than market price of stock	 ₹ 41 0 0
5B	Weighted average fair value of options whose: Exercise price equals market price of stock Exercise price exceeds market price of stock Exercise price is less than market price of stock	 ₹ 33.71 0 0
6	Employee wise details of options granted to: (i) Senior managerial personnel; (ii) any other employee who receives agrant in any one year of options amounting to five per cent or more of options granted during that year; (iii) Identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant.	Nil
7	A description of the method and significantassumptions used during the year to estimate the fair values of options, including following information: (i) Share price (₹) (ii) Exercise price (₹) (iii) Expected volatility (iv) Expected dividends (v) Risk-free interest rate (vi) Any other inputs to the model (vii) Method used and the assumptionsmade to incorporate effects of expected early exercise (viii) How expected volatility was determined, including an explanation of the extent of which expected volatility was based on historical volatility (ix) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	No grants made during the year.

Annexure-B to the Director's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

1	A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	➢ **Brief outline of the company's CSR Policy:** For Arvind SmartSpaces Limited ("ASL"), care for the society has been an intrinsic value in the same manner as it is for other entities of the Lalbhai group. Though the rationale for long tradition of reaching out through planned interventions had always been nurturing society, at the base of it all lies an implicit value system. The underlying value system has a firm belief that only in a healthy society healthy businesses flourish and to ensure this, Business leaders must positively impact society. ASL conducts its CSR Programs through Strategic Help Alliance for Relief to Distressed Areas **("SHARDA")** Trust and Narottam Lalbhai Rural Development Fund **("NLRDF")**, CSR arms of Lalbhai group for undertaking initiatives of social renewal with urban and rural poor respectively. ➢ **Overview of projects or programs undertaken or proposed to be undertaken:** Arvind SmartSpaces Limited ("ASL") Policy on Corporate Social Responsibility aims to impact positively, the quality of life of people, through initiatives of social, economic, educational, infrastructural, environmental, health and cultural advancement. ASL believes that social change is a process and any project or programme needs to be supported over a period of time to see the impact on people and communities. ASL during the year continued supporting the Project for Setting up Primary Health Centre called **Arvind Medical Centre** to provide credible, affordable and quality primary healthcare under one roof. The center is fully operational and providing different medical services like Doctor (consultation), Diagnosis (Pathological Tests), Strip Packed Quality Medicines (Drug), Dental Care and Day Time Care when required. The project that was to be implemented over two years was completed during the year. ASL will continue to support this initiative and ensure that more and more people take advantage of the center. Since the center was set up, more than 725 families have registered with the center and over 2000 patients were treated by the center. The company also supported an **Education Support program Gyanda** in Ahmedabad. The Company supported about 60 students during the year through SHARDA Trust. The Companies Act, 2013 provides that a Company shall give preference to the local area where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. The company has decided to support Initiatives of social renewal around the areas of its operations in **Nasmed and Adhana** villages in Tal. Kalol, Dist. Gandhinagar, Gujarat where Arvind SmartSpaces Limited's signature real estate project Arvind Uplands and would see major CSR initiatives in the years to come. SHARDA Trust, under ARTI - the Arvind Rural Transformation Initiative, has carried out Rapid Rural Infrastructure Assessment in 2017 in the villages. Based on this assessment, it is necessary to take long term social transformation and physical infrastructure improvement program in these villages through a process of Community mobilization, rapport building, awareness, education and capacity building. To prepare a long tern plan as a part of Arvind SmartSpaces' CSR initiative for Nasmed and Adhana villages following will form the broader program intervention points: a. Nasmed and Adhana has around 700 families and a population of around 3500 people with only about 65% literacy rate. b. Establishing community connect and building rapport for long term CSR Programme. c. Conducting detailed Need Assessment study for the two villages and create a detailed database of all residents. Design specific programmes for each target group. d. Create basic awareness on main concern themes - Education, Health, Sanitation, Environment, Water, Inner Wellbeing, among community and children. e. Conduct detailed socio-economic survey and water resource management study.

<table>
<tr>
<td></td>
<td></td>
<td colspan="3">The programme aims to achieve following results initially in first year:
a. Good community connect and reached out all households for better and smooth implementation of long term Arvind SmartSpace CSR Program.
b. Built rapport and improved awareness among 3500 villagers about important local issues of social, environmental, economic and inner wellbeing concerns.
c. Connect with Key village level informal and formal institution like Panchayat, School Management Committee, Dairy, Self Help Groups and Youth Groups.
d. Improved awareness and knowledge among 545 enrolled primary school children about importance of water, health, sanitation, environment and education through various extra-curricular educational activities.
e. Improved academic performance and overall personality of 200 children through Gyanda programme.
f. Enhanced understanding of local social and environmental places among 200 children through exposure/educational tour.
g. Report on socio-economic survey and water resource management study
h. Initiated inner wellbeing programme through Rural Heartfullness Meditation Program with community.
This would mean having the long term programmes for impacting positively the physical, social and inner wellbeing.
A brief account of the project supported by the Company during 2017-18 is mentioned below in the format given by the Ministry of Corporate Affairs.
➢ Web-link of CSR Policy:
The Policy is also posted on the website of the company at https://arvindsmartspaces.com/wp-content/uploads/2018/05/CSR-ASL-Policy-06-11-2017.pdf</td>
</tr>
<tr>
<td>2</td>
<td>Composition of CSR Committee.</td>
<td colspan="3">Mr. Sanjay S. Lalbhai - Chairman
Mr. Prem Prakash Pangotra - Independent Director
Dr. Indira J. Parikh - Independent Director
Mr. Kamal Singal - Managing Director & CEO.</td>
</tr>
<tr>
<td>3</td>
<td>Average net profit of the Company for last three years.</td>
<td colspan="3">₹ 1,286.81 Lacs</td>
</tr>
<tr>
<td>4</td>
<td>Prescribed CSR Expenditure (two percent of the amount as in item 3 above).</td>
<td colspan="3">₹ 25.74 Lacs</td>
</tr>
<tr>
<td rowspan="4">5</td>
<td rowspan="4">Details of CSR Spend during the financial year 2017-18.</td>
<td>a.</td>
<td>Total amount to be spent for F.Y. 2017-18</td>
<td>₹ 43.00 Lacs</td>
</tr>
<tr>
<td>b.</td>
<td>Actual amount spent during the F.Y. 2017-18</td>
<td>₹ 43.00 Lacs</td>
</tr>
<tr>
<td>c.</td>
<td>Amount unspent, if any</td>
<td>Nil</td>
</tr>
<tr>
<td>d.</td>
<td colspan="2">Manner in which the amount was spent during the financial year and details of implementing agency are given below separately.</td>
</tr>
<tr>
<td>6</td>
<td>In case the Company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.</td>
<td colspan="3">Not Applicable as the Company has spent the required amount during the F.Y. 2017-18.</td>
</tr>
</table>

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

1	2	3	4	5	6	7	8
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programmes**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes**	**Cumulative expenditure upto to the reporting period**	**Amount spent: Direct or through implementing agency**
					Sub Heads		
			(1) Local area or other		(1) Direct expenditure on Projects or programmes		
			(2) Specify the State and district where projects or programmes was undertaken		(2) Overhead		
	From 2% CSR Fund					**Lacs (₹)**	
1	Rural Development Programme	Rural Development	Rural Development Programs at Villages Nasmed and Adhana at Kalol, Gandhinagar, Gujarat.	43.00	43.00	43.00	Through SHARDA Trust
	Total Spend (₹ Lacs)					**43.00**	

➢ **Details of the Implementation Agencies:**

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

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

Date: 1st May, 2018
Place: Ahmedabad

Sanjay S. Lalbhai
Chairman – CSR Committee

Kamal Singal
Managing Director & CEO

Annexure - C to the Director's Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Arvind SmartSpaces Limited
(Formerly Arvind Infrastructure 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** (Formerly Arvind Infrastructure Limited) (hereinafter "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 (Audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:
   (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   (iv) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
   (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, 1998 (Not Applicable as the Company has not bought back any of the securities during the financial year).
3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.
4. The Company has complied with following specific laws to the extent applicable to the Company:
   1. The Real Estate (Regulation and Development) Act, 2016.
   2. Transfer of Property Act, 1882.
   3. The Land Acquisition Act, 1894.
   4. The Contract Labour (Regulation and Abolition) Act, 1970.
   5. The Indian Easements Act, 1882.

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

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

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

1. The Company has allotted 30,00,000 convertible warrants ("Warrants") at Rs. 178.00/- (Rupees One Hundred Seventy Eight only) per Warrant for an aggregate consideration of upto Rs. 53,40,00,000 (Rupees Fifty Three Crores Forty Lakhs only) and entitling the Warrant holder(s), being promoter and promoter group entities, to convert the Warrants into equivalent numbers of Equity Shares in one or more tranches within eighteen months from the date of allotment of Warrants (i.e. 6th February, 2018) in accordance with provisions of Chapter VII of the SEBI ICDR Regulations or subject to other applicable laws and regulations as may be prevailing at the time of allotment of Warrants / conversion of Warrants into Equity Shares ("Preferential Issue");

Further the Company has allotted 31,75,000 equity shares on 22nd September, 2017 to the warrant holders, being promoter and promoter group entities, pursuant to exercise of conversion of warrant option by them under Preferential Issue Tranche-II.

For N. V. KATHIRIA & ASSOCIATES

Date: 12th April, 2018
Place: Ahmedabad

N. V. KATHIRIA
PROPRIETOR
FCS 4573
COP 3278

To,
The Members,
Arvind SmartSpaces Limited
(formerly Arvind Infrastructure 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

N. V. KATHIRIA
PROPRIETOR
FCS 4573
COP 3278

Date: 12th April, 2018
Place: Ahmedabad

Annexure – D to the Director's Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN as on financial year ended on 31st March, 2018.

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	L45201GJ2008PLC055771
ii	Registration Date	26th December, 2008
iii	Name of the Company	Arvind SmartSpaces Limited
iv	Category / Sub-category of the Company	Company Limited by Shares
v	Address of Registered office and contact details	24, Government Servant's Society, Near Municipal Market, Off. C.G. Road, Navrangpura, Ahmedabad, Gujarat – 380009. Contact: +91 79 30137000 Fax : +91-79-30137021
vi	Whether listed Company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN/GLN/LLPIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Arvind Hebbal Homes Private Limited	U45200GJ2011PTC066023	Subsidiary	100%	2(87)
2.	Ahmedabad East Infrastructure LLP	AAA - 1786	Subsidiary	51%	2(87)
3.	Arvind Alcove LLP	AAB - 1983	Subsidiary	100%	2(87)
4.	Changodar Industrial Infrastructure (One) LLP	AAB - 8772	Subsidiary	100%	2(87)
5.	Arvind Altura LLP	AAB - 1906	Subsidiary	100%	2(87)
6.	Arvind Beyond Five Club LLP	AAC - 3674	Subsidiary	100%	2(87)
7.	Arvind Infracon LLP	AAC - 1446	Subsidiary	100%	2(87)
8.	Ahmedabad Industrial Infrastructure (One) LLP	AAB - 8247	Subsidiary	100%	2(87)
9.	Arvind Five Homes LLP	AAB - 0742	Subsidiary	100%	2(87)
10.	Arvind Integrated Projects LLP	AAH - 5717	Associate (Joint Venture)	50%	2(6)
11.	Arvind Bsafal Homes LLP	AAA - 2005	Associate (Joint Venture)	50%	2(6)

Note: (1) Address of the above subsidiary & associate companies specified in point No. 1 to 9 is 24, Government Servant's Society, Near Municipal Market, off. C.G. Road, Navrangpura, Ahmedabad, Gujarat - 380009. (2) Address of the Associate Companies specified in point No. 10 is D' Wing, Karma Sankalp Corner of 6th & 7th Road of Rajawadi, Ghatkopar, Mumbai - 400077, Maharashtra (3) Address of the Associate Companies specified in point No. 11 is Khokhara Mehmedabad Ahmedabad, Gujarat - 380008.

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

(i) Category-wise Shareholding

Category Code	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters and Promoter Group**									
(1)	**Indian**									
(a)	Individual/ HUF	234538	0	234538	0.83	235093	0	235093	0.74	(0.09)
(b)	Central Government/ StateGovernment(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Body Corporate)	14572486	0	14572486	51.29	17747486	0	17747486	55.69	4.40
	Sub-Total (A)(1)	**14807024**	**0**	**14807024**	**52.12**	**17982579**	**0**	**17982579**	**56.43**	**4.31**
(2)	**Foreign**									
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	0.00
	Total A = (A)(1) + (A)(2)	**14807024**	**0**	**14807024**	**52.12**	**17982579**	**0**	**17982579**	**56.43**	**4.31**
B	**Public shareholder**									
1	**Institutions**									
(a)	Mutual Funds	600483	1093	601576	2.12	45937	1093	47030	0.15	(1.97)
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	572914	0	572914	1.80	1.80
(d)	Foreign Venture Capital Investors	96	15	111	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investors	494503	2204	496707	1.75	42885	2204	45089	0.14	(1.61)
(f)	Financial Institutions/ Banks	1591754	804	1592558	5.61	1615617	804	1616421	5.07	(0.53)
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	**2686836**	**4116**	**2690952**	**9.48**	**2277353**	**4101**	**2281454**	**7.16**	**(2.31)**
2	**Central Government/ State Government(s)/ President of India**	50	0	50	0.00	50	0	50	0.00	0.00
	Sub-Total (B)(2)	**50**	**0**	**50**	**0.00**	**50**	**0**	**50**	**0.00**	**0.00**
3	**Non-institutions**									
(a)	Individuals -									
(i)	Individual shareholders holding nominal share capital up to ₹ 1 lacs.	5433890	278830	5712720	20.11	4718389	270025	4988414	15.65	(4.46)
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lacs.	2476939	0	2476939	8.72	4467791	0	4467791	14.02	5.30
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)									
(e-i)	Trusts	5682	0	5682	0.02	8642	0	8642	0.03	0.01
(e-ii)	Hindu Undivided Family	599505	0	599505	2.11	566838	0	566838	1.78	(0.33)
(e-iii)	Non Resident Indians (Non Repat)	62534	238	62772	0.22	120525	233	120758	0.38	0.16
(e-iv)	Non Resident Indians (Repat)	474204	16087	490291	1.73	238924	16047	254971	0.80	(0.93)
(e-v)	Overseas Bodies Corporates	290	0	290	0.00	290	0	290	0.00	0.00
(e-vi)	Clearing Member	466507	0	466507	1.64	103601	0	103601	0.33	(1.32)
(e-vii)	Bodies Corporate	1096686	0	1096686	3.86	1092162	0	1092162	3.43	(0.43)
	Sub-Total (B)(3)	**10616237**	**295155**	**10911392**	**38.41**	**11317162**	**286305**	**11603467**	**36.41**	**(2.00)**
	Total (B) = (B)(1)+(B)(2)+(B)(3)	**13303027**	**299256**	**13602283**	**47.88**	**13594565**	**290406**	**13884971**	**43.57**	**(4.31)**
C	**Custodian / DR Holder**	0	0	0	0.00	0	0	0	0.00	0.00
	Total(C)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Grand Total (A)+(B)+(C)	**28110051**	**299256**	**28409307**	**100.00**	**31577144**	**290406**	**31867550**	**100.00**	**0.00**

(ii) Shareholding of Promoters and Promoter Group

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of change during the year
		No. of Shares	% of shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of shares of the Company	% of shares pledged / encumbered to total shares	
1	Aura Securities Private Limited	12947646	45.58	0.00	15912646	49.93	0.00	4.36
2	Sanjaybhai Shrenikbhai Lalbhai	200155	0.70	0.00	200155	0.63	0.00	(0.08)
3	Jayshreeben Sanjaybhai Lalbhai	33	0.00	0.00	33	0.00	0.00	0.00
4	Punit Sanjaybhai	371	0.00	0.00	371	0.00	0.00	0.00
5	Anamikaben Samvegbhai Lalbhai	4003	0.01	0.00	4003	0.01	0.00	0.00
6	Badlani Manini Rajiv	540	0.00	0.00	540	0.00	0.00	0.00
7	Hansaben Niranjanbhai Lalbhai	3804	0.01	0.00	3804	0.01	0.00	0.00
8	Kalpanaben Shripalbhai Morakhia	1	0.00	0.00	1	0.00	0.00	0.00
9	Samvegbhai Arvindbhai	4634	0.02	0.00	4634	0.01	0.00	0.00
10	Samvegbhai Arvindbhai Lalbhai	17379	0.06	0.00	10494	0.03	0.00	(0.03)
11	Sanjaybhai Shrenikbhai Lalbhai	0	0.00	0.00	6885	0.02	0.00	0.02
12	Saumya Samvegbhai Lalbhai	2000	0.01	0.00	2000	0.01	0.00	0.00
13	Sunil Siddharth Lalbhai	343	0.00	0.00	343	0.00	0.00	0.00
14	Sunil Siddharth	0	0.00	0.00	1	0.00	0.00	0.00
15	Swati S Lalbhai	771	0.00	0.00	771	0.00	0.00	0.00
16	Taral S Lalbhai	407	0.00	0.00	407	0.00	0.00	0.00
17	Vimlaben S Lalbhai	97	0.00	0.00	459	0.00	0.00	0.00
18	Lalbhai Realty Finance Private Limited	45500	0.16	0.16	45500	0.14	0.14	(0.02)
19	AML Employees' Welfare Trust	632731	2.23	0.00	632731	1.99	0.00	(0.24)
20	Atul Limited	412747	1.45	0.00	412747	1.30	0.00	(0.16)
21	Aeon Investments Private Limited	17924	0.06	0.00	17924	0.06	0.00	(0.01)
22	Adore Investments Private Limited	13229	0.05	0.00	13229	0.04	0.00	(0.01)
23	Anusandhan Investments Limited	11000	0.04	0.00	11000	0.03	0.00	0.00
24	Aagam Holdings Private Limited	318125	1.12	0.00	479625	1.51	0.00	0.39
25	Amazon Investments Private Limited	115296	0.41	0.00	115296	0.36	0.00	(0.04)
26	Amardeep Holdings Private Limited	48925	0.17	0.00	97425	0.31	0.00	0.13
27	Aayojan Resources Private Ltd	8450	0.03	0.00	8450	0.03	0.00	0.00
28	Adhinami Investments Private Limited	600	0.00	0.00	600	0.00	0.00	0.00
29	Akshita Holdings Private Limited	13	0.00	0.00	13	0.00	0.00	0.00
30	Aura Merchandise Pvt Ltd.	100	0.00	0.00	100	0.00	0.00	0.00
31	Aura Business Enterprise Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
32	Aura Securities Pvt .Ltd.	100	0.00	0.00	100	0.00	0.00	0.00
33	Astha Lalbhai	0	0.00	0.00	192	0.00	0.00	0.00
	Total	**14807024**	**52.12**	**0.16**	**17982579**	**56.43**	**0.14**	**4.31**

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

Sr. No.	Name of Promoter	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Aura Securities Private Limited**				
	At the beginning of the year	12947646	45.58%	--	--
	Allotment of Equity shares pursuant to exercise of conversion option of warrants allotted on preferential basis (22-09-2017).	2965000	9.30%	15912646	49.93%
	At the end of the year	--	--	15912646	49.93%
2	**Aagam Holdings Private Limited**				
	At the beginning of the year	318125	1.12%	--	--
	Allotment of Equity shares pursuant to exercise of conversion option of warrants allotted on preferential basis (22-09-2017).	161500	0.51%	479625	1.51%
	At the end of the year	--	--	479625	1.51%
3	**Amardeep Holdings Private Limited**				
	At the beginning of the year	48925	0.17%	--	--
	Allotment of Equity shares pursuant to exercise of conversion option of warrants allotted on preferential basis (22-09-2017).	48500	0.15%	97425	0.31%
	At the end of the year	--	--	97425	0.31%
4	**Samvegbhai Arvindbhai Lalbhai**				
	At the beginning of the year	17379	0.06%	--	--
	Transfer	6885	0.02%	10494	0.03%
	At the end of the year	--	--	10494	0.03%
5	**Sanjaybhai Shrenikbhai Lalbhai**				
	At the beginning of the year	--	--	--	--
	Transfer	6885	0.02%	6885	0.02%
	At the end of the year	--	--	6885	0.02%
6	**Sunil Siddharth**				
	At the beginning of the year	1	0.00%	--	--
	At the end of the year	--	--	1	0.00%
7	**Vimlaben S. Lalbhai**				
	At the beginning of the year	97	0.00%	--	--
	Transfer	362	0.00%	459	0.00%
	At the end of the year	--	--	459	0.00%

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

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Ketankumar Ratilal Patel**	901000	3.17	--	--
	Purchase (14-04-2017)	135000	0.42	1036000	3.25
	Purchase (21-04-2017)	34000	0.11	1070000	3.36
	Purchase (28-04-2017)	55000	0.17	1125000	3.53
	Purchase (05-05-2017)	49000	0.15	1174000	3.68
	Purchase (12-05-2017)	32000	0.10	1206000	3.78
	Purchase (19-05-2017)	4500	0.01	1210500	3.80
	Purchase (26-05-2017)	9500	0.03	1220000	3.83
	Purchase (28-07-2017)	21000	0.07	1241000	3.89
	Purchase (04-08-2017)	2000	0.01	1243000	3.90
	Purchase (11-08-2017)	7000	0.02	1250000	3.92

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Purchase (18-08-2017)	11000	0.03	1261000	3.96
	Purchase (25-08-2017)	9040	0.03	1270040	3.99
	Purchase (01-09-2017)	8183	0.03	1278223	4.01
	Purchase (08-09-2017)	1777	0.01	1280000	4.02
	Purchase (15-09-2017)	2500	0.01	1282500	4.02
	Purchase (29-09-2017)	2500	0.01	1285000	4.03
	Purchase (06-10-2017)	17000	0.05	1302000	4.09
	Purchase (13-10-2017)	3000	0.01	1305000	4.10
	Purchase (20-10-2017)	3000	0.01	1308000	4.10
	Purchase (27-10-2017)	3000	0.01	1311000	4.11
	Purchase (10-11-2017)	10000	0.03	1321000	4.15
	Purchase (17-11-2017)	14000	0.04	1335000	4.19
	Purchase (24-11-2017)	13000	0.04	1348000	4.23
	Purchase (22-12-2017)	13000	0.04	1361000	4.27
	Purchase (12-01-2018)	40000	0.13	1401000	4.40
	Purchase (19-01-2018)	49000	0.15	1450000	4.55
	Purchase (26-01-2018)	20000	0.06	1470000	4.61
	Purchase (02-12-2018)	80000	0.25	1550000	4.86
	Purchase (09-02-2018)	11000	0.03	1561000	4.90
	Purchase (23-03-2018)	14996	0.05	1575996	4.95
	Purchase (31-03-2018)	10004	0.03	1586000	4.98
	At the end of the year	--	--	1586000	4.98
2	**Life Insurance Corporation of India**	1559181	5.49	--	--
	At the end of the year	--	--	1559181	4.89
3	**Mauryan First**	553878	1.95	--	--
	Purchase (26-05-2017)	19036	0.06	572914	1.80
	At the end of the year	--	--	572914	1.80
4	**Errol Fernandes**	2000	0.01	--	--
	Sale (07-04-2017)	(2000)	(0.01)	0	0.00
	Purchase (30-06-2017)	24947	0.08	24947	0.08
	Purchase (07-07-2017)	4550	0.01	29497	0.09
	Purchase (14-07-2017)	4113	0.01	33610	0.11
	Purchase (21-07-2017)	199772	0.63	233382	0.73
	Purchase (28-07-2017)	49626	0.16	283008	0.89
	Purchase (04-08-2017)	10052	0.03	293060	0.92
	Purchase (27-10-2017)	30886	0.10	323946	1.02
	Purchase (17-11-2017)	40	0.00	323986	1.02
	Purchase (24-11-2017)	75000	0.24	398986	1.25
	Purchase (05-01-2018)	14	0.00	399000	1.25
	At the end of the year	--	--	399000	1.25
5	**Urjita J Master**	70000	0.25	--	--
	Purchase (07-04-2017)	65000	0.20	135000	0.42
	Purchase (14-04-2017)	27500	0.09	162500	0.51
	Purchase (21-04-2017)	3500	0.01	166000	0.52
	Sale (02-06-2017)	(5000)	(0.02)	161000	0.51

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Sale (09-06-2017)	(6000)	(0.02)	155000	0.49
	Sale (23-06-2017)	(500)	0.00	154500	0.48
	Purchase (30-06-2017)	500	0.00	155000	0.49
	Purchase (07-07-2017)	6000	0.02	161000	0.51
	Sale (13-10-2017)	(2000)	(0.01)	159000	0.50
	Sale (20-10-2017)	(2000)	(0.01)	157000	0.49
	Sale (27-10-2017)	(7000)	(0.02)	150000	0.47
	Sale (03-11-2017)	(3500)	(0.01)	146500	0.46
	Sale (10-11-2017)	(3100)	(0.01)	143400	0.45
	Sale (17-11-2017)	(3400)	(0.01)	140000	0.44
	Sale (24-11-2017)	(11500)	(0.04)	128500	0.40
	Sale (01-12-2017)	(4000)	(0.01)	124500	0.39
	Sale (08-12-2017)	(3000)	(0.01)	121500	0.38
	Sale (15-12-2017)	(3000)	(0.01)	118500	0.37
	Sale (22-12-2017)	(1870)	(0.01)	116630	0.37
	Sale (29-12-2017)	(2630)	(0.01)	114000	0.36
	Purchase (05-01-2018)	68000	0.21	182000	0.57
	Purchase (12-01-2018)	25025	0.08	207025	0.65
	Purchase (19-01-2018)	1000	0.00	208025	0.65
	Purchase (09-02-2018)	1000	0.00	209025	0.66
	Purchase (16-02-2018)	1975	0.01	211000	0.66
	Purchase (23-02-2018)	500	0.00	211500	0.66
	Purchase (09-03-2018)	3750	0.01	215250	0.68
	Purchase (16-03-2018)	5844	0.02	221094	0.69
	Purchase (23-03-2018)	3906	0.01	225000	0.71
	At the end of the year	--	--	225000	0.71
6	**Dilipkumar S. Sundesha**	0	0.00	--	--
	Purchase (05-05-2017)	52699	0.17	52699	0.17
	Purchase (12-05-2017)	83402	0.26	136101	0.43
	Purchase (02-06-2017)	34199	0.11	170300	0.53
	Purchase (09-06-2017)	23549	0.07	193849	0.61
	Purchase (16-06-2017)	9696	0.03	203545	0.64
	At the end of the year	--	--	203545	0.64
7	**KIFS Trade Capital Private Limited - Collateral Account Fo**	0	0.00	--	--
	Purchase (07-04-2017)	2550	0.01	2550	0.01
	Sale (14-04-2017)	(2500)	(0.01)	50	0.00
	Purchase (21-04-2017)	3800	0.01	3850	0.01
	Sale (28-04-2017)	(2022)	(0.01)	1828	0.01
	Sale (05-05-2017)	(1328)	0.00	500	0.00
	Purchase (12-05-2017)	145829	0.46	146329	0.46
	Sale (19-05-2017)	(142129)	(0.45)	4200	0.01
	Sale (26-05-2017)	(2014)	(0.01)	2186	0.01
	Sale (02-06-2017)	(178)	0.00	2008	0.01
	Purchase (09-06-2017)	1247	0.00	3255	0.01

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Purchase (16-06-2017)	4426	0.01	7681	0.02
	Purchase (23-06-2017)	175192	0.55	182873	0.57
	Purchase (30-06-2017)	21086	0.07	203959	0.64
	Purchase (07-07-2017)	1077	0.00	205036	0.64
	Purchase (14-07-2017)	90834	0.29	295870	0.93
	Sale (21-07-2017)	(4549)	(0.01)	291321	0.91
	Sale (28-07-2017)	(38541)	(0.12)	252780	0.79
	Purchase (04-08-2017)	18989	0.06	271769	0.85
	Sale (11-08-2017)	(56680)	(0.18)	215089	0.67
	Purchase (18-08-2017)	10658	0.03	225747	0.71
	Sale (25-08-2017)	(10404)	(0.03)	215343	0.68
	Sale (01-09-2017)	(184)	0.00	215159	0.68
	Purchase (08-09-2017)	5183	0.02	220342	0.69
	Purchase (15-09-2017)	1676	0.01	222018	0.70
	Sale (22-09-2017)	(700)	0.00	221318	0.69
	Purchase (29-09-2017)	19804	0.06	241122	0.76
	Purchase (06-10-2017)	1585	0.00	242707	0.76
	Sale (13-10-2017)	(3343)	(0.01)	239364	0.75
	Sale (20-10-2017)	(24438)	(0.08)	214926	0.67
	Purchase (27-10-2017)	84	0.00	215010	0.67
	Purchase (03-11-2017)	1106	0.00	216116	0.68
	Sale (10-11-2017)	(1110)	0.00	215006	0.67
	Purchase (17-11-2017)	10096	0.03	225102	0.71
	Sale (24-11-2017)	(306)	0.00	224796	0.71
	Purchase (01-12-2017)	228	0.00	225024	0.71
	Purchase (08-12-2017)	51	0.00	225075	0.71
	Purchase (15-12-2017)	301	0.00	225376	0.71
	Sale (22-12-2017)	(386)	0.00	224990	0.71
	Purchase (29-12-2017)	1699	0.01	226689	0.71
	Purchase (30-12-2017)	13	0.00	226702	0.71
	Sale (05-01-2018)	(1240)	0.00	225462	0.71
	Sale (12-01-2018)	(10496)	(0.03)	214966	0.67
	Purchase (19-01-2018)	10193	0.03	225159	0.71
	Purchase (26-01-2018)	41299	0.13	266458	0.84
	Sale (02-02-2018)	(48575)	(0.15)	217883	0.68
	Sale (09-02-2018)	(4393)	(0.01)	213490	0.67
	Sale (16-02-2018)	(3233)	(0.01)	210257	0.66
	Purchase (23-02-2018)	815	0.00	211072	0.66
	Sale (02-03-2018)	(587)	0.00	210485	0.66
	Purchase (09-03-2018)	569	0.00	211054	0.66
	Purchase (16-03-2018)	1065	0.00	212119	0.67
	Sale (23-03-2018)	(14041)	(0.04)	198078	0.62
	Sale (31-03-2018)	(36172)	(0.11)	161906	0.51
	At the end of the year	--	--	161906	0.51

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8	**Jagdish Gajanand Dalal**	15600	0.05	--	--
	Purchase (03-11-2017)	60000	0.19	75600	0.24
	Purchase (09-12-2018)	30000	0.09	105600	0.33
	Purchase (02-03-2018)	33243	0.10	138843	0.44
	Purchase (31-03-2018)	15000	0.05	153843	0.48
	At the end of the year	--	--	153843	0.48
9	**Champaklal Babaldas Vora**	19416	0.07	--	--
	Purchase (07-07-2017)	4919	0.02	24335	0.08
	Purchase (14-07-2017)	16731	0.05	41066	0.13
	Purchase (21-07-2017)	3600	0.01	44666	0.14
	Purchase (28-07-2017)	2753	0.01	47419	0.15
	Purchase (04-08-2017)	2703	0.01	50122	0.16
	Purchase (11-08-2017)	2697	0.01	52819	0.17
	Purchase (15-09-2017)	6000	0.02	58819	0.18
	Purchase (29-09-2017)	2650	0.01	61469	0.19
	Purchase (13-10-2017)	18193	0.06	79662	0.25
	Purchase (01-12-2017)	11873	0.04	91535	0.29
	Purchase (08-12-2017)	9000	0.03	100535	0.32
	Purchase (02-03-2018)	5894	0.02	106429	0.33
	Purchase (09-03-2018)	7376	0.02	113805	0.36
	At the end of the year	--	--	113805	0.36
10	**Sabyasachi Ghosh**	146076	0.51	--	--
	Sale (07-04-2017)	(3000)	(0.01)	143076	0.45
	Sale (14-04-2017)	(1000)	0.00	142076	0.45
	Sale (21-04-2017)	(10115)	(0.03)	131961	0.41
	Sale (05-05-2017)	(5000)	(0.02)	126961	0.40
	Sale (12-05-2017)	(2180)	(0.01)	124781	0.39
	Sale (19-05-2017)	(12000)	(0.04)	112781	0.35
	Sale (16-06-2017)	(7312)	(0.02)	105469	0.33
	Sale (23-06-2017)	(4000)	(0.01)	101469	0.32
	Sale (07-07-2017)	(5379)	(0.02)	96090	0.30
	Sale (14-07-2017)	(6500)	(0.02)	89590	0.28
	Sale (21-07-2017)	(2000)	(0.01)	87590	0.27
	Sale (08-09-2017)	(1000)	0.00	86590	0.27
	Sale (15-09-2017)	(6000)	(0.02)	80590	0.25
	Sale (29-09-2017)	(620)	0.00	79970	0.25
	Sale (27-10-2017)	(2000)	(0.01)	77970	0.24
	Sale (03-11-2017)	(2000)	(0.01)	75970	0.24
	Sale (24-11-2017)	(4000)	(0.01)	71970	0.23
	Sale (12-01-2018)	(8000)	(0.03)	63970	0.20
	Sale (02-02-2018)	(16749)	(0.05)	47221	0.15
	At the end of the year	--	--	47221	0.15

Notes:

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

(v) **Shareholding of Directors & Key Managerial Personnel**

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Mr. Sanjay S. Lalbhai – Chairman**				
	At the beginning of the year	200155	0.70	--	--
	Date wise increase/decrease in shareholding during the year	--	--	200155	0.63
	At the end of the year	**--**	**--**	**200155**	**0.63**
2	**Mr. Kamal Singal – Managing Director & CEO**				
	At the beginning of the year	5	0.00	--	--
	Allotment of Equity Shares (16-10-2017)	80000	0.25	80005	0.25
	Sale (28-12-2017)	(31321)	(0.10)	48684	0.15
	Sale (29-12-2017)	(11169)	(0.04)	37515	0.12
	Sale (01-01-2018)	(7500)	(0.02)	30015	0.09
	Sale (03-01-2018)	(18000)	(0.06)	12015	0.04
	Sale (04-01-2018)	(383)	0.00	11632	0.04
	Sale (08-01-2018)	(11617)	(0.04)	15	0.00
	Allotment of Equity Shares (20-02-2018)	65000	0.20	65015	0.20
	At the end of the year	**--**	**--**	**65015**	**0.20**
3	**Mr. Pratul Shroff – Independent Director**				
	At the beginning of the year	116	0.00	**--**	**--**
	Date wise increase/decrease in shareholding during the year	--	--	116	0.00
	At the end of the year	**--**	**--**	**116**	**0.00**
4	**Mr. Nirav Shah – Independent Director***				
	At the beginning of the year	15	0.00	**--**	**--**
	Date wise increase/decrease in shareholding during the year	--	--	15	0.00
	At the end of the year	**--**	**--**	**15**	**0.00**
5	**Mr. Prakash Makwana - Company Secretary**				
	At the beginning of the year	10	0.00	--	--
	Date wise increase/decrease in Shareholding during the year	--	--	10	0.00
	At the end of the year	**--**	**--**	**10**	**0.00**

* Appointed w.e.f. 9th June, 2017

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

V. INDEBTEDNESS:

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	6018.63	3324.00	--	9342.63
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	61.19	--	61.19
Total (i+ii+iii)	**6018.63**	**3385.19**	**--**	**9403.82**
Change in Indebtedness during the financial year				
Additions	15300.00	4563.50	--	19863.50
Reduction	13133.58	61.19	--	13194.77
Net Change	**2166.42**	**4502.31**	**--**	**6668.73**
Indebtedness at the end of the financial year				
(i) Principal Amount	8185.05	7887.50	--	16072.55
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	**8185.05**	**7887.50**	**--**	**16072.55**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No	Particulars of Remuneration	Name of the MD/~~WTD/Manager~~	Total Amount
1	**Gross salary**	**Mr. Kamal Singal**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11119289	11119289
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961.	79410*	79410*
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--	--
2	Stock option	--	--
3	Sweat Equity	--	--
4	Commission	--	--
	as % of profit		
	others (specify)		
5	Others, please specify		
	NPS,PF, Gratuity and Super Annuation	677686	677686
	Total (A)	**11876385**	**11876385**
	Ceiling as per the Act	10% of the net profits of the Company	

*Excluding Rs. 17572625 towards the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs.

B. Remuneration to other directors

Particulars of Remuneration	Name of the Directors						Total Amount
	Non- Executive - Independent				Non- Executive - Non Independent		
	Mr. Pratul Shroff	Mr. Prem Prakash Pangotra	Dr. Indira J. Parikh	Mr. Nirav Shah	Mr. Sanjay Lalbhai	Mr. Kulin S. Lalbhai	
(a) Fee for attending board and committee meetings	40000	170000	120000	80000	0	0	410000
(b) Commission	500000	500000	500000	500000	0	0	2000000
(c) Others, please specify	0	0	0	0	0	0	0
Total	**540000**	**670000**	**620000**	**580000**	**0**	**0**	**2410000**
Ceiling as per the Act	1% of the Net profits of the Company						
Total Managerial Remuneration							**14286385**
Overall Ceiling as per the Act	11% of the Net profits of the Company						

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
	Name	**Mr. Kamal Singal**	**Mr. Mehul Shah**	**Mr. Prakash Makwana**
	Designation	**Managing Director & Chief Executive Officer**	**Chief Financial Officer**	**Company Secretary**
	Details of remuneration for the year/ part of the year			
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11119289	2864334	2463057
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	79410*	34125	10682
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	- as % of profit			
	- others, specify			
5	Others, please specify			
	- NPS,PF, Gratuity and Super Annuation	677686	189137	143950
	Total	**11876385**	**3087596**	**2617689**

*Excluding Rs. 17572625 towards the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs.

VII. PENALTIES / PUNISHMENT / COMPPOUNDING OF OFFENCES:

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

Annexure- E to the Directors' Report

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

Sr. No.	Particulars	Status	Number of times	
			If total remuneration of the director is considered	If total remuneration of the Director excluding variable pay and commission is considered
(i)	The ratio of the remuneration of each director to median remuneration of the employees of the Company for F.Y. 2017-18.	Mr. Sanjay S. Lalbhai	0.00	0.00
		Mr. Kamal Singal	25.65	24.31
		Mr. Kulin S. Lalbhai	0.00	0.00
		Mr. Pratul Shroff	1.17	0.09
		Mr. Prem Prakash Pangotra	1.45	0.37
		Dr. Indira J. Parikh	1.34	0.26
		Mr. Nirav Shah*	1.25	0.17
		* Appointed w.e.f. 09-06-2017.		
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the F.Y. 2017-18.	**Directors**		**%**
		Mr. Sanjay S. Lalbhai		NA
		Mr. Kulin S. Lalbhai		NA
		Mr. Pratul Shroff		(5.00%)
		Mr. Prem Prakash Pangotra		6.00%
		Dr. Indira J Parikh		2.00%
		Mr. Nirav Shah		NA
		Managing Director & CEO		
		Mr. Kamal Singal		8.00%
		Chief Financial Officer		
		Mr. Mehul Shah		22.00%
		Company Secretary		
		Mr. Prakash Makwana		19.00%
(iii)	The percentage increase in the median remuneration of employees in the F.Y. 2017-18.	16.00%		
(iv)	The number of permanent employees on the rolls of Company	146		
(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. 2016-17) 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 10.54% and for other employees was about 8.24%.		
(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 Director's Report for the year ended 31st March, 2018.

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended on 31st March, 2018.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

Our corporate governance philosophy is based on the following principles:

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

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

2. BOARD OF DIRECTORS

2.1 Composition of the Board:

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

The following is the Composition of the Board as at 31st March, 2018:

Sr. No.	Name of Director	Executive/Non-executive/Independent	No. of Directorships Held in Public Limited Companies (Including the Company)	*Committee(s) position (Including the Company)	
				Member	Chairman
1	Mr. Sanjay S. Lalbhai	Chairman and Non-Executive Director	7	1	1
2	Mr. Kamal Singal	Executive - Director	4	2	0
3	Mr. Kulin S. Lalbhai	Non-Executive Director	5	1	0
4	Mr. Pratul Shroff	Independent Director	2	1	1
5	Mr. Prem Prakash Pangotra	Independent Director	1	2	0
6	Dr. Indira J Parikh	Independent Director	10	7	0
7	Mr. Nirav Shah	Independent Director	4	5	0

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

2.2 Brief Profile of Directors:

The Board of Directors comprises of highly renowned professionals of diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

MR. SANJAY S. LALBHAI – CHAIRMAN & NON-EXECUTIVE DIRECTOR (DIN - 00008329)

Mr. Sanjay S. Lalbhai is a Chairman & Non-Executive Director on our Board and one of the Promoters of our Company. Mr. Sanjay S. Lalbhai is also the Chairman and Managing Director of Arvind Limited, a 1.3 Billion Dollar Indian conglomerate. It was under his leadership that Arvind has become one of the largest manufacturers of woven textiles in India and one of the largest denim fabric manufacturers in the world.

He was also responsible for acquiring India's first denim brand – Flying Machine – in 1981 and for guiding the process of building Arvind's current impressive apparel brand portfolio. He serves on the Board of Adani Ports & Special Economic Zone Limited – one of India's largest Port companies. He also serves on the board of several premier educational and research institutes. He is the President of Ahmedabad Education Society, Ahmedabad University and CEPT University and is a member of the Council of Management of the Physical Research Laboratory. He is also the Chairman of Council of Administration of Ahmedabad Textile Industry Research Association (ATIRA).

Mr. Sanjay S. Lalbhai believes that addressing societal concerns and creating long lasting benefit to society is integral to the business strategy and a duty of every business leader. He provides strategic leadership to Arvind's CSR initiatives as Trustee to SHARDA Trust the CSR arm of the Lalbhai Group.

MR. KAMAL SINGAL – MANAGING DIRECTOR & CEO (DIN - 02524196)

Mr. Kamal Singal is the Managing Director & Chief Executive Officer of the Company. He is appointed as Managing Director & Chief Executive Officer on 8th May, 2015 in the Company. He holds an Executive Post Graduate Diploma in Management (EPGM) from Indian Institute of Management, Indore. He has been associated with Lalbhai Group since 2001 in various capacities. Prior to joining Lalbhai group, he worked for 9 years in different capacities in DCM Textiles Limited. He has been elevated to head the real estate business of the Lalbhai Group since 2008. He is responsible for giving strategic direction to the real estate business and also identifying new business opportunities and to further expand the product portfolio of the real estate business.

MR. KULIN S. LALBHAI – NON-EXECUTIVE DIRECTOR (DIN - 05206878)

Mr. Kulin Lalbhai is the Non-Executive Director on the Board of our Company. He is also serving as the Executive Director of Arvind Limited. He is driving new initiatives in the consumer businesses of the group. He has been instrumental in setting up several new retail concepts and also spearheads the group's digital initiatives. He also plays an active role in the overall Corporate Strategy.

Mr. Kulin Lalbhai holds an MBA from the Harvard Business School, and a BSc in Electrical Engineering from the Stanford University. Prior to his current role, he has also been a management consultant at Mckinsey & Co.

MR. PRATUL SHROFF – NON-EXECUTIVE INDEPENDENT DIRECTOR (DIN - 00162576)

Mr. Pratul Shroff is a Non-Executive Independent Director on the Board of our Company. He holds a Bachelor's degree in Electronics Engineering from Birla Institute of Technology and Science, Pilani and a Master's degree in Computer Engineering from Cornell, USA. He also earned a Master's degree in Business Administration from Indian Institute of Management, Ahmedabad. He is the founder and Chief Executive Officer of E-infochips Limited. He was also awarded the "Outstanding IT Entrepreneur of the Year" by Mr. N. R. Narayana Murthy – Chairman of Infosys at an Ahmedabad Management Association (AMA) event in 2004. He specializes on Information, Communication and Technology (ICT). He has a total experience of over 37 years in the field of electronic design services and product development.

MR. PREM PRAKASH PANGOTRA - NON-EXECUTIVE INDEPENDENT DIRECTOR (DIN - 00844391)

Mr. Prem Prakash Pangotra is a Non-Executive Independent Director on the Board of our Company. He is a former Professor at the Indian Institute of Management, Ahmedabad, where he was Chairperson of the Public Systems Group. He also served as a member of the Board of Governors of Indian Institute of Management, Ahmedabad and as Chairperson of the Centre for Infrastructure Policy and Regulation. Prior to joining the Indian Institute of Management, Ahmedabad, he held faculty positions at the University of Kansas at Lawrence, USA; the California Polytechnic State University at San Luis Obispo, USA; and was Director, School of Planning (CEPT) at Ahmedabad. He specialises in urban management, urban economics, environment management, and public finance and has a total experience of 34 years in this field.

DR. INDIRA J. PARIKH - NON-EXECUTIVE INDEPENDENT DIRECTOR (DIN - 00143801)

Dr. Indira J. Parikh is the President of Antardisha. It is a private entity creating a space for individuals, collectivities, organizations and institutions to have a dialogue to discover themselves, to review their past, to reflect on the present Here and Now, and renew themselves for the future. Dr. Parikh is the Founder President of FLAME Pune. She has been involved in creating the academic vision of holistic and Liberal Education and shaping of FLAME. She has also conceptualized the thresholds of Life, Life Space, Life Roles and Identity. Her focus is on transformation and lifelong learning, development and growth.

Dr. Parikh has done M. Ed from University of Rochester, New York USA and the Doctorate from Gujarat University. She was a faculty at IIM-Ahmedabad for over 30 years and Dean from 2002 to 2005. She has taught at INSEAD, Fontainebleau (France) and Texas A&M University. She has specialized in organization development and design, and institution building. She has been a consultant and conducted diagnostic studies for organizations and conducted leadership and institution building programs in public sector, private sector and multinational organizations. Professor Parikh is on several boards of companies as an independent director.

Dr. Parikh has been honored with several life time achievement awards both nationally and internationally. She has written numerous articles published in National & International Journals and is the co-author/ author of several books. Her lifelong journey has been in education and people transformation in organizations.

MR. NIRAV SHAH – NON-EXECUTIVE INDEPENDENT DIRECTOR (DIN – 00397336)

Mr. Nirav Kalyanbhai Shah is a Managing Director of Jayatma Informatics Private Limited. He is also CEO & Director of Santaram Spinners Limited. He is third generation entrepreneur and has Management Experience of 20 years. He holds Bachelor Degree in Commerce and has done his Post Graduate Credit Course in International Business Strategy and Corporate Finance from London School of Economics.

He was the President of Gujarat Electronics and Software Industries Association for two consecutive years (2008-2010). He was the Chairman of the Confederation of Indian Industry – Gujarat IT Task Force (2010-2012). He has also been Co-Chair of the Industry Committee as well as the IT Committee of the Gujarat Chamber of Commerce and Industry for the year 2001-2002.

2.3 Agenda of the Board 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, Company Secretary, Chief Operational Officer, Business Head - Commercial & Controls also attend the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. Both, the Managing Director & CEO and CFO make presentation on the financial and operational performance of the Company every quarterly and annually. They also present annual financial and operational budget.

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

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

Support and Role of Company Secretary:

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

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

During the financial year 2017-18, 5 Board Meetings were held on 12th May, 2017, 8th August, 2017, 6th November, 2017, 26th December, 2017 and 25th January, 2018. 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	Number of Board Meetings attended	Whether Present at the Last AGM
1	Mr. Sanjay S. Lalbhai	5	2	Yes
2	Mr. Kamal Singal	5	5	Yes
3	Mr. Kulin S. Lalbhai	5	4	Yes
4	Mr. Pratul Shroff	5	1	Yes
5	Mr. Prem Prakash Pangotra	5	5	Yes
6	Dr. Indira J Parikh	5	5	Yes
7	Mr. Nirav Shah*	5	4	Yes

* Appointed w.e.f. 9th June, 2017.

2.5 Separate Meeting of Independent Directors:

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

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

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

As stipulated by the Code of Conduct of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of Independent Directors was held on 25th January, 2018 to review:

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

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

2.6 Disclosure of relationships between the Directors inter-se:

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

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

Mr. Sanjay S. Lalbhai, Chairman and Non-Executive Director of the Company is holding 200155 Equity Shares equivalent to 0.63% of the total paid up capital of the Company.

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

2.8 Familiarisation programmes imparted to Independent Directors:

Details of familiarization programme imparted to Independent Directors:

- The Company through its Managing Director & CEO, CFO and Company Secretary make presentation periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- Such presentations provided an opportunity to the Independent Directors to interact with the Senior Management of the Company and helped them to understand the Company's strategy, business model, operations, markets, organization structure, finance, facilities and risk management and such other areas as may arise from time to time.
- The programmes/presentations also familiarised the Independent Directors with their roles, rights and responsibilities. The Company had invited E & Y representatives to make a Presentation to the Board of Directors on Roles and Responsibilities of Independent Directors under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
- When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- New Independent Directors are provided with copy of latest Annual Report, the AIL Code of Conduct, the AIL Code of Conduct for Prevention of Insider Trading and AIL Code of Corporate Disclosure Practices, Schedule of upcoming Board and Committee meetings.
- A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, AIL Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.
- The Company has taken Directors' and Officers' Liability Insurance Policy.

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

Other initiatives to update the directors on a continuing basis

- At various Board meetings during the year, presentations are made to the Board on safety, health and environment at its sites, risk management, company policies, and changes in the regulatory environment applicable to the industry in which it operates.
- Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management change, compliances, subsidiary information, donations, regulatory scenario etc.

2.9 Prevention of Insider Trading Code:

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted a Code for Prevention of Insider Trading.

The code viz. "Code of Conduct for Prohibition of Insider Trading Code" 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 Directors, designated employees and connected 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 and connected persons have affirmed compliance with the code.

2.10 Committees of the Board:

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

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

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

3. AUDIT COMMITTEE

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

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

3.1 Brief description of the terms of reference:

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

Audit Committee shall mandatorily review the following information:

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

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

As on 31st March, 2018, the Audit Committee consist of 5 members. During the financial year 2017-18, the Committee has held 4 Meetings on 12th May, 2017, 8th August, 2017, 6th November, 2017 and 25th January, 2018.

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

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

* Appointed as a member of Audit Committee w.e.f. 9th June, 2017.

4. NOMINATION AND REMUNERATION COMMITTEE

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

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

4.1 Brief description of the terms of reference:

Nomination of Directors / Key Managerial Personnel / Senior Management*

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

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

1. Evolve the principles, criteria and basis of Remuneration Policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, senior management and other employees of the Company and to review the same from time to time;
2. The Committee shall, while formulating the policy, ensure the following:
   a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
   b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   c) Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

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

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

As on 31st March, 2018, the Nomination and Remuneration Committee consist of 3 members. During the financial year 2017-18, the NRC has held 1 Meetings on 12th May, 2017 and all 3 members were present.

The details of composition of committee is as under:

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

4.3 Nomination and Remuneration Policy:

1. Purpose of this Policy:

The Company has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")**.

The purpose of this Policy is to establish and govern the procedure applicable:

a) To evaluate the performance of the members of the Board.

b) To ensure remuneration to Directors, KMP and Senior Management to balance fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

2. Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and Listing Regulations, as amended from time to time.

Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and Listing Regulations.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed there under or in Listing Regulations or the Accounting Standards shall have the meanings assigned to them in these regulations.

3. Composition of the Committee:

The composition of the Committee is/shall be in compliance with the Act, Rules made thereunder and Listing Regulations, as amended from time to time.

4. Role of the Committee:

The Committee shall:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;

b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;

c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;

d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;

e) To devise a Policy on Board diversity.

5. Criteria for Determining the followings:-

5.1 Qualifications for appointment of Directors (including Independent Directors):

a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.

b) Their financial or business literacy/skills.

c) Their real estate industry experience.

d) Appropriate other qualification/experience to meet the objectives of the Company.

e) As per the applicable provisions of Companies Act 2013, Rules made thereunder and Listing Regulations.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

5.2 Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the real estate, urban development, construction and infrastructure, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Listing Regulations as amended from time to time.

5.3 Independence Standards:

The following would be the independence review procedure and criteria to assist the Committee evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and Listing Regulations. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director's independence.

Independence Review Procedures

1. Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declarations made by such Directors as per the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Regulations.

2. Individual Director Independence Determinations

If a director nominee is considered for appointment to the Board between annual general meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and Listing Regulations.

3. Notice of Change of Independent Status

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

5.4 Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

5.5 Term:

The Term of the Directors including Managing Director / Wholetime Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and Listing Regulations, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

5.6 Evaluation:

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment /continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. The Committee shall lay down evaluation criteria for performance evaluation of Independent Directors.

5.7 Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management personnel.

4.4 Evaluation of the Board's Performance:

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

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

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

4.5 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 Company pays remuneration to its Managing Director & CEO by way of salary and other benefits as per the terms agreed with the Company. The remuneration is approved by the Board of Directors and is within the overall limits approved by shareholders of the Company.

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

Within the above limit and considering all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc. Executive Directors and Non-Executive Directors have been paid commission for the year 2017-18 as under:

Sr. No.	Name of Director	Salary (₹)	Perquisites & Allowances (₹)	Sitting Fees (₹)	Retiral Benefits (₹)	Commission / Bonus (₹)
1	Mr. Kamal Singal	11119289	79410*	Nil	677686	Nil
2	Mr. Sanjay S. Lalbhai	Nil	Nil	Nil	Nil	Nil
3	Mr. Kulin S. Lalbhai	Nil	Nil	Nil	Nil	Nil
4	Mr. Pratul Shroff	Nil	Nil	40000	Nil	500000
5	Mr. Prem Prakash Pangotra	Nil	Nil	160000	Nil	500000
6	Dr. Indira J Parikh	Nil	Nil	110000	Nil	500000
7	Mr. Nirav Shah	Nil	Nil	70000	Nil	500000

*Excluding Rs. 17572625 towards the perquisite value being the difference between exercise price and market price on exercise date in respect of ESOPs.

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

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

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

(b) The Company has disclosed the criteria of making payment to Non-Executive Directors and the same is posted on the website of the Company at https://arvindsmartspaces.com/wp-content/uploads/2018/05/Criteria_of_making_payment_to_Non_Executive_Directors.pdf

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

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

5.1 Brief description of the terms of reference:

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

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

As on 31st March, 2018, the Stakeholders' Relationship Committee consist of 4 members. During the financial year 2017-18, the SRC has held 4 Meetings on 12th May, 2017, 8th August, 2017, 6th November, 2017 and 25th January, 2018.

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

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

5.3 Name and designation of Compliance Officer:

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

5.4 Details of Complaints/Queries received and redressed during 1st April, 2017 to 31st March, 2018:

Sr. No.	Particulars of Complaints / Queries	Received	Redressed	Pending as on 31.3.2018
1	Non receipt of Share Certificates			
	– Direct from Shareholders	NIL	NIL	NIL
	– Received from SEBI	NIL	NIL	NIL
2	Non receipt of Dividend /Interest Warrants			
	– Direct from Shareholders	NIL	NIL	NIL
	– Received from SEBI	NIL	NIL	NIL
3	Confirmation of Demat Credit	NIL	NIL	NIL
4	Non receipt of Debentures Redemption payment	NIL	NIL	NIL
5	Non receipt of letter of offer, allotment advice, share certificates, Annual Report for Rights Issue & others	2	2	0
6	Others - Complaints received from SEBI (SCORES), Stock Exchanges, NSDL, ROC, Company Law Board etc.	NIL	NIL	NIL
	Total	**2**	**2**	**0**

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

6.1 Brief description of the terms of reference:

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

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

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

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

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

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

As on 31st March, 2018, the Corporate Social Responsibility Committee consist of 4 members. During the financial year 2017-18, the CSR has held 2 Meetings on 12th May, 2017 and 6th November, 2017.

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

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

7. MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS

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

The role and composition of committee are as follows:

7.1 Role of Management Committee:

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

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

As on 31st March, 2018, the Management Committee of Board of Directors consist of 3 Directors. During the financial year 2017-18, 16 Management Committee Meetings were held on various dates.

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

Sr. No.	Name of Committee members	Designation	Position / Status	Number of Meetings held	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Non-Executive Director	Chairman	16	14
2	Mr. Kulin S Lalbhai	Non-Executive Director	Member	16	8
3	Mr. Kamal Singal	Executive Director	Member	16	16

8. INFORMATION OF GENERAL BODY MEETINGS

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

Date	Time	Venue
14th September, 2017	10:00 am	Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad-380006.
23rd September, 2016	10:00 am	J.B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. S. V. Marg, Ahmedabad - 380015
11th May, 2015	11:00 am	Arvind Premises, Naroda Road, Ahmedabad-380025.

8.2 Special Resolutions passed in last three Annual General Meetings:

Date	Details of Special Resolution
14th September, 2017	No Special Resolution was passed at the Meeting.
23rd September, 2016	1. Change in the name of the Company from Arvind Infrastructure Limited to Arvind SmartSpaces Limited. 2. Approval of Increase in remuneration of Mr. Kamal Singal (DIN: 02524196), Managing Director & CEO of the Company. 3. Approval of the "Arvind Infrastructure Limited Employee Stock Option Plan, 2016" (AIL ESOP 2016) and grant of options to the eligible employees of the Company under the AIL ESOP 2016. 4. Approval of the "Arvind Infrastructure Limited Employee Stock Option Plan, 2016" (AIL ESOP 2016) and grant of options to the eligible employees of the Company's Subsidiaries under the AIL ESOP 2016. 5. Approval for grant of options equal to or exceeding one per cent to Mr. Kamal Singal, Managing Director & CEO under the "Arvind Infrastructure Limited Employee Stock Option Plan, 2016" (AIL ESOP 2016).
11th May, 2015	1. Appointment of Mr. Kamal Singal as Managing Director & CEO of the Company. 2. Approve Remuneration of Directors other than Managing Director for a period of Five Years from 1st April, 2015 to 31st March, 2020.

8.3 Extraordinary General Meetings (EGM):

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

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

8.4 Resolutions passed in last three Extra Ordinary General Meetings:

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

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

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

9. MEANS OF COMMUNICATIONS

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

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

9.3 Presentations are posted on the Company's web site at https://arvindsmartspaces.com

10. GENERAL SHAREHOLDER INFORMATION

10.1 Annual General Meeting:

Date	31st August, 2018
Time	10:00 a.m.
Venue	J B Auditorium, Ahmedabad Management Association, Opp. Apang Manag Mandal, IIM Road, Dr. V S Marg, Ahmedabad 380 015.

10.2 Financial Calendar:

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

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

10.3 Book Closure: Tuesday, the 21st August, 2018 to Thursday, the 23rd August, 2018 (both days inclusive).

10.4 Dividend payment Date : Not Applicable.

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

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

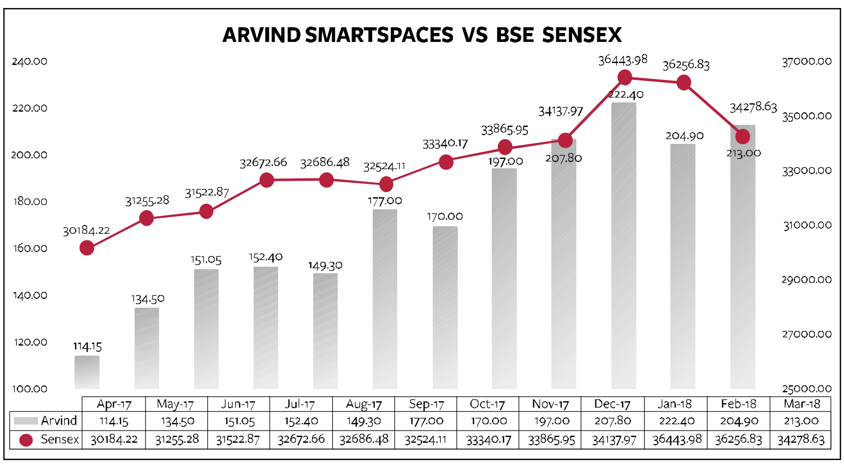
The Company has paid Annual Listing Fees for the Financial Year 2018-19 to each stock Exchanges.

10.6 Market Price data:

The Market and volume of the Company's share traded on BSE Limited and National Stock Exchange of India Limited during the financial year 2017-18 were as under:

Month	Share Price BSE		Volumes	BSE Sensex		Share Price NSE		Volumes	Nifty Fifty	
	High (₹)	Low (₹)	No. of Shares	High	Low	High (₹)	Low (₹)	No. of Shares	High	Low
Apr-17	114.15	86.50	909548	30184.22	29241.48	114.40	86.35	2720672	9367.15	9075.15
May-17	134.50	105.00	954139	31255.28	29804.12	135.00	104.80	3360015	9649.60	9269.90
Jun-17	151.05	117.00	1030206	31522.87	30680.66	150.90	116.70	3572767	9709.30	9448.75
Jul-17	152.40	135.05	554142	32672.66	31017.11	152.40	136.05	1721828	10114.85	9543.55
Aug-17	149.30	120.00	354619	32686.48	31128.02	150.00	120.05	852447	10137.85	9685.55
Sep-17	177.00	134.80	760654	32524.11	31081.83	173.40	135.00	3123934	10178.95	9687.55
Oct-17	170.00	142.35	313609	33340.17	31440.48	172.55	141.90	1419591	10384.50	9831.05
Nov-17	197.00	151.80	1116144	33865.95	32683.59	197.35	146.00	4920312	10490.45	10094.00
Dec-17	207.80	161.00	450100	34137.97	32565.16	208.40	168.80	2513981	10552.40	10033.35
Jan-18	222.40	192.00	550576	36443.98	33703.37	237.60	192.00	3058074	11171.55	10404.65
Feb-18	204.90	160.30	104096	36256.83	33482.81	205.90	170.00	629023	11117.35	10276.30
Mar-18	213.00	155.00	169901	34278.63	32483.84	193.00	156.00	762031	10525.50	9951.90

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



10.8 Registrars and Transfer Agents:

Link Intime India Private Limited
506-508, Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre,
Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006.
Tel No : +91 79 26465179 /86 / 87
E-mail id : ahmedabad@linkintime.co.in
Website : www.linkintime.co.in

10.9 Share transfer system:

(I) Delegation of Share Transfer Formalities:

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

(II) Share Transfer Details for the period from 1st April, 2017 to 31st March, 2018:

Transactions	Physical
Number of Transfers	169
Average Number of Transfers per month	14
Number of Shares Transferred	2052
Average Number of Shares Transferred per month	171
No. of Pending Share Transfers	NIL

(III) Investors' Grievances:

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

10.10 Shareholding pattern dated 31st March, 2017.

Category Code	Category of Shareholder(s)	Total Number	% of shares
(A)	**Shareholding of Promoter and Promoter Group**		
	Promoters		
1	Aura Securities Private Limited	15912646	49.93
2	Sanjaybhai Shrenikbhai Lalbhai	200155	0.63
3	Jayshreeben Sanjaybhai Lalbhai	33	0.00
4	Punit Sanjaybhai	371	0.00
	Total Promoter holding	**16113205**	**50.56**
	Promoter Group		
5	Anamikaben Samvegbhai Lalbhai	4003	0.01
6	Badlani Manini Rajiv	540	0.00
7	Hansaben Niranjanbhai Lalbhai	3804	0.01
8	Kalpanaben Shripalbhai Morakhia	1	0.00
9	Samvegbhai Arvindbhai	4634	0.01
10	Samvegbhai Arvindbhai Lalbhai	10494	0.03
11	Sanjaybhai Shrenikbhai Lalbhai	6885	0.02
12	Saumya Samvegbhai Lalbhai	2000	0.01
13	Sunil Siddharth Lalbhai	343	0.00
14	Sunil SIddharth	1	0.00
15	Swati S Lalbhai	771	0.00
16	Taral S Lalbhai	407	0.00
17	Vimlaben S Lalbhai	459	0.00

Category Code	Category of Shareholder(s)	Total Number	% of shares
18	Astha Lalbhal	192	0.00
19	Lalbhai Realty Finance Private Limited	45500	0.14
20	AML Employees' Welfare Trust	632731	1.99
21	Atul Limited	412747	1.30
22	Aeon Investments Private Limited	17924	0.06
23	Adore Investments Private Limited	13229	0.04
24	Anusandhan Investments Limited	11000	0.03
25	Aagam Holdings Private Limited	479625	1.51
26	Amazon Investments Private Limited	115296	0.36
27	Amardeep Holdings Private Limited	97425	0.31
28	Aayojan Resources Private Ltd	8450	0.03
29	Adhinami Investments Private Limited	600	0.00
30	Akshita Holdings Private Limited	13	0.00
31	Aura Merchandise Pvt. Ltd.	100	0.00
32	Aura Business Enterprise Private Limited	100	0.00
33	Aura Securities Pvt. Ltd.	100	0.00
	Total Promoter Group holding	**1869374**	**5.87**
	Total Promoter and Promoter Group holding	**17982579**	**56.43**
(B)	**Public Shareholding**		
(B)(1)	**Institutions**		
(a)	Mutual Funds	47030	0.15
(b)	Venture Capital Funds	0	0.00
(c)	Alternate Investment Funds	572914	1.80
(d)	Foreign Venture Capital Investors	0	0.00
(e)	Foreign Portfolio Investors	45089	0.14
(f)	Financial Institutions / Banks	1616421	5.07
(g)	Insurance Companies	0	0.00
(h)	Provident Funds/Pension Funds	0	0.00
(i)	Any Other (Specify)		
	Sub Total (B)(1)	2281454	7.16
(B)(2)	Central Government/ State Government(s)/President of India	50	0.00
	Sub Total (B)(2)	**50**	**0.00**
(B)(3)	**Non – Institutions**		
(a)	Individuals		
i)	Individual Shareholders holding nominal share capital up to ₹ 2 Lakhs.	5624126	17.65
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 2 Lakhs.	3832079	12.03
(b)	NBFCs registered with RBI	0	0.00
(c)	Employee Trust	0	0.00
(d)	Overseas Depositories (holding DRs) (balancing Figure)	0	0.00
(e)	Any Other (Specify)		
	Trust	8642	0.03
	Hindu Undivided Family	566838	1.78
	Non-Resident Indian (NRI)	375729	1.18
	Overseas Corporate Bodies	290	0.00
	Clearing member	103601	0.33
	Body Corporate	1092162	3.43
	Sub Total (B)(3)	**11603467**	**36.41**
	TOTAL Public Shareholding(B) = B(1)+(B)(2) + (B)(3)	**13884971**	**43.57**
	TOTAL (A)+(B)	**31867550**	**100.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	0	0.00
	Grand Total (A)+(B)+(C)	**31867550**	**100.00**

10.11 Distribution of shareholding as on 31st March, 2018:

No. of Shares	PHYSICAL MODE		ELECTRONIC MODE		TOTAL		TOTAL	
	No. of Holders	No. of Shares	No. of Holders	No. of Shares	No. of Holders	%	No. of Shares	%
1-500	37713	271560	83982	2506321	121695	98.53	2777881	8.72
501-1000	4	2905	802	621394	806	0.65	624299	1.96
1001-2000	4	5941	442	658004	446	0.36	663945	2.08
2001-3000	0	0	171	433065	171	0.14	433065	1.36
3001-4000	0	0	74	260949	74	0.06	260949	0.82
4001-5000	0	0	68	318714	68	0.06	318714	1.00
5001-10000	1	10000	106	798758	107	0.09	808758	2.54
10001-20000	0	0	75	1074371	75	0.06	1074371	3.37
Above 20000	0	0	73	24905568	73	0.06	24905568	78.15
TOTAL	**37722**	**290406**	**85793**	**31577144**	**123515**	**100.00**	**31867550**	**100.00**

10.12 Dematerialisation of shares and liquidity:

Demat ISIN: Equity Shares fully paid: INE034S01021

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. As on 31st March, 2018, 3,15,77,144 shares representing 99.09% of the issued capital have been dematerialised by investors and bulk of transfers take place in the demat form.

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

Demat ISIN: Convertible Warrants: INE034S13026.

The Company has allotted 30,00,000 warrants ("Warrants") at a price of Rs. 178.00/- (Rupees One Hundred Seventy Eight only) per Warrant for an aggregate consideration of upto Rs. 53,40,00,000 (Rupees Fifty Three Crores Forty Lakhs only) and entitling the Warrant holder(s), being promoter and promoter group entities, to convert the Warrants into equivalent numbers of Equity Shares in one or more tranches within eighteen months from the date of allotment of Warrants (i.e. 6th February, 2018) in accordance with provisions of Chapter VII of the SEBI ICDR Regulations or subject to other applicable laws and regulations as may be prevailing at the time of allotment of Warrants/conversion of Warrants into Equity Shares **("Preferential Issue")**;

During the financial year 2017-18, the Company has not issued Global Depository Receipts or American Depository Receipts.

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

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

10.15 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 and Bengaluru.

10.16 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	**Link Intime India Private Limited**
Secretarial Department 24 Government Servant's Society, Near Municipal Market, Off C.G.Road, Navrangpura, Ahmedabad- 380009 Phone No: 079-30137000 Fax No. : 079-30137021 E-mail : investor@arvindinfra.com Website : www.arvindsmartspaces.com	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 Fax No. : +91 79 26465179 E-mail : ahmedabad@linkintime.co.in Website : www.linkintime.co.in

11. OTHER DISCLOSURE:

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

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

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

11.4 No Strictures or penalties have been imposed on the company by the Stock Exchanges or by the Security Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years i.e. 2015-16, 2016-17 and 2017-18.

11.5 During the year ended 31st March, 2018, the Company has one Material Unlisted Subsidiary as defined in Regulation 16 of the SEBI Listing Regulations. The Company has formed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI Listing Regulations and the same is posted on the Company's website at https://arvindsmartspaces.com/wp-content/uploads/2018/05/AIL-Policy-on-Material-Subsidiaries.pdf The provision of corporate governance requirement with respect to subsidiary of the company as specified in Regulation 24 of the Listing Regulations is complied with to the extent applicable to the Company.

11.6 Vigil Mechanism:

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

The Company has a Whistleblower Policy (WB Policy) that provides a secured avenue to directors, employees, business associates and all other stakeholders of the company for raising their concerns against the unethical practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

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

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

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

Toll Free No.: 1800 200 8301

Dedicated Email ID: arvind@ethicshelpline.in

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

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

11.7 Code of Conduct for Directors & Senior Management Personnel:

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

11.8 CEO/CFO Certification:

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

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

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

11.11 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 are 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 https://arvindsmartspaces.com and same are not being sent to the shareholders.

c. **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.

d. **Separate posts of Chairperson and Chief Executive Officer:** Mr. Sanjay S. Lalbhai is the Non-Executive Non-Independent Director & Chairman and Mr. Kamal Singal is Managing Director & CEO of the Company.

e. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

The above Report was placed before the Board at its meeting held on 1st May, 2018 and the same was approved.

For and on behalf of the Board

Place: Ahmedabad
Date: 1st May, 2018

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 31st March, 2018 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: 1st May, 2018

Kamal Singal
Managing Director & CEO

Mehul Shah
Chief Financial Officer

Compliance of conditions of Corporate Governance

To the Members of Arvind SmartSpaces Limited (formerly Arvind Infrastructure Limited)

I have examined the compliance of conditions of Corporate Governance by **ARVIND SMARTSPACES LIMITED** for the year ended on 31st March, 2018, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 ("Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

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

Place: Ahmedabad
Date: 1st May, 2018

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

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

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2018.

Place: Ahmedabad
Date : 1st May, 2018

Kamal Singal
Managing Director & CEO

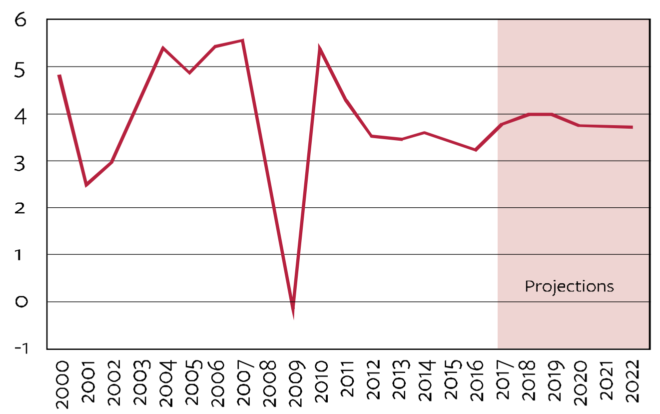
MANAGEMENT DISCUSSION & ANALYSIS

Global Economy

Prospects for global macroeconomic development

The last decade was punctuated by a series of broad-based economic crises and negative shocks, starting with the global financial crisis of 2008–2009, followed by the European sovereign debt crisis of 2010–2012 and the global commodity price realignments of 2014–2016. Subsequent strengthening of world economy since then offers greater scope to reorient policy towards longer-term issues that hold back progress along the economic, social and environmental dimensions of sustainable development, suggests a latest report by United Nations that the global persistent headwinds and series of crisis subsided further.

World Real GDP Growth
(in percent)



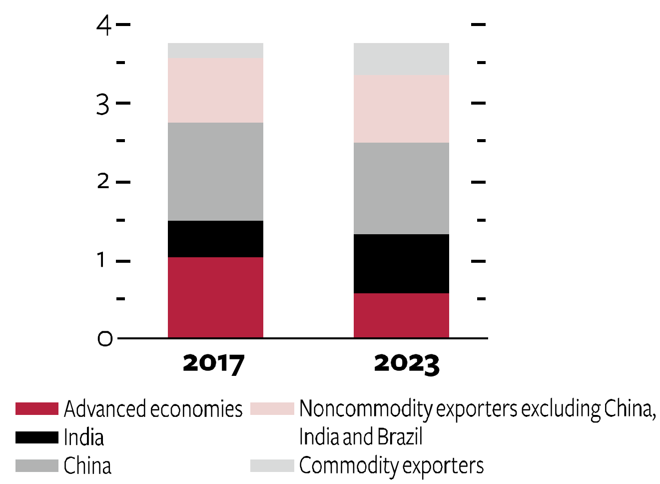
In 2017, global economic growth is estimated to have reached 3.0 per cent, a significant acceleration compared to growth of just 2.4 per cent in 2016, and the highest rate of global growth recorded since 2011. Labour market indicators continue to improve in a broad spectrum of countries, and roughly two-thirds of countries worldwide experienced stronger growth in 2017 than in the previous year. At the global level, growth is expected to remain steady at 3.0 per cent in 2018 and 2019.

Global inflationary pressures are expected to remain relatively benign. In developed economies, inflation is expected to hover close to central bank targets in 2018-19. In many developing economies and economies in transition, steady or declining inflation may lead to more monetary easing.

In tandem with a recovery in global trade, world industrial production has accelerated predominantly driven by strong demand in East Asia. Confidence and economic sentiment indicators have also generally strengthened, especially in developed economies. Investment conditions have improved, amid stable financial markets, strong credit growth, and a more solid macroeconomic outlook.

Steady global growth is expected in 2018-19 and world gross product is forecast to expand at a steady pace of 3.0 percent in 2018 and 2019. Developing economies remain the main drivers of global growth. In 2017, east and south Asia accounted for nearly half of global growth, as both regions continue to expand at rapid pace benefiting by robust domestic demands and supportive macro-economic policies. It is expected that India's contribution to world real GDP growth may further increase with

Contributions to World Real GDP Growth
(in percentage points, PPP weights)



Source: UN Report, World Economic Prospects

its near expected growth rate of around 7% till 2023. Nonetheless, there is a risk that market reactions to monetary adjustment in developed economies could trigger greater volatility. If this were to lead currency depreciations in developing countries – especially those with more open capital markets – inflationary pressures could rise, leaving countries exposed to capital withdrawal and higher financing cost.

While a number of risks and uncertainties remain, what stands out in the current economic environment is the alignment of the economic cycle among major economies, stability in financial market conditions and the absence of negative shocks such as commodity price dislocations.

Indian Economic Outlook

The Indian economy, as measured by growth in Gross Domestic Product (GDP), accelerated by 6.3% in calendar Q3 2017. There is an improvement from 5.7% in Q2 and suggests that the economy is recovering from the impact of demonetization in 2016. Most economic forecasters predict average annual GDP growth of over 7% till 2020, which will make India one of the fastest-growing economies in the world. The government's thrust towards 'Make in India' and improvement in infrastructure spending should support demand in the industrial property sector in coming years.

GDP expansion is likely to be driven by improvement in industrial production, a pick-up in consumption and increased infrastructure spending. The low real interest rates and improving exchange rate scenario should also support investment growth. Based on Oxford Economics' forecast, real interest rates (i.e. inflation-adjusted interest rates) should stay low at about 1.5-1.6% till 2020, compared to a range of about 3.0-4.3% over the first three quarters of 2017. This steady economic expansion, persistent loose real monetary conditions and improvement in infrastructure spending ought to support the Indian investment property market. Furthermore, recent government reforms such as Goods and Service Tax (GST), the Real Estate Regulation and Development Act and various checks on cash transactions, have resulted

India: Key Economic Indicators*

	2016	2017	2018	2019	2020
Private consumption	9.2	7.0	8.8	6.5	6.7
Fixed investment	5.1	1.0	5	6.9	7.7
GDP	7.9	6.4	7.4	7.1	6.9
Consumer prices index (CPI)	4.9	3.3	5.1	5.7	5.8
Short-term interest rate (%)	7.2	6.5	6.7	7.3	7.3
Real interest rate (%)	2.3	3.2	1.6	1.6	1.5
Exchange rate (Rupee per USD)	67.2	65.2	63.6	64.1	65.9

in short-term turmoil in the market, but should be beneficial for the economy in the long-run. Indeed, this impact is already visible , and India has witnessed an improvement in various international ratings such as debt rating agency Moody's has upgraded India's sovereign credit rating for the first time in 14 years, while India's ranking in the World Bank's "Ease of Doing Business" index has jumped to 100 in 2017 from 130 in 2016.

India's bank recapitalization plan (under which the government is planning to infuse Rs. 2.11 Lakh crore worth of capital to the banking sector) has further boosted domestic as well as foreign investor confidence in the economy. Other factors such as the USD 59.2 Bn infrastructure spending plan announced in Union Budget 2017-18 and digitization of tax payments which is expected to widen the country's tax base indicate a positive scenario.

As per an Axis Bank report, the financialization of savings continued apace in 2017. Mutual funds saw records flows and on the back of that DII flows into equity hit new records. Further, the Rupee had a positive year against dollar in 2017 after falling for each of the previous 6 straight years. The external situation has been comfortable for the last few years now, all time high and rising forex reserve and a sharp improvement in the current account deficit. Few notes of worry emerge in 2018 from rising crude prices and weakness in export sector.

Weak economic growth, demonetization, favorable currency and weakness in commodity and food prices saw CPI inflation hit all time low numbers of 1.5% during June 2017. Going forward fiscal slippage, rebound in commodity prices and revival in economic growth all mean that inflation is unlikely to fall dramatically. Moreover, the rising NPA problem has had an impact on monetary transmission, as bank charges higher premiums on loans despite benefitting from a consistent regime of low-cost funding. The country's banking system may find it difficult or unable to pass it on to customers. As per the report by RBI, if looked at the net interest margin (NIM), which is the difference between the interest income and interest expenditure, for the banks under analysis, it was found that if monetary policy was eased (a rate cut), banks would not lower their lending rates in line with the reduction in their cost of funding.

Overall, economic growth is expected to be resilient with recent measures taken to fine-tune GST compliance, improve the health of banks (following the IBC and recapitalization) and ease policy uncertainty. The government is keen to make India an attractive and easy place to do business, and this has resonated well with the investors, PE and other business houses.

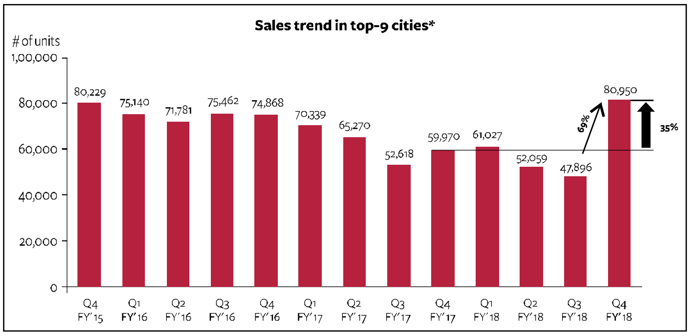
To sum up, we entered 2018 in high spirits as the economy is poised for growth post demonetisation and successful initial implementation of the GST. Moody's has upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook. India's ranking has also improved in the World Bank's Doing Business report by 30 spots over its 2017 ranking.

Indian Real Estate: A new wave of Transformation

Indian real estate started to ride on a new wave of transformation in the year 2017. At a glance, the year was packed with long-term promise of new opportunities, uncertainty and volatility. While a battery of reforms tested industry stakeholders, the new paradigm of transparency and consolidation achieved in the process should pave the way for a healthy momentum in attracting buoyant global capital in the near future.

At the end of 2017, India's residential sector appears to have shrunk to a fraction of its size in less than a decade. While the market has been on a steady decline, the past 12-odd months were an acid test of sorts for the real estate sector in India. Nevertheless the near standstill triggered by demonetization seems to have tapered with time. There appears to be growing in confidence with the gradual acceptance of structural reforms such as the Real Estate (Regulation and Development) Act, 2016. The Industry however, is still grappling to navigate its way through the new tax regime post the introduction of the Goods and Services Act. However, select markets wherein RERA has matured have witnessed re-launch of projects at attractive prices which led to an uptick in sales volumes in 2018.

Year 2017 witnessed the de-growth in residential supply progressively getting worse while the demand relatively remained muted. According to a report by Knight Frank, year 2017 saw a decline of 38% in sale of units as against the peak achieved in 2011 and a decline of 78% in number of units launched as against the peak achieved in 2010. Notably, 0.23 Mn units were sold in year 2017 compared to a little over 0.1 Mn units launched. The dip in sales volume have definitely kept prices more or less stable across the top cities. Further, inclination of developers towards affordable housing projects over past couple of years remain another prominent reason for Prices across cities remaining more or less the same. During the last four years, the growth in residential prices in most of the top eight cities of India has been below retail inflation growth and the gap has progressively increased since H1 2016. This has in fact significantly improved home affordability and average ticket sizes of housing units in most cities are now inching closer or are below the Knight Frank Affordability Benchmark of 4.5 times the annual household income of the city.

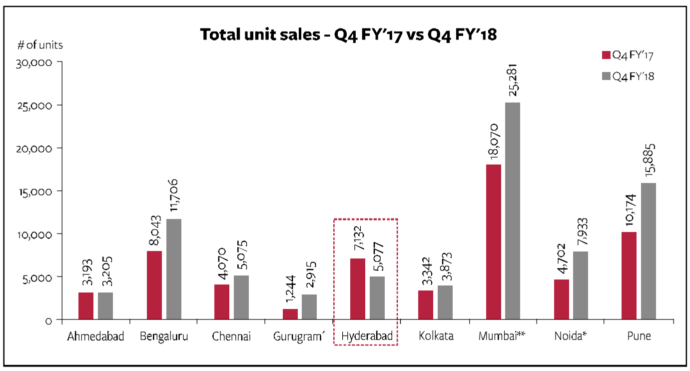


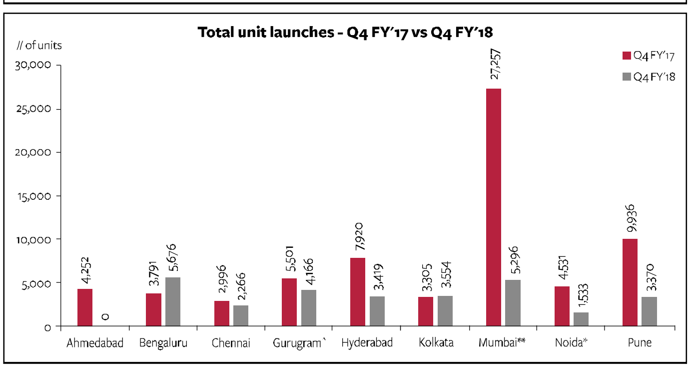
Source: Realty Decoded , DataLabs

Going forward the governments emphasis on housing and its efforts to mitigate risks though structural reforms is gradually building confidence in consumers and big market stakeholders such as Institutional investors. This boost in confidence was very much visible in the last quarter of FY 2017-18. The spurt in sales volume suggests that the Indian real estate sector has been on a recovery path. Sales numbers of Q4 FY 18 suggests that the Indian real estate has come out of down-cycle with sales increasing by more than 35% across cities. The upward in sales trend can be seen across cities such as Mumbai, Pune, Bengaluru, Chennai, NCR, and Ahmedabad except Hyderabad. Series of transformation which had hit the Indian real estate market in 2017 seems to have induced buyer confidence again as in the Q4 of FY 18 witnessed an increase in sale of under-construction units which had consistently been hit in the last two years. Though the ready-to-move-in sales inventory still grew more than under-construction sale of units.

RERA has been implemented in most of the Indian states by now. For a sector that did not have any regulatory structure governing the behavior of its participants, the historic move was heralded as an inflection point that promises to change the manner in which real estate is transacted in India. Provisions such as mandatory disclosures by promoters were targeted to bring financial discipline which may spike Institutional investors interests. Mostly it was aimed at providing grievance resolution platform to home buyers. While RERA seems to expedite the project lifecycle across the country and consumers heaved a sigh of relief. The developers were kept on toes with the new compliance regime and overcoming the initial glitches of RERA. This in fact delayed many ready to launch projects. However, with growing sales numbers and familiarity of developers now with RERA, Launches in 2018 should hit an upward trajectory.

The declining momentum in launches continued in Q4 of FY 17-18 too, with launches declining by more than 58% as compared to Q4 FY 17 to its lowest number in the decade at 29,300 units.





Source: Realty Decoded , DataLabs

Impact of GST on Residential Real estate market

Whilst it throws into chaos an earlier order, it brings about a more transparent and uniform taxation system throughout the country. Radical changes, especially disruptors, bring along challenges and transitory pains. For real estate, the implementation of GST is both disruptive and calming.

While GST has simplified the tax treatment for the realty sector and has resolved some of the long-standing issues of valuation, nature of supply etc., the significant benefit appears to be only with regard to increased input credit on the procurement of materials. The rate of GST on residential contracts has not necessarily reduced to large extents.

The increase in input credit should ideally reduce the construction cost. However, in an apartment, in addition to construction cost, the land cost also plays a significant role. The maximum benefit under GST would be available to projects that are mostly or entirely executed post implementation of GST. In any case, for most project, the estimated benefit may not be as significant, as earlier thought, of the overall construction cost and this benefit may not translate into significant reduction in prices for consumers. It is anticipated that the pricing pressure across cities in India may remain for the year 2018 as well with little or moderate correction in prices caused by market dynamics.

The year 2018 may see many developers adopt a consolidated approach to strategically market and sell their inventories. Smaller developers are now exploring joint development/joint ventures and other modes of partnership with established players, to improve sales and to raise equity and/or debt funding. Implementation of GST is likely to reduce construction costs to some extent. Passing on these cost savings to customers can give a fillip to demand for homes. 2018 will see buyer sentiments recovering from the uncertainties of recent times. Such an increased customer appetite works well for our business which aspires to build properties that represent world class standards of customer centricity, design, construction and quality.

The union budget 2018-19 was a positive step with a long term focus on job creation, entrepreneurship, and skill development. For the short-term, several allocations were made for the real estate sector under the "House-for-all" Scheme, which should further increase the supply of affordable homes. The government granted the "Infrastructure" status to affordable housing. Under PMAY, the government is constructing about one crore houses exclusively in rural areas by 2019. In urban areas, the government provided the assistance to construct 37 lakh houses. The establishment of dedicated affordable housing Fund will further support the objective. The profit-linked exemption along with infrastructure status for affordable housing has started pushing developers to undertake more affordable housing projects, thus increasing private players participation in the sector. Further, increased infrastructure investments should address the concerns on inadequate infrastructure in the peripheral and rural areas and the high cost of land in prime areas remain a serious challenge for the affordable housing sector.

Further, it is estimated that Indian real estate's contribution to India's GDP is further expected to double from 5% now to more than 11% by 2020 as suggested in a report by CREDAI. The increase is attributed to the implementation of new regulatory reforms, increasing household income, nuclear housing, affordable housing as well as rapid urbanization. The policies and reforms introduced over the last year have become the "Architect of changes" in the real estate sector.

RERA should eventually consolidate the sector and smaller developers in Tier2 and Tier3 cities should get institutional funding with sales expected to further improve. Major push for affordable housing will lead to the launch of a number of projects in this sector and should invite lot of investments. The use of technology will further increase efficiency in building construction, sales, marketing, and property management. This may prove to be a very conducive market for industry stakeholders and should create a new and improved environment for Indian Realty.

Opportunities & Challenges:

Opportunities & Strengths

- Policy Reforms like implementation of RERA and GST
- Well accepted Brand
- Well-designed Projects at strategic locations & Long term value creating projects
- Strong balance sheet and consistent financial performance even in challenging market conditions
- Increased revenue and profit to be recognized in the next 3 to 4 years from the ongoing projects
- Highly qualified team in terms of execution and implementation
- Strong and well-defined internal control systems

  To set industry benchmarks in:
  - Innovative Design & Architecture
  - Customer Relationship Management
- New geographies – B+ tier cities such as Pune, Hyderabad etc.
- Strong Government / Local networking
- Credibility in the industry
  - Continuous Project acquisitions
  - Satisfied Confidence
- Technology leverage – Touchscreens, ERP, customer portal
- Significant leveraging opportunity for further expansions

Challenges:

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

Threats and Weakness

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

Arvind SmartSpaces Limited **("ASL")** is primarily into residential segment operating in and around Ahmedabad and Bengaluru market. ASL is currently executing 5 projects through own land, Joint Ventures and Joint Development model. ASL has also successfully executed 7 projects till date.

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

Sr. No.	Residential Projects	Est. Area (sqft) (sqft)	Area Booked Till Date (sqft)	Inventory as on Date Date (₹ in Lacs)	Booking Value till till Date (₹ in Lacs)	Revenue Recognized (%)	Project Completion	Avg. Price (Rs./sqft)
1	Alcove	10,32,660	9,76,734	55,926	2,288	2,288	100	234
2	Parishkaar	9,15,809	9,15,809	-	25,423	25,423	100	2,776
3	Trade Square							
4	Megatrade	80,914	67,502	13,412	2,771	2,771	100	4,104
5	Expansia	1,40,276	1,30,313	9,963	6,872	6,872	100	5,273
6	Citadel	1,01,859	1,01,859	-	5,515	5,515	100	5,415
7	Sporcia	4,92,062	4,26,085	65,977	19,397	17,940	94	4,552
8	Uplands (Phase I)	31,92,901	22,54,028	9,38,873	31,764	17,597	56	1,409
9	Megaestate (Phase I)	63,119	19,777	43,342	564	453	80	2,853
10	Skylands	4,91,111	1,30,353	3,60,758	6,067	2,586	49	4,654
11	Megapark	9,23,391	2,71,161	6,52,230	1,431	1,233	86	522
12	Beyond Five	66,74,310	2,25,423	64,48,887	1,740	-	-	772
	Total	**141,08,412**	**55,19,044**	**85,89,368**	**1,03,832**	**82,678**		

ASL is about to launch two new projects namely Oasis and Aavishkaar. Further, ASL has also acquired one more project in Bengaluru.

Financial Performance (Standalone)

Equity Share Capital : The equity share capital of the Company as on 31st March, 2018, stood at ₹ 3187 lacs. The change in the share capital of the Company as compared with the previous financial year (₹ 2841 lacs) is due to allotment of equity shares to the promoters on preferential basis and to the eligible employee under AIL ESOP 2013 Scheme.

Debt Equity : The debt equity ratio of the Company as on 31st March, 2018, is at 0.55:1.

Revenue : The total revenue of the Company has increased to ₹14216 lacs in the FY 2017-18 against ₹9484 lacs in FY 2016-17, an increase by 50%.

EBITDA : EBITDA margin during the financial year 2017-18 stood at 36% as compared to 34% for the previous financial year.

Finance Costs : Interest & Financial Charges for the financial year 2017-18 is ₹1465 lacs as compared to ₹1158 lacs in the previous year, an increase by 27%, which is predominantly on account of Line of Credit facility and Unsecured loan from financial institutions.

Net Profit : Net profit available for appropriation for the year 2017-18 stood at ₹2978 lacs as compared to ₹2059 lacs in the previous year, an increase of 45%.

Dividend : The Company has not proposed a dividend on its equity share as it want to reinvest the net profit on its upcoming projects.

Earnings Per Share (EPS) : The Company's Basic Earnings Per Share (EPS) during the current year is ₹9.88 as compared to ₹7.95 in the previous year and Diluted EPS is ₹9.57 as compared to ₹7.61 in the previous year. (EPS of previous year has been recalculated)

Financial Performance (Consolidated)

Debt Equity : The debt equity ratio of the Company as on 31st March, 2018, is at 0.55:1.

Revenue : The total revenue of the Company has increased to ₹20224 lacs in the FY 2017-18 against ₹15874 lacs in FY 2016-17, an increase by 27%.

EBITDA : EBITDA margin during the financial year 2017-18 stood at 32% as compared to 28% for the previous financial year.

Finance Costs : Interest & Financial Charges for the financial year 2017-18 is ₹1539 lacs as compared to ₹1158 lacs in the previous year, an increase by 33%.

Net Profit : Net profit available for appropriation for the year 2017-18 stood at ₹3144 lacs as compared to ₹2165 lacs in the previous year, an increase of 45%.

Earnings Per Share (EPS) : The Company's Basic Earnings Per Share (EPS) during the current year is ₹10.01 as compared to ₹7.83 in the previous year and Diluted EPS is ₹9.70 as compared to ₹7.49 in the previous year. (EPS of previous year has been recalculated)

During the FY 2017-18, the performance of ASL has improved due to various positive factors like improved margins in some specific project, sale of TDRs etc. The total sale in terms of value is ₹14216 lacs during the current financial year against ₹9484 lacs during the previous financial year, an increase of 50% over the previous year.

Risk Management

ASL is committed to high standard of business conduct with effective risk management policies to achieve sustainable business growth, safe-guard interest of stakeholders and to ensure compliance with applicable legal requirements. In line with this objective, ASL has laid out a well-established Risk Management Policy in order to identify the risks, prioritize risk according to their impact and likeliness on the project.

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

Economic risks

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

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

Operational risks

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

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

Liquidity risks

Weak Sales and delay in payments from the customers may hamper the liquidity crunch and can hamper the progress of the projects. ASL ensures that all the projects are completed in the stipulated time. Even ASL is a well-known brand in West and South India which ensures that the upcoming projects get good response. This helps to maintain the short term credit facilities with the vendors.

Execution risks

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

Outlook (FY 18-19)

The Company has been performing consistently well in spite of real estate market suffering from subdued consumer sentiments due to various macro-economic factors in the recent past. The industry is undergoing significant transformative shifts. Government initiatives like specific policy push for affordable housing etc. has given new impetus to the industry. Implementation of RERA has further helped improve transparency and accountability within the sector which has brought about much needed stability in the market. Property markets across the country are beginning to show signs of revival in terms of new launches or in terms of absorption of units. There are indications of growing confidence in the market with the gradual acceptance of structural reforms like demonetization, RERA and GST though Industry is still grappling to navigate its way through higher tax burden in certain markets under the new tax regime post the introduction of the Goods and Services Tax. The Company is well poised to take advantage of improving market conditions.

Human Resources

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

Industry Relations/Initiatives

The Company has taken various initiatives during the FY 17-18 to promote itself as a reputed brand in the real estate industry. ASL participated into various industry specific events/awards to present its key projects to its prospective buyers/customers and fellow developers.

Awards & Recognition

A. Realty Plus Conclave & Excellence Awards 2017:

- Design Project of the Year – For Project Arvind Uplands
- Scroll of Honour – Mr. Kamal Singal, Managing Director & CEO of Arvind SmartSpaces

B. National Awards for Marketing Excellence in Real Estate and Infrastructure by Times Network:

- Luxury Project of the year – For Project Arvind Expansia

C. Food and Lifestyle Awards by MyFM:

- Excellence in Upgrading Lifestyle Standards – Arvind SmartSpaces

D. Globe Luxurie Decode-2017 Awards:

- Leading Luxury Brand of the Year – Arvind SmartSpaces

CRM & Customer related

A. Launch of Upgraded version of Customer Portal: Arvind CARE

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

B. Customer Survey

We have started conducting Customer Survey to understand our customers better, know their needs, measure satisfaction with our products and services. It further helps us get inputs from the customers to improve our services and products. The first C-Sat survey for Sporcia customers was conducted with a focus on understanding the customer's demographics and property purchase behaviour and preferences. Since then we have been conducting regular annual surveys across our projects to improve our services. The last survey conducted in March 2018 was for our project, Uplands. The survey indicated that our customers are happy with the overall look of sample villa and various initiatives taken related to the ecosystem like butterfly garden, landscaping etc. The feedback received on various parameters has been discussed and action taken wherever found necessary.

C. Welcome Kit

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

D. Newsletter: Spotlight

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

E. Diwali Gifts

Diwali is a festival of joy and lights. We celebrate this festival with our customers by presenting them with a Diwali Gift every year. We, as a company, put great emphasis on using eco-friendly material. Our Diwali gift is also based on the same concept and we try to present innovative gifts every year to our customers. This year we had gifted eco-friendly jute bags to our customers along with home-made chocolates and perfumed candles.

F. New Year Calendars

We send the New Year wishes to our customers in the form of Calendar every year. This year we have presented a calendar capturing the exotic birds spotted at Uplands.

G. Birthday Cakes

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

In house ERP

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

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

Legal Compliance Tool

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

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

Internal Control & its Adequacy

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

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

Cautionary Statement

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Arvind SmartSpaces Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Arvind SmartSpaces Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as "Ind AS financials statements).

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter

The transition date opening balance sheet as at April 01, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended March 31, 2016 dated May 13, 2016 expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

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

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) 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, in our opinion and to the best of our information and according to the explanations given to us:

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

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

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

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

per **Sukrut Mehta**
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: May 1, 2018

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 ON REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE OF ARVIND SMARTSPACES LIMITED FOR THE YEAR ENDED MARCH 31, 2018

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

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

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

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

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

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

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

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

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

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

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

Name of the statute	**Nature of the dues**	**Amount (₹ lacs)**	**Period to which the amount relates**	**Forum where the dispute is pending**
The Income Tax Act 1961	Income tax	2.15	PY 2010-11	CIT (Appeals)
The Income Tax Act 1961	Income tax	90.84	PY 2012-13	CIT (Appeals)
The Income Tax Act 1961	Income tax	367.04	PY 2013-14	CIT (Appeals)
The Gujarat Value Added Tax Act 2003	Value added tax	3.10	FY 2012-13	Deputy Commissioner of Commercial Taxes

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

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

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

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

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

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

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

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

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

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

per **Sukrut Mehta**
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: May 1, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ARVIND SMARTSPACE LIMTED

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

We have audited the internal financial controls over financial reporting of Arvind SmartSpaces Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per **Sukrut Mehta**
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: May 1, 2018

STANDALONE BALANCE SHEET as at 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-current assets				
Property, plant, equipment	3.1	815.44	803.99	768.55
Intangible assets	3.2	2.07	4.25	5.37
Intangible assets under development		2.08	1.72	1.72
Financial assets				
Investments	4	14,459.19	7,682.06	5,206.41
Other financial assets	8	1,208.24	315.44	907.63
Deferred tax assets (net)	25	17.06	17.99	-
Income tax assets (net)		276.35	187.38	-
Other non-current assets	10	8.85	0.25	0.25
Total non-current assets		16,789.28	9,013.08	6,889.93
Current Assets				
Inventories	9	16,656.89	13,983.49	8,066.35
Financial assets				
Investments	4	2,382.49	1,723.51	930.21
Loans	5	1,280.00	111.00	100.00
Trade receivables	6	5,635.35	2,795.69	3,397.65
Cash and cash equivalents	7	226.98	196.27	266.81
Others financial assets	8	4,814.14	3,124.36	4,853.34
Other current assets	10	1,596.92	2,162.02	3,223.12
Total current assets		32,592.77	24,096.34	20,837.48
Total assets		49,382.05	33,109.42	27,727.41
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	3,186.76	2,840.93	2,582.43
Other equity	12	26,313.90	16,669.83	11,794.71
Total Equity		29,500.66	19,510.76	14,377.14
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	13	10,014.17	4,531.56	4,296.98
Trade payables	14	1,710.74	1,987.82	1,880.10
Other financial liabilities	15	3.16	7.87	7.87
Long term provisions	16	110.73	69.93	43.56
Deferred tax liabilities (net)	25	-	-	9.55
Total non-current liabilities		11,838.80	6,597.18	6,238.06
Current liabilities				
Financial liabilities				
Borrowings	13	-	874.00	642.23
Trade payables	14	1,436.26	1,595.56	1,772.77
Other financial liabilities	15	6,058.38	3,998.25	4,249.41
Short term provisions	16	14.34	8.02	2.41
Current tax liabilities (net)		-	-	261.66
Other current liabilities	17	533.61	525.65	183.73
Total current liabilities		8,042.59	7,001.48	7,112.21
Total equity and liabilities		49,382.05	33,109.42	27,727.41
Summary of Significant Accounting Policies	2.1			

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay S. Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
INCOME			
Revenue from operations	18	12,805.92	9,001.89
Other income	19	1,410.09	482.41
Total Income		14,216.01	9,484.30
EXPENSES			
Land development costs / rights		4,292.40	4,834.21
Cost of construction materials and components consumed	20	1,182.83	512.33
construction and labour costs		3,849.93	4,102.30
Changes in inventories	21	(2,878.78)	(5,831.88)
Employee benefit expenses	22	929.04	1,182.83
Finance costs	23	1,465.22	1,158.03
Depreciation and amortisation expense	3.1/3.2	85.25	82.17
Other expenses	24	1,771.60	1,449.85
Total Expenses		10,697.49	7,489.84
Profit before tax		3,518.52	1,994.46
Tax expense:			
Current tax charge/(credit)	25	536.17	(37.74)
Deferred tax charge/(credit)	25	4.33	(26.75)
Total tax expense		540.50	(64.49)
Profit for the year		2,978.02	2,058.95
Other Comprehensive Income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains/(losses) on defined benefit plans		(9.86)	(2.28)
Income tax effect	25	3.41	0.79
Total other comprehensive income for the year, net of tax		(6.45)	(1.49)
Total Comprehensive Income for the year		2,971.57	2,057.46
Earnings per equity share [nominal value per share ₹ 10/- (31st March 2017: ₹ 10/-)]	26		
Basic		9.88	7.95
Diluted		9.57	7.61
Summary of Significant Accounting Policies	2.1		

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay S. Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

STANDALONE CASH FLOW STATEMENT for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

			For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A.	**Cash flow from operating activities**			
	Profit for the year before taxation		**3,518.52**	1,994.46
	Adjustments for :			
	Profit from limited liability partnerships		**(1,970.36)**	(2,215.44)
	Depreciation and amortization expense		**85.25**	82.17
	Loss on sale of property plant and equipment		**4.28**	2.21
	Finance cost		**1,465.22**	1,158.03
	Share based payment expense		**-**	107.54
	Interest income		**(1,408.52)**	(481.68)
	Operating profit before working capital changes		**1,694.39**	**647.29**
	Adjustments for:			
	(Decrease) in trade payables		**(436.35)**	(69.49)
	Increase in provisions		**37.25**	29.71
	Increase in other liabilities		**7.96**	341.91
	(Decrease) in financial liabilities		**(4.71)**	-
	(Increase) in inventory		**(2,905.22)**	(5,917.14)
	(Increase)/Decrease in financial assets		**(562.24)**	2,760.14
	(Increase)/Decrease in trade receivables		**(2,839.66)**	601.96
	(Increase)/Decrease in other assets		**(343.51)**	1,060.92
	Cash used in operations after working capital changes		**(5,352.09)**	(544.70)
	Direct taxes paid		**(625.13)**	(411.33)
	Net cash (used) in operating activities	**[A]**	**(5,977.22)**	**(956.03)**
B.	**Cash flow from investing activities**			
	Investments in additional capital constribution in subsidiaries and joint ventures		**(11,258.86)**	(4,456.05)
	Withdrawal of additional capital constribution in subsidiaries and joint ventures		**5,793.11**	3,402.73
	Investment in bank deposits (with original maturity of more than 12 months)		**(130.00)**	-
	Advance towards capital contribution in LLP		**(250.00)**	-
	Loans given		**(269.00)**	(11.00)
	Purchase of property, plant and equipment		**(114.69)**	(118.70)
	Proceeds form sale of property, plant and equipment		**15.52**	-
	Interest received		**-**	42.71
	Net cash (used) in investing activities	**[B]**	**(6,213.92)**	**(1,140.31)**

STANDALONE CASH FLOW STATEMENT for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
C. Cash flow from financing activities			
Proceeds from long term borrowings		**21,331.93**	15,164.42
Repayment of long term borrowings		**(13,728.01)**	(15,108.52)
Proceeds from short term borrowings		**12,000.00**	358.00
Repayment of short term borrowings		**(12,874.00)**	(126.23)
Finance cost paid		**(1,526.41)**	(1,230.51)
Money received against issue of share warrants		**4,806.00**	698.50
Proceeds from issue of share capital (including securities premium)		**2,212.34**	2,270.13
Net cash flow generated from financial activities	**[C]**	**12,221.85**	**2,025.79**
Net Increase/(Decrease) in cash and cash equivalents	**[A+B+C]**	**30.71**	(70.55)
Cash and cash equivalents at the beginning of the year		**196.27**	266.82
Cash and cash equivalents at the end of the year		**226.98**	**196.27**
Components of cash and cash equivalents (Refer note 7)			
Balances with banks		**226.36**	163.28
Cash in hand		**0.62**	0.72
Cheques on hand		**-**	32.27
		226.98	**196.27**
Summary of Significant Accounting Policies	**2.1**		

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay S. Lalbhai	Chairman
Kamal Singal	MD & CEO
Mehul Shah	Chief Financial Officer
Prakash Makwana	Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

Standalone Statement of Changes in Equity

for the year ended on 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

	Particulars	No. of shares	Amount
A.	**Equity share capital (Refer Note 11)**		
	As at 1st April, 2016	2,58,24,307	2,582.43
	Issued during the year pursuant to exercise of ESOP	10,000	1.00
	Issued during the year pursuant to preferential share warrants	25,75,000	257.50
	As at 31st March, 2017	**2,84,09,307**	**2,840.93**
	Issued during the year pursuant to preferential share warrants	31,75,000	317.51
	Issued during the year pursuant to exercise of ESOP	2,83,243	28.32
	As at 31st March, 2018	**3,18,67,550**	**3,186.76**

B. Other Equity

Particulars	Attributable to equity holders of the Company (Refer note 12)				Total other equity
	Securities Premium	Share based Payment Reserve	Retained Earnings	Money received against share warrants	
As at 1st April, 2016	**7,414.95**	**55.71**	**4,324.05**	**-**	**11,794.71**
Profit for the year	-	-	2,058.95	-	**2,058.95**
Other comprehensive income	-	-	(1.49)	-	**(1.49)**
Total comprehensive income for the year	**7,414.95**	**55.71**	**6,381.51**	**-**	**13,852.17**
Issue of equity shares pursuant to exercise of stock options	2,011.62	107.54	-	-	**2,119.16**
Issue of share warrants	-	-	-	698.50	**698.50**
As at 31st March, 2017	**9,426.57**	**163.25**	**6,381.51**	**698.50**	**16,669.83**
As at 1st April 2017	**9,426.57**	**163.25**	**6,381.51**	**698.50**	**16,669.83**
Profit for the year	-	-	2,978.02	-	**2,978.02**
Other comprehensive income	-	-	(6.45)	-	**6.45**
Total comprehensive income for the year	**9,426.57**	**163.25**	**9,353.08**	**698.50**	**19,641.40**
Issue of share warrants	-	-	-	4,806.00	**4,806.00**
Issue of equity shares pursuant to exercise of preferential warrants and stock options	2,638.98	(73.98)	-	(698.50)	**1,866.50**
As at 31st March, 2018	**12,065.55**	**89.27**	**9,353.08**	**4,806.00**	**26,313.90**

Summary of Significant Accounting Policies **2.1**

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay S. Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

Notes to standalone financial statements for the year ended 31st March, 2018

1. Corporate Information

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

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

The standalone financial statements were authorized for issue in accordance with a resolution of the directors on 1st May, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) with effect from 1st April, 2017. The standalone financial statements of the Company are prepared and presented in accordance with Ind AS.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared and presented its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). The standalone financial statements for the year ended 31st March, 2018 are the first financial statements prepared and presented by the Company in accordance with Ind AS. Refer to note 39 for information on first time adoption of Ind AS from 1st April, 2016 by the Company.

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

2.2 Summary of Significant Accounting Policies

a) Use of estimates

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

b) Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least Twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as below and accordingly has reclassified its assets and liabilities into current and non-current:

- Residential/commercial projects for real estate development – 3-5 years
- Deferred tax assets/ liabilities are classified as non-current assets/ liabilities

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.

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

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1st April, 2016.

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.

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

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

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.

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

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

Since there is no change in the functional currency, the company has elected to continue with the carrying value for all of its intangible asset as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1st April, 2016.

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 expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

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. Raw materials, components and stores: 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.

Notes to standalone financial statements for the year ended 31st March, 2018

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

i) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company collects taxes such as service tax/GST and other taxes, as applicable on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/income.

The following specific recognition criteria must also be met before revenue is recognized:

Recognition of revenue from real estate development

Revenue from real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from real estate projects is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognized by applying the percentage of completion method only if the following thresholds have been met:

(a) all critical approvals necessary for the commencement of the project have been obtained;

(b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;

(c) at least 25% of the saleable project area is secured by contracts/agreements with buyers; and

(d) at least 10% of the contracts/agreements value are realized at the reporting date in respect of such contracts/ agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue and project costs associated with the real estate project should be recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Further, for projects executed through joint development arrangements, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/ revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. (For Megapark and Pune)

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

Recognition of revenue from sale of TDR (Transferable Development Rights)

Revenue from sale of TDR is recognised upon transfer of all significant risks and rewards of ownership are transfer to buyer and as per the terms of the contracts entered into with the buyer.

Interest income

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

Share in profits from Limited Liability partnership investments

The Company's share in profits from a firm where the Company is a partner, is recognized when the right to receive such profit is established.

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

Notes to standalone financial statements for the year ended 31st March, 2018

statement of profit and loss. As required under Ind AS compliant Schedule III, the company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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

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.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

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) Segment reporting

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

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.

Notes to standalone financial statements for the year ended 31st March, 2018

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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

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

ii. Financial assets at fair value through profit or loss

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

iii. Debt instruments at amortized cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables

iv. Equity investment in subsidiaries and joint ventures

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

v. De-recognition of financial asset

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

vi. Financial liabilities

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

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading 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.

b. 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.

vii. 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.

viii. Fair value of financial instruments

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

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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.

2.2 Significant accounting judgements, estimates and assumptions

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

(a) Judgements

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

Classification of property

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

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Revenue recognition and valuation of unbilled revenue

The company uses the percentage-of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage of-completion method requires the company to estimate the efforts or costs expended to date as a proportion of the total

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efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The Management is of the view that the fair value method and estimates are reflective of the current market condition.

Estimation of net realizable value for inventory (including land advance)

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.

2.3 Standards issued but not yet effective

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

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in 29th March, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1st April 2018. The Company will adopt the new standard on the required effective date. The directors of the Company anticipate that the application of the standard will be applicable only to certain streams of revenue and the effect on the financial statements is expected to be material.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

3.1 Property Plant and Equipment

	Buildings	Equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
Cost or valuation							
At 1st April, 2016 (Refer note 1)	**504.02**	**68.70**	**73.50**	**4.45**	**21.31**	**96.57**	**768.55**
Additions	-	22.08	10.97	4.80	14.56	64.42	116.83
Disposals	-	1.35	0.93	0.12	0.37	-	2.77
At 31st March, 2017	**504.02**	**89.43**	**83.54**	**9.13**	**35.50**	**160.99**	**882.61**
Additions	-	6.78	7.61	0.44	7.40	92.10	114.33
Disposals	-	22.73	1.14	0.68	0.62	9.41	34.58
At 31st March, 2018	**504.02**	**73.48**	**90.01**	**8.89**	**42.28**	**243.68**	**962.36**
Depreciation and impairment							
At 1st April, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	17.50	11.46	15.52	1.58	13.44	19.67	79.17
Deductions	-	0.14	0.17	0.02	0.22	-	0.55
At 31st March, 2017	**17.50**	**11.32**	**15.35**	**1.56**	**13.22**	**19.67**	**78.62**
Depreciation for the year	17.50	10.93	16.31	1.99	10.82	25.52	83.07
Deductions	-	9.06	0.02	0.09	0.21	5.39	14.77
At 31st March, 2018	**35.00**	**13.19**	**31.64**	**3.46**	**23.83**	**39.80**	**146.92**
Net book value							
At 31st March, 2018	**469.02**	**60.29**	**58.37**	**5.43**	**18.45**	**203.88**	**815.44**
At 31st March, 2017	**486.52**	**78.11**	**68.19**	**7.57**	**22.28**	**141.32**	**803.99**
At 1st April, 2016 (Refer note 1)	**504.02**	**68.70**	**73.50**	**4.45**	**21.31**	**96.57**	**768.55**

3.2 Intangible assets

	Software	Total
Cost		
At 1st April, 2016 (Refer note 1)	**5.37**	**5.37**
Additions	1.88	1.88
At 31st March, 2017	**7.25**	**7.25**
Additions	-	-
Disposals	-	-
At 31st March, 2018	**7.25**	**7.25**
Amortisation and impairment		
At 1st April, 2016	**-**	**-**
Amortisation for the year	3.00	3.00
At 31st March, 2017	**3.00**	**3.00**
Amortisation for the year	2.18	2.18
At 31st March, 2018	**5.18**	**5.18**
Net book value		
At 31st March 2018	**2.07**	**2.07**
At 31st March 2017	**4.25**	**4.25**
At 1st April, 2016 (Refer note 1)	**5.37**	**5.37**

Notes:

1. The company has availed the deemed cost exemption in relation to the property, plant and equipment and intangible assets on the date of transition i.e. 1st April, 2016 and hence the net carrying amount as per Indian GAAP has been considered to be the gross carrying amount on that date. Refer the following table for the gross value and accumulated depreciation on 1st April, 2016.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

As at 1st April, 2016	Buildings	Equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Software	Total
Gross amount	861.01	99.29	113.14	13.18	47.60	130.77	53.40	1,318.39
Accumulated depreciation / amortisation	356.99	30.59	39.64	8.73	26.29	34.20	48.03	544.47
Net block	**504.02**	**68.70**	**73.50**	**4.45**	**21.31**	**96.57**	**5.37**	**773.92**

4 Investments

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Unquoted (carried at cost)						
In equity instruments of :						
Wholly owned subsidiary						
Arvind Hebbal Homes Private Limited 10,000 (31st March 2017: 10,000 and 1st April, 2016: 10,000) shares of ₹10/- each, fully paid up	**1.00**	1.00	1.00	**-**	-	-
In capital of Limited Liability Partnership firms (subsidiaries)						
Ahmedabad East Infrastructure LLP	**4,534.85**	5,434.42	3,607.16	**2,000.00**	368.39	500.00
Ahmedabad Industrial Infrastructure (One) LLP	**217.44**	170.94	75.94	**200.00**	50.00	-
Arvind Alcove LLP	**26.49**	0.99	19.99	**-**	20.50	-
Arvind Altura LLP	**1.12**	1.12	1.11	**-**	1,000.00	-
Arvind Beyond Five Club LLP	**329.73**	246.73	114.73	**-**	50.00	-
Arvind Five Homes LLP	**2,708.80**	1,824.30	1,149.30	**-**	-	-
Arvind Infracon LLP	**6,638.10**	0.80	0.80	**-**	-	-
Changodar Industrial Infrastructure (One) LLP	**1.26**	1.26	1.26	**-**	-	-
In capital of Limited Liability Partnership firms (joint ventures)						
Arvind Bsafal Homes LLP	**-**	0.50	235.12	**182.49**	234.62	430.21
Arvind Integrated Projects LLP	**0.40**	-	-	**-**	-	-
Total investments	**14,459.19**	**7,682.06**	**5,206.41**	**2,382.49**	**1,723.51**	**930.21**
Aggregate value of unquoted investments	**14,459.19**	**7,682.06**	**5,206.41**	**2,382.49**	**1,723.51**	**930.21**

5 Loans (at amortised cost)

(Unsecured, considered good)

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Loans to others	**1,280.00**	111.00	100.00
	1,280.00	**111.00**	**100.00**

6 Trade receivables

(Unsecured, considered good)

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Trade receivables	**5,628.47**	2,744.06	3,313.77
Trade receivables from related parties (Refer note 38)	**6.88**	51.63	83.88
	5,635.35	**2,795.69**	**3,397.65**

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

7 Cash and cash equivalents

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Balances with banks:			
- On current accounts	**226.36**	163.28	266.17
Cheques on hand	**-**	32.27	-
Cash in hand	**0.62**	0.72	0.64
	226.98	**196.27**	**266.81**

8 Other financial assets (at amortised cost)
(Unsecured, considered good)

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
Security deposits	**153.40**	183.91	114.08	**-**	-	-
Interest accrued but not due from Limited Liability Partnership firms (Refer note 38)	**924.84**	131.53	793.55	**1,471.19**	1,131.61	-
Interest accrued	**-**	-	-	**528.23**	20.77	51.40
Receivables from Limited Liability Partnership firms for sharing of common costs (Refer note 38)	**-**	-	-	**1,311.26**	414.27	208.11
Unbilled revenue	**-**	-	-	**463.95**	-	2,762.78
Advance towards capital contribution in Limited Liability Partnership firm	**-**	-	-	**250.00**	-	-
Advance for land, recoverable in cash	**-**	-	-	**787.94**	1,557.51	1,830.93
Bank deposits with original maturity of more than 12 months	**130.00**	-	-	**-**	-	-
Others	**-**	-	-	**1.57**	0.20	0.12
	1,208.24	**315.44**	**907.63**	**4,814.14**	**3,124.36**	**4,853.34**

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

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Construction work-in-progress	15,444.42	11,604.52	6,174.57
Unsold developed plots of land and units	935.76	2,191.36	1,789.43
Construction materials	276.71	187.61	102.35
	16,656.89	**13,983.49**	**8,066.35**

10 Other assets
(Unsecured, considered good)

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
Prepaid expenses	**8.60**	-	-	**81.64**	91.82	28.82
Advances recoverable in cash or kind or for value to be received	**-**	-	-	**109.10**	150.52	505.66
Balance with government authorities	**-**	-	-	**983.57**	392.31	362.99
Advance for land*	**-**	-	-	**419.14**	1,517.00	2,314.53
Others advances	**0.25**	0.25	0.25	**3.47**	10.37	11.12
	8.85	**0.25**	**0.25**	**1,596.92**	**2,162.02**	**3,223.12**

* 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.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

11 Equity share capital

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
(a) Authorised			
5,00,00,000 (31st March, 2017 : 3,50,00,000 ; 1st April, 2016 : 2,70,00,000) equity shares of ₹ 10/- each (P.Y. ₹ 10/-)	**5,000.00**	3,500.00	2,700.00
(b) Issued, subscribed and fully paid-up			
3,18,67,550 (31st March, 2017 : 2,84,09,307 ; 1st April, 2016 : 2,58,24,307) equity shares of ₹10/- each (P.Y. ₹10/-)	**3,186.76**	2,840.93	2,582.43

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

Particulars	31st March, 2018		31st March, 2017	
	No. of shares	Amount	No. of shares	Amount
Outstanding at beginning of the year	**2,84,09,307**	**2,840.93**	2,58,24,307	2,582.43
Add :				
Exercise of share options under ESOS / ESOP	**2,83,243**	**28.32**	10,000	1.00
Shares issued pursuant to preferential share warrants	**31,75,000**	**317.51**	25,75,000	257.50
Outstanding at end of the year	**3,18,67,550**	**3,186.76**	**2,84,09,307**	**2,840.93**

(d) Terms / rights attached to the equity shares

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

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

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

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

Name of the shareholder	31st March, 2018		31st March, 2017		1st April, 2016	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Equity shares of ₹ 10 each fully paid						
Aura Securities Private Limited	**1,59,12,646**	**49.93%**	1,29,47,646	45.58%	1,05,42,646	40.82%
Life Insurance Corporation of India	-	-	15,59,181	5.49%	15,59,296	6.04%

(f) Shares reserved for issue under options

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

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

12 Other equity

Particulars	31st March, 2018	31st March, 2017
(a) Securities Premium		
Balance at the beginning of the year	**9,426.57**	7,414.95
Add : Received during the year on issue of equity shares	**2,638.98**	2,011.62
Balance at the end of the year	**12,065.55**	**9,426.57**
(b) Share Based Payment Reserve		
Balance at the beginning of the year	**163.25**	55.71
Add : Compensation expense for options granted during the year	**-**	107.54
Less : Transferred to securities premium on exercise of stock options	**73.98**	-
Balance at the end of the year	**89.27**	**163.25**
(c) Surplus in the statement of profit and loss		
Balance at the beginning of the year	**6,381.51**	4,324.05
Add: Profit for the year	**2,978.02**	2,058.95
Add : Other comprehensive income for the year	**(6.45)**	(1.49)
Balance at the end of the year	**9,353.08**	**6,381.51**
(d) Money received against share warrants	**4,806.00**	698.50
	26,313.90	**16,669.83**

13 Borrowings (at amortised cost)

Particulars	Effective Rate of Interest	Maturity	31st March, 2018	31st March, 2017	1st April, 2016
Non-current borrowings					
Line of credit facility from NBFC (Secured)	HDFC CPLR minus 655 bps	2016-2021	**8,015.30**	5,912.44	6,103.55
Vehicle loans from banks (Secured)	8-9%	2014-2022	**169.75**	106.18	59.18
Term loans (Unsecured)	7.8-10.25%	2021	**7,887.50**	2,450.00	2,250.00
Total			**16,072.55**	**8,468.62**	**8,412.73**
Less : Current maturities - term loans from NBFC disclosed under the head "Other current financial liabilities"	HDFC CPLR minus 655 bps	2016-2021	**6,015.29**	3,912.45	4,103.55
Less : Current maturities - loans from banks disclosed under the head "Other current financial liabilities"	8-9%	2014-2022	**43.09**	24.61	12.20
Total			**10,014.17**	**4,531.56**	**4,296.98**
Current borrowings					
Inter-corporate deposits repayable on demand (Unsecured)	10%	On demand	**-**	874.00	642.23
Total			**-**	**874.00**	**642.23**

Nature of Security

1. The line of credit facility amounting to ₹ 8,015.29 lacs (31st March, 2017 : ₹ 5,912.45 lacs ; 1st April, 2016 : ₹ 6,103.55 lacs) from HDFC Limited is secured by first mortgage of project land named "Arvind Sporcia" bearing Revenue Survey Nos. 89/6, 90/1 and 90/2 all situated at Rachenahalli village, Krishnarajapuram Hobli, Bangalore East with the development with thereon- present and future and further secured by unsold units of "Arvind Citadel" project being developed on Plot no. 162, TPS 20, City Survey no. 555, Behind Super Mall, off C G Road, Navrangpura, Ahmedabad along with undivided share in land , further secured by unsold units of "Arvind Expansia" project being developed on Survey No. 55, Mahadevapura village, Krishnarajapuram Hobli, Whitefield Road, Bangalore along with undivided share in land and further secured by first mortgage pf project land named "Arvind Skylands" bearing Revenue Survey Nos. 40, 45/2B, & 45/2C, Jakkur Main Road, Shivanahalli, GKVK layout, Yelahanka Hobli, Bangalore along with construction thereon and together all rights appurtenant thereto.
2. Vehicle loans amounting to ₹ 169.75 lacs (31st March, 2017 : ₹ 106.17 lacs; 1st April, 2016 : ₹ 59.19 lacs) are secured by vehicles.
3. Out of total term loan outstanding of ₹ 7,887.50 lacs, ₹ 2,925.00 lacs is secured against pledged equity shares held by Aura Securities Private Limited and balance amount is secured against residential land at project Uplands phase II.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Terms of Repayment of Loans

Secured Loan

Line of Credit Facility

HDFC Limited	The Company will ensure at least 30% of sales receivable towards the principal repayment from the date of first disbursement; this percentage will be reviewed subsequently every quarter and will be mutually modified with company as per progress of work. However, the maximum principal of the loan will not exceed ₹ 2,000.00 lacs at the end of 39th month and will be repaid by 48th month.
Vehicle Loan	
HDFC Bank Limited	Loan is repayable in monthly instalments on varied dates as mentioned above.
Term Loan	
Kotak Mahindra Investments Limited	Loan is at the rate of ranging between 7.8-9% and repayable at the end of Sept-2021. Interest is reviewed by the lender on a half yearly basis and any change is communicated to the company.
Bajaj Finance Limited	During the year company has availed loan of ₹ 5,000.00 lacs (31st March, 2017 : Nil 1st April, 2016 : Nil) which is at the rate of 10.25% repayable at the end of March-2021.

14 Trade payables

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-
For goods and services	**350.96**	251.46	143.74	**1,049.62**	1,148.74	1,325.95
For land	**1,359.78**	1,736.36	1,736.36	**386.64**	446.82	446.82
	1,710.74	**1,987.82**	**1,880.10**	**1,436.26**	**1,595.56**	**1,772.77**

1. Trade payables for goods and services are non-interest bearing and are normally settled on 45-day terms
2. Based on information available with company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till 31st March, 2018. Accordingly no disclosures are required to be made under said Act.

15 Other financial liabilities

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Security deposits	**3.16**	7.87	7.87	**-**	-	-
Current maturities of non-current borrowings (note 13)	**-**	-	-	**6,058.38**	3,937.06	4,115.75
Interest accrued but not due on borrowings	**-**	-	-	**-**	61.19	133.66
	3.16	**7.87**	**7.87**	**6,058.38**	**3,998.25**	**4,249.41**

16 Provisions

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Provision for employee benefits						
Provision for gratuity (refer note 29)	**63.50**	42.22	30.25	**6.68**	3.94	1.60
Provision for leave encashment	**47.23**	27.71	13.31	**7.66**	4.08	0.81
	110.73	**69.93**	**43.56**	**14.34**	**8.02**	**2.41**

17 Other liabilities

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Advances from customers	**404.07**	411.06	102.38
Statutory dues	**128.82**	113.42	80.01
Other payables	**0.72**	1.17	1.34
	533.61	**525.65**	**183.73**

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

18 Revenue from operations

Particulars	For the year 2017-18	For the year 2016-17
Sale of products		
Commercial and residential units	**9,567.46**	5,485.68
Transferrable development rights	**1,130.94**	1,156.81
Other operating revenue		
Share of profit from investments in Limited Liability Partnership firms	**1,970.36**	2,215.44
Plot cancellation and transfer fees	**6.59**	17.27
Project consultancy income	**-**	117.50
Miscellaneous	**130.57**	9.19
	12,805.92	**9,001.89**

19 Other income

Particulars	For the year 2017-18	For the year 2016-17
Interest income	**275.63**	12.07
Interest from investments in Limited Liability Partnership firms	**1,132.89**	469.61
Others	**1.57**	0.73
	1,410.09	**482.41**

20 Cost of construction materials and components consumed

Particulars	For the year 2017-18	For the year 2016-17
Inventory at the beginning of the year	**187.61**	102.35
Add : Purchases	**1,271.93**	597.59
Less : Inventory at the end of the year	**(276.71)**	(187.61)
Cost of construction materials and components consumed	**1,182.83**	**512.33**

21 Changes in inventories

Particulars	For the year 2017-18	For the year 2016-17
Closing Stock		
Unsold developed plots of land and units	**935.76**	2,191.36
Construction work-in-progress	**15,444.42**	11,604.52
	16,380.18	**13,795.88**
Opening Stock		
Unsold developed plots of land and units	**2,191.36**	1,789.43
Construction work-in-progress	**11,604.52**	6,174.57
	13,795.88	**7,964.00**
Less: Expenses recovered	**294.48**	-
(Increase) in inventories	**(2,878.78)**	**(5,831.88)**

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

22 Employee benefit expenses

Particulars	For the year 2017-18	For the year 2016-17
Salaries, allowances & bonus	807.79	977.78
Contribution to provident & other funds	59.87	59.32
Share based payment to employees (Refer note 30)	-	107.54
Gratuity (Refer note 29)	14.62	13.70
Staff welfare expenses	46.76	24.49
	929.04	1,182.83

23 Finance costs*

Particulars	For the year 2017-18	For the year 2016-17
Interest on		
Inter-corporate deposits	-	244.35
Term loan from NBFC	233.15	241.44
Line of credit facility from NBFC	1,198.38	624.89
Vehicle loans from banks	11.22	8.49
Others	5.74	-
	1,448.49	1,119.17
Other borrowing costs	16.73	38.86
	1,465.22	1,158.03

*Interest amounting to ₹ 303.09 lacs/- (31 March 2017: ₹ 669.82 lacs) inventorised to qualifying construction work-in-progress.

24 Other expenses

Particulars	For the year 2017-18	For the year 2016-17
Repairs and maintenance		
Buildings	3.13	0.33
Others	26.30	13.25
Rates and taxes	56.74	130.12
Travelling expenses	54.34	46.21
Power and fuel	41.00	16.70
Advertisement	134.30	171.76
Brokerage and commission charges	52.49	42.02
Legal and professional charges	1,046.65	673.60
Secretarial expenses	90.86	86.88
Information Technology expenses	10.35	9.00
Auditors' remuneration (Refer note a)	18.58	8.81
Insurance charges	20.19	9.41
CSR expenses (Refer note b)	43.00	37.00
Loss on sale of property, plant and equipment	4.28	2.21
Rent	27.95	84.06
Miscellaneous expenses	141.44	118.49
	1,771.60	1,449.85

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

a. Payment to Auditors

Particulars	For the year 2017-18	For the year 2016-17
Statutory audit fees	7.25	5.00
Limited review fees	5.15	3.50
Other services	6.00	-
Reimbursement of cess	-	0.29
Reimbursement of expenses	0.18	0.02
	18.58	8.81

b. Details of CSR expenditure

Particulars	For the year 2017-18			For the year 2016-17		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent during the year			25.74			37.00
Amount spent during the year						
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than above	43.00	-	43.00	37.00	-	37.00
Total	43.00	-	43.00	37.00	-	37.00

25 Income Tax

(a) Tax expenses

The major components of income tax expenses for the years ended 31st March, 2018 and 31st March, 2017 are :

Statement of Profit and Loss :

Particulars	For the year 2017-18	For the year 2016-17
Profit or loss section :		
Current income tax		
Current income tax charge	536.17	-
Adjustment of tax pertaining to earlier years	-	(37.74)
Deferred tax		
Relating to origination and reversal of temporary differences	4.33	(26.75)
Income tax expense reported in the statement of profit or loss	540.50	(64.49)
OCI section :		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(3.41)	(0.79)
Income tax effect recognised in OCI	(3.41)	(0.79)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2018 and 31st March 2017:

Particulars	For the year 2017-18	For the year 2016-17
Accounting profit before income tax	3,518.52	1,994.46
Tax on accounting profit at statutory income tax rate 34.61% (31st March, 2017: 34.61%]	1,217.76	690.28
Adjustment in respect of current income tax of previous years	-	(37.74)
Income exempt from taxes	(681.94)	(766.76)
Expenses disallowed	4.68	7.19
Others	-	42.54
Tax expense reported in the statement of profit or loss*	540.50	(64.49)

* Effective tax is lower since tax has already been paid on share of profit from investments in Limited Liability Partnership firms

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

(c) Deferred tax

Particulars	Balance sheet			Statement of profit and loss	
	31st March, 2018	31st March, 2017	1st April, 2016	**For the year 2017-18**	For the year 2016-17
a) Deferred Tax Liabilities					
Impact of difference between tax depreciation and depreciation charged for the financial reporting	**48.84**	48.56	54.30	**(0.28)**	5.74
Gross deferred tax liabilities	**48.84**	**48.56**	**54.30**	**(0.28)**	**5.74**
b) Deferred Tax Assets					
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**65.90**	10.05	25.47	**(55.86)**	15.42
Share based payments	**-**	56.50	19.28	**56.50**	(37.22)
Gross deferred tax assets	**65.90**	**66.55**	**44.75**	**0.64**	**(21.80)**
Deferred tax expense/(income)				**0.92**	**(27.54)**
Deferred tax assets/(liabilities)	**17.06**	**17.99**	**(9.55)**		

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

Particulars	**31st March, 2018**	31st March, 2017
Opening balance as at 1st April	**17.99**	(9.55)
Deferred tax credit/(charge) during the period recognised in profit or loss	**(4.33)**	26.75
Deferred tax credit/(charge) during the period recognised in OCI	**3.41**	0.79
Closing balance as at 31st March	**17.07**	**17.99**

26 Earnings per share

Particulars	**For the year 2017-18**	For the year 2016-17
Earnings per share (Basic and Diluted)		
Profit after tax	**2,978.02**	2,058.95
Total number of equity shares at the end of the year	**3,18,67,550**	2,84,09,307
Weighted average number of equity shares		
For basic EPS	**3,01,48,813**	2,58,95,923
For diluted EPS	**3,11,04,430**	2,70,64,558
Nominal value of equity shares	**10.00**	10.00
Basic earnings per share	**9.88**	7.95
Diluted earnings per share	**9.57**	7.61
Weighted average number of equity shares for basic EPS	**3,01,48,813**	**2,58,95,923**
Effect of dilution: stock options granted under ESOP	**3,69,717**	5,33,590
Effect of dilution: share warrants	**5,85,900**	6,35,045
Weighted average number of equity shares adjusted for the effect of dilution	**3,11,04,430**	**2,70,64,558**

27 Commitments and Contingencies

a. Commitments

As at 31st March, 2018 the company has given ₹ 1207.08 lacs (31st March, 2017: ₹ 3074.51 lacs; 1st April, 2016 : ₹ 4145.46 lacs) as advances for purchase of land. Under the agreements executed with the land owners, the company is required to make further payments based on the agreed terms.

b. Contingent liabilities

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Disputed demands in respect of -			
Income tax	**460.02**	460.02	90.84
Karnataka VAT	**-**	71.42	71.42
Gujarat VAT	**3.10**	3.10	3.10

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Notes:

The Company has not recognized and acknowledged the claims as liability in the books of account amounting to ₹ 460.02 lacs (31st March, 2017: ₹ 460.02 lacs; 1st April, 2016 ₹ 90.84 lacs) which have been made against the company by Department of Income Tax since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The final outcome of such lawsuits filed against the Company is not presently ascertained and accordingly no provision in respect thereof has been made in the books of account of the company.

28 Segment Reporting

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

29 Disclosure pursuant to employee benefits

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

The company makes contribution towards employees' provident fund and employees' state insurance plan 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 ₹ 59.87 lacs (31st March,2017: ₹ 59.32 lacs) as expense towards contributions to these plans.

B. Defined benefit plans

(a) Gratuity

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

31st March, 2018 : Changes in defined benefit obligation

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

31st March, 2017 : Changes in defined benefit obligation

Particulars	1st April, 2016	Gratuity cost charged to statement of profit and loss			Benefit paid	Re-measurement (gains)/losses in other comprehensive income					Contributions by employer	31st March, 2017
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	31.85	11.16	2.54	13.70	(1.67)	-	-	2.26	0.02	2.28	-	46.16
Benefit liability	**31.85**	**11.16**	**2.54**	**13.70**	**(1.67)**	**-**	**-**	**2.26**	**0.02**	**2.28**	**-**	**46.16**

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

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

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Discount rate	7.78%	7.57%	7.96%
Future salary increase	5%	4%	4%
Attrition rate	5%	2%	2%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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

Gratuity

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		31st March, 2018	31st March, 2017
Gratuity			
Discount rate	1% increase	(5.34)	(4.40)
	1% decrease	6.12	5.13
Salary increase	1% increase	6.23	5.27
	1% decrease	(5.53)	(4.58)
Attrition rate	1% increase	0.73	1.13
	1% decrease	(0.88)	(1.33)

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

Particulars	31st March, 2018	31st March, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	6.68	3.94
2 to 5 years	17.98	7.48
Beyond 5 years	29.11	11.39
Total expected payments	**53.77**	**22.81**

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

Particulars	Years	
	31st March, 2018	31st March, 2017
Gratuity	13	11

30 Share-based payments

The company provides share-based payment schemes to its employees. During the year ended 31st March, 2018, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

The Company instituted an Employees Stock Option Scheme ('ESOP 2013') pursuant to the approval of the shareholders of the company at their Extraordinary General Meeting held on 8th March, 2013. As per ESOP 2013, the Group granted 10,32,972 (till 31st March, 2017: 10,32,972) options comprising equal number of equity shares in one or more tranches to the eligible employees of the company. The options under this grant would vest to the employees over a minimum period of 1 year and maximum 5 years based on continued service and certain performance parameters, with an exercise period of maximum five years from the date of respective vesting. The other relevant terms of the grant are as below:

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

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

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

Particulars	For the year 2017-18	For the year 2016-17
Expense arising from equity-settled share-based payment transactions	-	107.54
Total	**-**	**107.54**

* There were no cancellations or modifications to the plan during the year ended 31st March, 2018 or 31st March, 2017.

Movement during the year:

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

Particulars	31st March, 2018		31st March, 2017	
	No. of options	Weighted Avg. Ex Price (₹)	No. of options	Weighted Avg. Ex Price (₹)
Options				
Outstanding at the beginning of the year	**10,22,972**	**41.50**	10,32,972	41.50
Exercised during the year	**2,83,243**	**41.50**	10,000	41.50
Outstanding at the end of the year	**7,39,729**	**41.50**	10,22,972	41.50
Exercisable at the end of the year	**7,39,729**	**41.50**	7,80,870	41.50

For options exercised during the period, the weighted average share price at the exercise date was ₹ 164.59 per share (31st March, 2017: ₹ 70.78 per share). The weighted average remaining contractual life for the stock options outstanding as at 31st March , 2018 is 1.96 years (31st March, 2017: 2.96 years)

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

Particulars	31st March, 2018
Risk-free interest rate (%)	**7.27%**
Expected life (years)	**1.96**
Expected volatility	**57.78%**
Dividend yield	**-**
Share price	**68.13**

31 Fair value disclosures for financial assets and financial liabilities

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

Particulars	Carrying amount			Fair value		
	31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
Financial assets measured at amortised cost						
Other financial assets	**1,208.24**	315.44	907.63	**1,208.24**	315.44	907.63
Total	**1,208.24**	**315.44**	**907.63**	**1,208.24**	**315.44**	**907.63**
Financial liabilities measured at amortised cost						
Borrowings	**10,014.17**	8,468.62	8,412.73	**10,014.17**	8,468.62	8,412.73
Trade payables	**1,710.74**	1,987.82	1,880.10	**1,710.74**	1,987.82	1,880.10
Security deposits	**3.16**	7.87	7.87	**3.16**	7.87	7.87
Total	**11,728.07**	**10,464.31**	**10,300.70**	**11,728.07**	**10,464.31**	**10,300.70**

The management assessed that the fair values of cash and cash equivalents, loans, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

32 Fair value measurement hierarchy

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

Particulars	Level	31st March, 2018	31st March, 2017	1st April, 2016
Assets disclosed at fair value				
Other financial assets	Level - 2	**1,208.24**	315.44	907.63
Liabilities disclosed at fair value				
Borrowings	Level - 2	**10,014.17**	8,468.62	8,412.73
Trade payables	Level - 2	**1,710.74**	1,987.82	1,880.10
Security deposits	Level - 2	**3.16**	7.87	7.87

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

33 Capital management

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

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

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

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Borrowings	**16,072.55**	9,342.62	9,054.96
Less: Cash and cash equivalents	**(226.98)**	(196.27)	(266.81)
Net Debt (A)	**15,845.57**	**9,146.35**	**8,788.15**
Equity share capital	**3,186.76**	2,840.93	2,582.43
Other equity	**26,313.90**	16,669.83	11,794.71
Total Equity (B)	**29,500.66**	**19,510.76**	**14,377.14**
Net Debt to Equity Ratio (C=A/B)	**0.54**	**0.47**	**0.61**

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

34 Financial risk management objectives and policies

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

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

1. Market Risk

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

The sensitivity analysis in the following sections relate to the position as at 31st March, 2018 and 31st March, 2017. The sensitivity analysis has been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2018 and 31st March, 2017.

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.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Interest rate sensitivity

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

Particulars	Changes in interest rate	Effect of profit before tax
31st March, 2018	+1% -1%	(159.03) 159.03
31st March, 2017	+1% -1%	(83.62) 83.62

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.

Receivables resulting from other than sale of properties:

Credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The company does not hold collateral as security. The company's credit period generally ranges from 30-60 days.

The ageing of trade receivables is as follows:

Particulars	**31st March 2018**	31st March 2017	1st April 2016
More than 6 months	3,689.47	583.74	17.48
Others	1,945.88	2,211.95	3,380.17
Total receivables	**5,635.35**	**2,795.69**	**3,397.65**

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The company's maximum exposure to credit risk for the components of the statement of financial position at 31st March, 2018 and 31st March, 2017 is the carrying amounts.

3. Liquidity Risk

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

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

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31st March, 2018					
Borrowings*	-	146.08	6,442.30	10,429.18	17,017.56
Trade payables	-	1,049.62	386.64	1,710.74	3,147.00
Other financial liabilities	-	-	-	3.16	3.16
	-	**1,195.70**	**6,828.94**	**12,143.08**	**20,167.72**

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31st March, 2017					
Borrowings*	874.00	8.48	3,937.90	4,544.39	9,364.77
Trade payables	-	1,148.74	446.82	1,987.82	3,583.38
Other financial liabilities	-	-	-	7.87	7.87
	874.00	**1,157.22**	**4,384.72**	**6,540.08**	**12,956.02**
Year ended 1st April, 2016					
Borrowings*	642.23	66.13	4,301.95	4,409.82	9,420.13
Trade payables	-	1,325.95	446.82	1,880.10	3,652.87
Other financial liabilities	-	-	-	7.87	7.87
	642.23	**1,392.08**	**4,748.77**	**6,297.79**	**13,080.87**

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

35 Construction contracts

Particulars	31st March, 2018	31st March, 2017
(i) Amount of contract revenue recognised as revenue for the year	**9,567.46**	5,485.68
(ii) Amounts in respect of contracts in progress at the reporting date:		
a. Aggregate amount of costs incurred and recognised profits/(losses)	**43,190.75**	27,130.31
b. Amount of advances received (gross)	**404.07**	411.06
c. Gross amount due from customers	**5,634.77**	2,757.75
d. Amount of work-in-progress and value of inventories	**16,595.88**	13,360.15

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		
			31st March, 2018	31st March, 2017	1st April, 2016
(i)	**Companies**				
1	Arvind Hebbal Homes Pvt. Ltd.	India	**100%**	100%	100%
(ii)	**LLPs**				
1	Arvind Alcove LLP	India	**99%**	99%	99%
2	Arvind Altura LLP	India	**99%**	99%	99%
3	Changodar Industrial Infrastructure (One) LLP	India	**99%**	99%	99%
4	Ahmedabad Industrial Infrastructure (One) LLP	India	**99%**	99%	99%
5	Ahmedabad East Infrastructure LLP*	India	**51%**	51%	51%
6	Arvind Five Homes LLP	India	**99%**	99%	99%
7	Arvind Infracon LLP	India	**99%**	99%	99%
8	Arvind Beyond Five Club LLP	India	**99%**	99%	99%

* Profit sharing of Arvind SmartSpaces Limited in Ahmedabad East Infrastructure LLP is 94% during 31st March, 2018, 31st March 2017 and 1st April, 2016

(b) List of joint ventures

Sr No.	Name of Joint Ventures	Country of incorporation	Percentage of holding		
			31st March, 2018	31st March, 2017	1st April, 2016
(i)	**LLPs**				
1	Arvind Bsafal Homes LLP*	India	**50%**	50%	50%
2	Arvind Integrated Projects LLP	India	**50%**	Nil	Nil

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.

* Profit sharing of Arvind SmartSpaces Limited in Arvind Bsafal Homes LLP is 41% during 31st March, 2018, 31st March 2017 and 1st April, 2016.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

37 Issue of equity shares

The Company at its Extraordinary General Meeting held on 25th January, 2018, approved increase in authorised share capital of the Company from ₹ 35,00,00,000 to ₹ 50,00,00,000 by creation of additional 1,50,00,000 (One Crore Fifty lacs) equity shares of ₹ 10/- (Rupees Ten) each and consequent amendments in the capital clause of Memorandum of Association of the Company.

During the year 2017-18, the Company has allotted 2,83,243 equity shares of ₹ 10/- each to the eligible employee/s pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2013 (AIL ESOP 2013) and 31,75,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them under Tranche II of the Preferential issue made in April 2016. Consequently, the paid up equity share capital of the Company as at 31st March, 2018 stood at ₹ 31,86,75,500/- consisting of 3,18,67,550 equity shares of ₹ 10/- each.

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 Pvt Ltd	Subsidiary Company
Arvind Integrated Projects LLP	Joint Venture
Arvind Bsafal Homes LLP	Joint Venture
Arvind Alcove LLP	Subsidiary Entity (Partner in LLP)
Arvind Altura LLP	Subsidiary Entity (Partner in LLP)
Changodar Industrial Infrastructure (One) LLP	Subsidiary Entity (Partner in LLP)
Ahmedabad Industrial Infrastructure (One) LLP	Subsidiary Entity (Partner in LLP)
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)
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. Indira Parikh	Non-Executive Director
Mr. Nirav Kalyanbhai Shah	Non-Executive Director
Mr. Mehul Shah	Chief Financial Officer - Key Managerial Personnel
Mr. Prakash Makwana	Company Secretary - Key Managerial Personnel
Mrs. Divya Mehul Shah	Relative of Key Managerial Personnel
Aura Securities Private limited	Entity exercising significant influence in reporting entity
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

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

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

Particulars	31st March, 2018	31st March, 2017
Remuneration		
Mr. Kamal Singal	**201.84**	216.94
Mr. Mehul Shah	**30.88**	25.28
Mr. Prakash Makwana	**26.18**	21.98
Director's Sitting Fees & Commission		
Mr. Prem Prakash Pangotra	**6.70**	6.30
Mr. Pratul Shroff	**5.40**	5.70
Ms. Indira Parikh	**6.20**	6.10
Mr. Nirav Kalyanbhai Shah	**5.80**	-
Revenue from operations		
Mr. Kamal Singal	**155.12**	2.63
Mr. Mehul Shah	**-**	3.13
Mrs. Divya Mehul Shah	**39.15**	-
Acquisition of development rights		
Arvind Limited	**4,292.40**	-
Expenses incurred		
Arvind Lifestyle Brands Ltd	**4.31**	-
Purchase of materials		
Arvind Limited	**10.15**	-
Reimbursement of Employee Benefit Expense		
Ahmedabad Industrial Infrastructure (One) LLP	**60.23**	18.42
Arvind Five Homes LLP	**35.51**	65.07
Ahmedabad East Infrastructure LLP	**573.70**	276.75
Arvind Infracon LLP	**43.56**	-
Reimbursement of construction and labour cost		
Arvind Limited	**-**	32.15
Reimbursement of expenses received (net)		
Arvind Limited	**31.25**	-
Ahmedabad Industrial Infrastructure (One) LLP	**-**	9.81
Interest income from Limited Liability Partnerships		
Ahmedabad East Infrastructure LLP	**339.58**	38.07
Arvind Five Homes LLP	**248.61**	131.53
Arvind Infracon LLP	**544.69**	-
Interest Expense		
Arvind Limited	**-**	6.02
Aura Securities Private limited	**-**	114.05
Short term borrowings repaid		
Arvind Limited	**-**	90.93
Aura Securities Private limited	**-**	6,500.00
Short term borrowings taken		
Aura Securities Private limited	**-**	6,500.00

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Particulars	31st March, 2018	31st March, 2017
Investments in additional capital contribution in subsidiaries and joint ventures		
Ahmedabad East Infrastructure LLP	**2,639.80**	1,710.50
Ahmedabad Industrial Infrastructure (One) LLP	**200.50**	155.50
Arvind Alcove LLP	**5.00**	1.50
Arvind Altura LLP	**-**	1,000.00
Arvind Five Homes LLP	**1,638.00**	912.00
Arvind Beyond Five Club LLP	**57.75**	601.00
Arvind Integrated Projects LLP	**0.50**	-
Arvind Infracon LLP	**6,717.30**	-
Withdrawn of additional capital contribution in subsidiaries and joint ventures		
Ahmedabad East Infrastructure LLP	**3,890.85**	2,160.50
Arvind Bsafal Homes LLP	**40.00**	500.00
Arvind Five Homes LLP	**753.50**	237.00
Ahmedabad Industrial infrastructure (One) LLP	**4.00**	10.50
Arvind Infracon LLP	**80.00**	-
Arvind Beyond Five Club LLP	**24.75**	419.00
Arvind Altura LLP	**1,000.00**	-
Share of Profit/(Loss) from investments in LLP		
Ahmedabad East Infrastructure LLP	**1,983.09**	2,145.65
Arvind Bsafal Homes LLP	**(12.63)**	69.79
Arvind Integrated LLP	**(0.10)**	-
Preferential allotment of equity shares		
Aura Securities Pvt. Ltd.	**2,609.20**	240.50
Money received against share warrants		
Aura Securities Pvt. Ltd.	**6,442.50**	2,768.70
Exercise of share options under ESOS / ESOP		
Mr. Kamal Singal	**59.81**	-

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

C. Disclosure in respect of outstanding balance as at 31st March, 2018 :

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Receivables for common sharing expenses			
Ahmedabad Industrial Infrastructure (One) LLP	**92.26**	21.18	6.75
Arvind Five Homes LLP	**116.72**	74.83	70.80
Ahmedabad East Infrastructure LLP	**995.23**	318.27	130.56
Arvind Infracon LLP	**107.05**	-	-
Receivables for Interest accrued but not due			
Arvind Five Homes LLP	**380.14**	131.53	-
Ahmedabad East Infrastructure LLP	**1,471.19**	1,131.61	793.55
Arvind Infracon LLP	**544.69**	-	-
Trade Receivable			
Mr. Mehul Shah	**-**	51.63	49.49
Mrs. Divya Mehul Shah	**6.88**	-	-
Mr. Kamal Singal	**-**	-	34.39
Trade payables			
Arvind Hebbal Homes Pvt Ltd	**45.07**	46.82	46.82
Arvind Limited	**24.39**	11.29	10.96
Arvind Lifestyle Brands Limited	**5.63**	5.63	5.63
Arvind and Smartvalue Homes LLP	**54.00**	54.00	54.00
Mr. Prem Prakash Pangotra	**4.50**	4.50	5.00
Mr. Pratul Shroff	**4.50**	4.50	5.00
Ms. Indira Parikh	**4.50**	4.50	5.00
Mr. Nirav Kalyanbhai Shah	**4.50**	-	-
Mr. Kamal Singal	**130.46**	-	-
Advance to suppliers			
Arvind Limited	**10.36**	-	-
Capital Contributions (Initial and Additional)			
Ahmedabad East Infrastructure LLP	**6,534.85**	5,802.81	4,107.16
Arvind Bsafal Homes LLP	**182.49**	235.12	665.34
Ahmedabad Industrial Infrastructure (One) LLP	**417.44**	220.94	75.94
Arvind Alcove LLP	**26.49**	21.49	19.99
Arvind Altura LLP	**1.11**	1,001.11	1.11
Arvind Five Homes LLP	**2,708.80**	1,824.31	1,149.30
Arvind Infracon LLP	**6,638.10**	0.80	0.80
Changodar Industrial Infrastructure (One) LLP	**1.26**	1.26	1.26
Arvind Beyond Five Club LLP	**329.73**	296.73	114.73
Arvind Integrated Projects LLP	**0.40**	-	-
Investment in subsidiary company			
Arvind Hebbal Homes Private Limited	**1.00**	1.00	1.00
Money received against share warrants			
Aura Securities Pvt. Limited	**4485.6**	652.30	-
Advance from customers			
Mr. Kamal Singal	**-**	68.43	-
Mrs. Divya Mehul Shah	**-**	8.84	4.62

Notes to standalone financial statements for the year ended 31st March, 2018

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 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.

E. Transactions with key management personnel :

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 First time adoption of Ind AS

These standalone financial statements, for the year ended 31st March, 2018, are the first time the company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP' or 'IGAAP').

Accordingly, the Company has prepared the standalone financial statements which comply with Ind AS applicable for year ending on 31st March, 2018 together with the comparative period data as at and for the year ended 31st March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2016, the Company's date of transition to Ind AS.

i. Exemptions availed:

a. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

b. Investments in subsidiaries and joint ventures

Ind AS 27 requires investments in subsidiaries and joint ventures to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investments at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. Accordingly, the Company has availed the above exemption and recognized such investments at the previous GAAP carrying amount at the date of transition to Ind AS.

c. Share based payments

Ind AS 101 provides an option to not apply Ind AS 102 to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS. The company has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under the ESOP plan, which are not settled as at the date of transition to Ind AS.

ii. Exceptions applied:

a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1stApril, 2016 and 31st March, 2017 are consistent with the estimates as at the same date made in the conformity with previous GAAP .

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Notes to standalone financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Reconciliations between previous GAAP and Ind AS

1. Reconciliation of equity as at 31st March 2017 and 1st April 2016

The company has prepared a reconciliation of equity as at 31st March, 2017 and 1st April, 2016 under the previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS which is presented below:

Particulars	Note	As at 31st March, 2017	As at 1st April, 2016
Equity as per previous GAAP		**19,454.26**	**14,357.85**
Impact of fair valuation of Employee Stock Option Plan ("ESOP"), net of tax	1,3	56.50	19.29
Equity as per Ind AS		**19,510.76**	**14,377.14**

2. Reconciliation of total comprehensive income for the year ended 31st March, 2017

The company has prepared a reconciliation of the net profit for the previous year ended 31st March, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS which is presented below:

Particulars	Note	Year ended on 31st March, 2017
Net profit as per Previous GAAP		**2,127.78**
(i) Impact of recognising cost of employee stock option scheme at fair value (net of tax)	1,3	(70.32)
(ii) Remeasurement of net defined benefit liability (net of tax)	2,3	1.49
Net profit as per before OCI as per Ind AS		**2,058.95**
Other comprehensive income (net of tax)	2,3	(1.49)
Total comprehensive income after tax		**2,057.46**

Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and total comprehensive income for the year ended 31st March, 2017 :

1. Share-based payments

Under Ind-AS, employee share-based payments should be accounted for using the fair value method. In contrast, existing Indian GAAP permits an option of using either the intrinsic value method or the fair value method.

2. Defined benefit liabilities

Under Previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.

3. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

4. Other comprehensive income

Under Indian GAAP, the company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

5. The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay S. Lalbhai	Chairman
Kamal Singal	MD & CEO
Mehul Shah	Chief Financial Officer
Prakash Makwana	Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Arvind SmartSpaces Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Arvind SmartSpaces Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint ventures, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Joint Ventures in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the 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 ventures as at March 31, 2018, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 4 subsidiaries, whose Ind AS financial statements include total assets of Rs 7,370.24 lakhs and total revenues of Rs 2.27 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 12.74 lakhs for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of 2 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and joint ventures, is based solely on the reports of such other auditors.

INDEPENDENT AUDITOR'S REPORT

(b) The transition date opening balance sheet as at April 01, 2016 of the Group including its Joint Ventures included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended March 31, 2016 dated May 13, 2016 expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate report in "Annexure" to this report;

(g) 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, 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 and its joint ventures, as noted in the 'Other matter' paragraph:

  i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures– Refer Note 28 to the consolidated Ind AS financial statements;

  ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018; and

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2018.

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

per **Sukrut Mehta**
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: May 1, 2018

Annexure to the Independent Auditor's report of even date on the consolidated Ind AS Financial Statements of Arvind SmartSpaces Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of Arvind SmartSpaces Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements of Arvind SmartSpaces Limited (hereinafter referred to as the "Holding Company") and its subsidiary company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to the consolidated Ind AS financial statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to the consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, maintained in all material respects, an adequate internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per **Sukrut Mehta**
Partner
Membership Number: 101974

Place of Signature: Ahmedabad
Date: May 1, 2018

CONSOLIDATED BALANCE SHEET as at 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-current assets				
Property, plant, equipment	3.1	992.04	996.94	936.70
Capital work in progress		1,214.47	1,056.89	718.36
Intangible assets	3.2	2.07	4.25	5.37
Intangible assets under development		2.29	1.72	1.72
Investments in Joint Ventures	4	0.40	0.50	0.50
Financial assets				
Other financial assets	8	353.18	206.14	114.74
Deferred tax assets (net)	25	17.06	17.99	-
Income tax assets (net)		276.83	187.72	19.08
Other non-current assets	10	110.00	22.13	76.23
Total non-current assets		**2,968.34**	**2,494.28**	**1,872.70**
Current Assets				
Inventories	9	35,090.49	26,812.44	18,623.10
Investments in Joint Ventures	4	182.49	234.62	664.75
Financial assets				
Loans	5	1,280.00	111.00	100.00
Trade receivables	6	11,685.54	4,037.08	3,415.95
Cash and cash equivalents	7	607.73	1,313.54	343.33
Others financial assets	8	5,468.96	5,761.23	8,940.90
Other current assets	10	2,321.00	2,520.87	3,604.41
Total current assets		**56,636.21**	**40,790.78**	**35,692.44**
Total assets		**59,604.55**	**43,285.06**	**37,565.14**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	3,186.76	2,840.93	2,582.43
Other equity	12	26,313.22	16,629.66	11,785.44
Equity attributable to equity holders of the parent		**29,499.98**	**19,470.59**	**14,367.87**
Non-controlling interests		1,908.39	1,654.74	813.87
Total Equity		**31,408.37**	**21,125.33**	**15,181.74**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	13	10,014.17	4,531.56	4,296.98
Trade payables	14	1,874.77	2,095.39	1,900.07
Other financial liabilities	15	3.16	7.87	7.87
Long term Provisions	16	110.73	69.93	43.56
Deferred tax liabilities (net)	25	6.10	-	14.14
Total non-current liabilities		**12,008.93**	**6,704.75**	**6,262.62**
Current liabilities				
Financial liabilities				
Borrowings	13	-	874.00	642.23
Trade payables	14	4,764.33	9,015.34	7,336.92
Other financial liabilities	15	7,004.78	4,148.21	4,389.91
Short term Provisions	16	14.34	8.04	2.41
Current tax liabilities (net)		616.34	347.30	261.34
Other current liabilities	17	3,787.46	1,062.09	3,487.97
Total current liabilities		**16,187.25**	**15,454.98**	**16,120.78**
Total equity and liabilities		**59,604.55**	**43,285.06**	**37,565.14**
Summary of Significant Accounting Policies	2.3			

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
INCOME			
Revenue from operations	18	19,824.63	15,859.21
Other income	19	399.44	14.92
Total Income		20,224.07	15,874.13
EXPENSES			
Land development costs/rights		10,693.67	6,685.62
Cost of construction materials and components consumed	20	1,850.31	1,134.65
construction and labour costs		5,579.95	6,928.00
Changes in inventories	21	(10,059.02)	(8,112.10)
Employee benefits expenses	22	1,646.63	1,552.53
Finance costs	23	1,539.29	1,158.03
Depreciation and amortisation expense	3.1	109.39	103.34
Other expenses	24	2,499.01	1,957.10
Partners' Remuneration		1,518.11	1,307.08
Total Expenses		15,377.34	12,714.25
Share of profit/(loss) of joint ventures		(12.74)	69.79
Profit before tax		4,833.99	3,229.67
Tax expense:			
Current tax charge	25	1,679.47	1,095.99
Deferred tax charge/(credit)	25	10.44	(31.34)
Total tax expense		1,689.91	1,064.65
Profit for the year		3,144.08	2,165.02
Other Comprehensive Income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains/(losses) on defined benefit plans		(9.86)	(2.28)
Income tax effect		3.41	0.79
Total other comprehensive income for the year, net of tax		(6.45)	(1.49)
Total Comprehensive Income for the year		3,137.63	2,163.53
Profit for the year attributable to :			
Equity holders of the parent		3,017.50	2,028.06
Non-controlling interests		126.58	136.96
Other comprehensive income attributable to :			
Equity holders of the parent		(6.45)	(1.49)
Non-controlling interests		-	-
Total comprehensive income attributable to :			
Equity holders of the parent		3,011.05	2,026.57
Non-controlling interests		126.58	136.96
Earnings per equity share [nominal value per share ₹ 10/- (31st March 2017: ₹ 10/-)]	26		
Basic		10.01	7.83
Diluted		9.70	7.49
Summary of Significant Accounting Policies	2.3		

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay Lalbhai	Chairman
Kamal Singal	MD & CEO
Mehul Shah	Chief Financial Officer
Prakash Makwana	Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

			For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A.	**Cash flow from operating activities**			
	Profit for the year before taxation		**4,833.99**	3,229.67
	Adjustments for :			
	Share of (profit)/loss of joint ventures		**12.74**	(69.79)
	Depreciation and amortization expense		**109.39**	103.34
	Loss on sale of property, plant and equipment		**4.28**	2.88
	Finance cost		**1,539.29**	1,158.03
	Share based payment expense		**-**	107.54
	Interest income		**(275.63)**	(12.31)
	Operating profit before working capital changes		**6,224.06**	**4,519.36**
	Adjustments for:			
	Increase/(decrease) in trade payables		**(4,471.64)**	1,873.66
	Increase in provisions		**37.25**	29.71
	Increase/(decrease) in other liabilities		**2,725.37**	(2,425.89)
	(decrease) in financial liabilities		**(4.71)**	-
	(Increase) in inventory		**(8,509.88)**	(8,189.34)
	Decrease in financial assets		**244.85**	2,944.00
	(Increase) in trade receivables		**(8,648.47)**	(621.13)
	(Increase)/Decrease in other assets		**(788.01)**	1,137.65
	Cash used in operations after working capital changes		**(13,191.18)**	(731.98)
	Direct taxes paid		**(1,499.54)**	(1,178.67)
	Net cash (used) in operating activities	**[A]**	**(14,690.72)**	**(1,910.65)**
B.	**Cash flow from investing activities**			
	Withdrawal of additional capital contribution in joint ventures		**39.50**	500.00
	Investment in bank deposits (with original maturity of more than 12 months)		**(130.00)**	-
	Advance towards capital contribution in LLP		**(250.00)**	-
	Loans given		**(269.00)**	(11.00)
	Loans repaid		**787.86**	113.62
	Purchase of property, plant and equipment		**(280.27)**	(503.96)
	Proceeds form sale of property, plant and equipment		**15.52**	0.09
	Interest received		**-**	42.93
	Net cash (used) in investing activities	**[B]**	**(86.39)**	**141.68**

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
C. Cash flow from financing activities			
Proceeds from long term borrowings		**21,331.93**	15,164.42
Repayment of long term borrowings		**(13,728.01)**	(15,108.52)
Proceeds from short term borrowings		**12,000.00**	358.00
Repayment of short term borrowings		**(12,874.00)**	(126.23)
Capital contribution in LLP by minority partners		**1,983.12**	1,797.41
Withdrawal from LLP by minority partners		**(856.06)**	(1,093.49)
Finance costs paid		**(1,600.48)**	(1,230.51)
Advance against capital contribution		**796.46**	9.46
Money received against issue of share warrants		**4,806.00**	698.50
Proceeds from issue of share capital (including securities premium)		**2,212.34**	2,270.13
Net cash flow generated from financial activities	**[C]**	**14,071.30**	**2,739.17**
Net Increase/(Decrease) in cash and cash equivalents	**[A+B+C]**	**(705.81)**	970.20
Cash and cash equivalents at the beginning of the year		**1,313.54**	343.34
Cash and cash equivalents at the end of the year		**607.73**	**1,313.54**
Components of cash and cash equivalents (Refer note - 7)			
Balances with banks		**277.37**	1,220.31
Cash in hand		**5.06**	3.89
Cheques on hand		**325.30**	89.34
		607.73	**1,313.54**
Summary of Significant Accounting Policies	2.3		

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

Consolidated Statement of Changes in Equity

for the year ended on 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

	Particulars	No. of shares	Amount
A.	**Equity share capital (Refer Note 11)**		
	As at 1st April, 2016	2,58,24,307	2,582.43
	Issued during the year pursuant to exercise of ESOP	10,000	1.00
	Issued during the year pursuant to preferential share warrants	25,75,000	257.50
	As at 31st March, 2017	**2,84,09,307**	**2,840.93**
	Issued during the year pursuant to preferential share warrants	31,75,000	317.51
	Issued during the year pursuant to exercise of ESOP	2,83,243	28.32
	As at 31st March, 2018	**3,18,67,550**	**3,186.76**

B. Other Equity

Particulars	Attributable to equity holders of the Company (Refer note 12)					Non-controlling Interest	Total other equity
	Securities Premium	Capital Reserve	Share based Payment Reserve	Retained Earnings	Money received against share warrants		
As at 1st April, 2016	**7,414.95**	**38.36**	**55.71**	**4,276.42**	**-**	**813.87**	**12,599.31**
Profit for the year	-	-	-	2,028.06	-	136.96	**2,165.02**
Other comprehensive income	-	-	-	(1.49)	-	-	**(1.49)**
Total comprehensive income for the year	**7,414.95**	**38.36**	**55.71**	**6,302.99**	**-**	**950.83**	**14,762.83**
Issue of equity shares pursuant to exercise of preferential warrants and stock options	2,011.62	-	107.54	-	-	-	**2,119.16**
Issue of share warrants	-	-	-	-	698.50	-	**698.50**
Additional capital contribution by non controlling interests	-	-	-	-	-	703.91	**703.91**
As at 31st March, 2017	**9,426.57**	**38.36**	**163.25**	**6,302.99**	**698.50**	**1,654.74**	**18,284.40**
As at 1st April 2017	**9,426.57**	**38.36**	**163.25**	**6,302.99**	**698.50**	**1,654.74**	**18,284.40**
Profit for the year	-	-	-	3,017.50	-	126.58	**3,144.08**
Other comprehensive income	-	-	-	(6.45)	-	-	**6.45**
Total comprehensive income for the year	**9,426.57**	**38.36**	**163.25**	**9,314.04**	**698.50**	**1,781.32**	**21,422.03**
Issue of share warrants	-	-	-	-	4,806.00	-	**4,806.00**
Issue of equity shares pursuant to exercise of preferential warrants and stock options	2,638.98	-	(73.98)	-	(698.50)	-	**1,866.50**
Additional capital contribution by non controlling interests	-	-	-	-	-	127.07	**127.07**
As at 31st March, 2018	**12,065.55**	**38.36**	**89.27**	**9,314.04**	**4,806.00**	**1,908.39**	**28,221.61**

Summary of Significant Accounting Policies **2.3**

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

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

Notes to consolidated financial statements for the year ended 31st March, 2018

1. Corporate Information

The consolidated financial statements comprise financial statements of Arvind SmartSpaces Limited (Formerly known as Arvind Infrastructure Limited) ("Company" or "ASL") and its subsidiaries (collectively, the Group) for the year ended 31st March 2018. The Company is a public company domiciled in India and is incorporated on 26th December, 2008 under the provisions of the Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The registered office of the group is located at 24, Government Servant society, Nr Municipal Market, CG road, Navrangpura, Ahmedabad – 380009.

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

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on 1st May, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, The Group has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) with effect from 1st April, 2017. The consolidated financial statements of the Group are prepared and presented in accordance with Ind AS.

For all periods up to and including the year ended 31stMarch, 2017, the Group had prepared and presented its consolidated financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). The consolidated financial statements for the year ended 31st March, 2018 are the first financial statements prepared and presented by the Group in accordance with Ind AS. Refer to note 41 for information on first time adoption of Ind AS from 1st April, 2016 by the group.

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

2.2 Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

Consolidation procedure:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d. The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

e. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated balance sheet and consolidated statement of changes in equity, respectively.

2.3 Summary of Significant Accounting Policies

a. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and tested for impairment annually.

When the Group ceases to consolidate an investment because of a loss of control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for and reclassified to profit or loss.

b. Investment in Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture is eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in joint venture, the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the consolidated statement of profit and loss. The financial statements of the joint venture is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c. Use of estimates

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

d. Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has evaluated and considered its operating cycle as below and accordingly has reclassified its assets and liabilities into current and non-current:

- Residential/commercial projects for real estate development – 3-5 years
- Deferred tax assets/liabilities are classified as non-current assets/liabilities

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

Notes to consolidated financial statements for the year ended 31st March, 2018

cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the consolidated statement of profit and loss.

Since there is no change in the functional currency, the group has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1st April, 2016.

f. Depreciation on Property, Plant and Equipment

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

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

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

g. Intangible Assets

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

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

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

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its intangible asset as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1st April 2016.

h. Borrowing Costs

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

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to consolidated statement of profit and loss.

i. Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the consolidated statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

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. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

j. Land

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

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

k. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group collects taxes such as GST and other taxes, as applicable on behalf of the Government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from the aforesaid revenue/income.

The following specific recognition criteria must also be met before revenue is recognized:

Recognition of revenue from real estate development

Revenue from real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from real estate projects is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Group still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognized by applying the percentage of completion method only if the following thresholds have been met:

(a) all critical approvals necessary for the commencement of the project have been obtained;

(b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;

(c) at least 25% of the saleable project area is secured by contracts/agreements with buyers; and

(d) at least 10% of the contracts/agreements value are realized at the reporting date in respect of such contracts/agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue and project costs associated with the real estate project should be recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Further, for projects executed through joint development arrangements, wherein the land owner/possessor provides land and The group undertakes to develop properties on such land and in lieu of land owner providing land, The group has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/ revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project.

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

Recognition of revenue from sale of TDR (Transferable Development Rights)

Revenue from sale of TDR is recognised upon transfer of all significant risks and rewards of ownership are transfer to buyer and as per the terms of the contracts entered into with the buyer.

Notes to consolidated financial statements for the year ended 31st March, 2018

Interest income

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

Share in profits from Limited Liability partnership investments

The Company's share in profits from a firm where the Company is a partner, is recognized when the right to receive such profit is established.

l. Retirement and other employee benefits

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

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

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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

m. Income taxes

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

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

II. Deferred income tax - Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

n. Share based payment

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

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

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

o. Segment reporting

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

p. Provisions and contingent liabilities

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

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

q. Financial Instruments

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

i. Financial assets at fair value through other comprehensive income

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

ii. Financial assets at fair value through profit or loss

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

iii. Debt instruments at amortized cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables

iv. 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.

v. 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.

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading 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.

b. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of profit and loss.

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

vi. 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.

vii. Fair value of financial instruments

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

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

r. Impairment

a. Financial assets

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

b. Non-financial assets

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

s. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

t. Cash and cash equivalents

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

2.3 Significant accounting judgements, estimates and assumptions

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

(a) Judgements

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

Classification of property

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

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

Revenue recognition and valuation of unbilled revenue

The Group uses the percentage-of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage of-completion method requires the group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of The group under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The Management is of the view that the fair value method and estimates are reflective of the current market condition.

Estimation of net realizable value for inventory (including land advance)

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

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

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

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

2.4 Standards issued but not yet effective

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

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in 29th March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1st April 2018. The Company will adopt the new standard on the required effective date. The directors of the Company anticipate that the application of the standard will be applicable only to certain streams of revenue and the effect on the financial statements is expected to be material.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

3.1 Property Plant and Equipment

	Buildings	Equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
Cost or valuation							
At 1st April, 2016 (Refer note 1)	**504.02**	**189.32**	**90.08**	**6.71**	**22.39**	**124.18**	**936.70**
Additions	-	38.23	17.23	6.80	17.01	84.28	163.55
Disposals	-	2.10	1.00	0.12	0.37	-	3.59
At 31st March, 2017	**504.02**	**225.45**	**106.31**	**13.39**	**39.03**	**208.46**	**1,096.66**
Additions	-	11.99	7.61	0.44	7.52	94.56	122.12
Disposals	-	22.73	1.14	0.68	0.62	9.41	34.58
At 31st March, 2018	**504.02**	**214.71**	**112.78**	**13.15**	**45.93**	**293.61**	**1,184.20**
Depreciation and impairment							
At 1st April, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	17.50	23.76	18.14	2.13	14.79	24.02	100.34
Deductions	-	0.20	0.18	0.02	0.22	-	0.62
At 31st March, 2017	**17.50**	**23.56**	**17.96**	**2.11**	**14.57**	**24.02**	**99.72**
Depreciation for the year	17.50	24.41	18.83	2.77	11.74	31.96	107.21
Deductions	-	9.06	0.02	0.09	0.21	5.39	14.77
At 31st March, 2018	**35.00**	**38.91**	**36.77**	**4.79**	**26.10**	**50.59**	**192.16**
Net book value							
At 31st March, 2018	**469.02**	**175.80**	**76.01**	**8.36**	**19.83**	**243.02**	**992.04**
At 31st March, 2017	**486.52**	**201.89**	**88.35**	**11.28**	**24.46**	**184.44**	**996.94**
At 1st April, 2016 (Refer note 1)	**504.02**	**189.32**	**90.08**	**6.71**	**22.39**	**124.18**	**936.70**

3.2 Intangible assets

	Software	Total
Cost		
At 1st April, 2016 (Refer note 1)	**5.37**	**5.37**
Additions	1.88	1.88
At 31st March, 2017	**7.25**	**7.25**
Additions	-	-
Disposals	-	-
At 31st March, 2018	**7.25**	**7.25**
Amortisation and impairment		
At 1st April, 2016	**-**	**-**
Amortisation for the year	3.00	3.00
At 31st March, 2017	**3.00**	**3.00**
Amortisation for the year	2.18	2.18
At 31st March, 2018	**5.18**	**5.18**
Net book value		
At 31st March 2018	**2.07**	**2.07**
At 31st March 2017	**4.25**	**4.25**
At 1st April, 2016 (Refer note 1)	**5.37**	**5.37**

Notes:

1. The company has availed the deemed cost exemption in relation to the property, plant and equipment and intangible assets on the date of transition i.e. 1st April, 2016 and hence the net carrying amount as per Indian GAAP has been considered to be the gross carrying amount on that date. Refer the following table for the gross value and accumulated depreciation on 1st April , 2016.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

As at 1st April, 2016	Buildings	Equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Software	Total
Gross amount	861.01	224.31	130.53	14.07	49.94	158.12	53.40	1,491.38
Accumulated depreciation / amortisation	356.99	34.99	40.45	7.36	27.55	33.94	48.03	549.31
Net block	**504.02**	**189.32**	**90.08**	**6.71**	**22.39**	**124.18**	**5.37**	**942.07**

4 Investments in joint ventures (accounted for using equity method)

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Unquoted (carried at cost)						
In capital of Limited Liability Partnership firms (joint ventures)						
Arvind Bsafal Homes LLP	**-**	0.50	0.50	**182.49**	234.62	664.75
Arvind Integrated Projects LLP	**0.40**	-	-	**-**	-	-
Total investments	**0.40**	**0.50**	**0.50**	**182.49**	**234.62**	**664.75**
Aggregate value of unquoted investments	**0.40**	**0.50**	**0.50**	**182.49**	**234.62**	**664.75**

5 Loans (at amortised cost)

(Unsecured, considered good)

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Loans to others	**1,280.00**	111.00	100.00
	1,280.00	**111.00**	**100.00**

6 Trade receivables

(Unsecured, considered good)

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Trade receivables	**11,010.91**	3,220.20	3,332.07
Trade receivables from related parties (Refer note 40)	**674.63**	816.88	83.88
	11,685.54	**4,037.08**	**3,415.95**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

7 Cash and cash equivalents

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Balances with banks:			
- On current accounts	**277.37**	1,220.31	341.06
Cheques on hand	**325.30**	89.34	-
Cash in hand	**5.06**	3.89	2.27
	607.73	**1,313.54**	**343.33**

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

8 Other financial assets (at amortised cost)
(Unsecured, considered good)

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
Security deposits	223.18	206.14	114.74	-	-	-
Interest accrued	-	-	-	528.23	20.77	51.40
Unbilled revenue	-	-	-	463.95	-	2,762.78
Advance towards capital contribution in Limited Liability Partnership firm	-	-	-	250.00	-	-
Loan given to partners (repayable on demand)	-	-	-	3,369.46	4,157.32	4,270.94
Advance for land, recoverable in cash	-	-	-	787.94	1,557.52	1,830.93
Bank deposits with original maturity of more than 12 months	130.00	-	-	-	-	-
Others	-	-	-	69.38	25.62	24.85
	353.18	206.14	114.74	5,468.96	5,761.23	8,940.90

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

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Construction work-in-progress	33,799.72	24,317.95	16,607.78
Unsold developed plots of land and units	935.76	2,191.36	1,789.43
Construction materials	355.00	303.13	225.89
	35,090.48	26,812.44	18,623.10

10 Other assets
(Unsecured, considered good)

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
Prepaid expenses	93.42	-	-	86.85	97.78	25.37
Advances recoverable in cash or kind or for value to be received	-	-	-	267.91	250.91	784.50
Balance with government authorities	-	-	-	1,178.34	571.86	407.17
Advance for land*	15.53	21.08	75.58	774.12	1,600.32	2,387.37
Others advances	1.05	1.05	0.65	13.78	-	-
	110.00	22.13	76.23	2,321.00	2,520.87	3,604.41

*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.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

11 Equity share capital

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
(a) Authorised			
5,00,00,000 (31st March, 2017 : 3,50,00,000 ; 1st April, 2016 : 2,70,00,000) equity shares of ₹ 10/- each (P.Y. ₹ 10/-)	**5,000.00**	3,500.00	2,700.00
(b) Issued, subscribed and fully paid-up			
3,18,67,550 (31st March, 2017 : 2,84,09,307 ; 1st April, 2016 : 2,58,24,307) equity shares of ₹10/- each (P.Y. ₹10/-)	**3,186.76**	2,840.93	2,582.43

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

Particulars	31st March, 2018		31st March, 2017	
	No. of shares	Amount	No. of shares	Amount
Outstanding at beginning of the year	**2,84,09,307**	**2,840.93**	2,58,24,307	2,582.43
Add :				
Exercise of share options under ESOS / ESOP	**2,83,243**	**28.32**	10,000	1.00
Shares issued pursuant to preferential share warrants	**31,75,000**	**317.50**	25,75,000	257.50
Outstanding at end of the year	**3,18,67,550**	**3,186.75**	**2,84,09,307**	**2,840.93**

(d) Terms / rights attached to the equity shares

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

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

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

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

Name of the shareholder	31st March, 2018		31st March, 2017		1st April, 2016	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Equity shares of ₹ 10 each fully paid						
Aura Securities Private Limited	**1,59,12,646**	**49.93%**	1,29,47,646	45.58%	1,05,42,646	40.82%
Life Insurance Corporation of India	**-**	**-**	15,59,181	5.49%	15,59,296	6.04%

(f) Shares reserved for issue under options

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

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

12 Other equity

Particulars	31st March, 2018	31st March, 2017
(a) Securities Premium		
Balance at the beginning of the year	**9,426.57**	7,414.95
Add : Received during the year on issue of equity shares	**2,638.98**	2,011.62
Balance at the end of the year	**12,065.55**	**9,426.57**
(b) Share Based Payment Reserve		
Balance at the beginning of the year	**163.25**	55.71
Add : Compensation expense for options granted during the year	**-**	107.54
Less : Transferred to securities premium on exercise of stock options	**73.98**	-
Balance at the end of the year	**89.27**	**163.25**
(c) Surplus in the consolidated statement of profit and loss		
Balance at the beginning of the year	**6,302.99**	4,276.42
Add: Profit for the year	**3,017.50**	2,028.06
Add : Other comprehensive income for the year	**(6.45)**	(1.49)
Balance at the end of the year	**9,314.04**	**6,302.99**
(d) Capital Reserve (arising on consolidation)	**38.36**	38.36
(e) Money received against share warrants	**4,806.00**	698.50
	26,313.22	**16,629.66**

13 Borrowings (at amortised cost)

Particulars	Effective Rate of Interest	Maturity	31st March, 2018	31st March, 2017	1st April, 2016
Non-current borrowings					
Line of credit facility from NBFC (Secured)	HDFC CPLR minus 655 bps	2016-2021	**8,015.30**	5,912.44	6,103.55
Vehicle loans from banks (Secured)	8-9%	2014-2022	**169.75**	106.18	59.18
Term loans (Unsecured)	7.8-10.25%	2021	**7,887.50**	2,450.00	2,250.00
Total			**16,072.55**	**8,468.62**	**8,412.73**
Less : Current maturities - term loans from NBFC disclosed under the head "Other current financial liabilities"	HDFC CPLR minus 655 bps	2016-2021	**6,015.29**	3,912.45	4,103.55
Less : Current maturities - loans from banks disclosed under the head "Other current financial liabilities"	8-9%	2014-2022	**43.09**	24.61	12.20
Total			**10,014.17**	**4,531.56**	**4,296.98**
Current borrowings					
Inter-corporate deposits repayable on demand (Unsecured)	10%	On demand	**-**	874.00	642.23
Total			**-**	**874.00**	**642.23**

Nature of Security

1. The line of credit facility amounting to ₹ 8,015.29 lacs (31st March, 2017 : ₹ 5,912.45 lacs ; 1st April, 2016 : ₹ 6,103.55 lacs) from HDFC Limited is secured by first mortgage of project land named "Arvind Sporcia" bearing Revenue Survey Nos. 89/6, 90/1 and 90/2 all situated at Rachenahalli village, Krishnarajapuram Hobli, Bangalore East with the development with thereon- present and future and further secured by unsold units of "Arvind Citadel" project being developed on Plot no. 162, TPS 20, City Survey no. 555, Behind Super Mall, off C G Road, Navrangpura, Ahmedabad along with undivided share in land , further secured by unsold units of "Arvind Expansia" project being developed on Survey No. 55, Mahadevapura village, Krishnarajapuram Hobli, Whitefield Road, Bangalore along with undivided share in land and further secured by first mortgage pf project land named "Arvind Skylands" bearing Revenue Survey Nos. 40, 45/2B, & 45/2C, Jakkur Main Road, Shivanahalli, GKVK layout, Yelahanka Hobli, Bangalore along with construction thereon and together all rights appurtenant thereto.
2. Vehicle loans amounting to ₹ 169.75 lacs (31st March, 2017 : ₹ 106.17 lacs; 1st April, 2016 : ₹ 59.19 lacs) are secured by vehicles.
3. Out of total term loan outstanding of ₹ 7,887.50 lacs, ₹ 2,925.00 lacs is secured against pledged equity shares held by Aura Securities Private Limited and balance amount is secured against residential land at project Uplands phase II.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Terms of Repayment of Loans

Secured Loan

Line of Credit Facility

HDFC Limited	The Company will ensure at least 30% of sales receivable towards the principal repayment from the date of first disbursement; this percentage will be reviewed subsequently every quarter and will be mutually modified with company as per progress of work. However, the maximum principal of the loan will not exceed ₹ 2,000.00 lacs at the end of 39th month and will be repaid by 48th month.
Vehicle Loan	
HDFC Bank Limited	Loan is repayable in monthly instalments on varied dates as mentioned above.
Term Loan	
Kotak Mahindra Investments Limited	Loan is at the rate of ranging between 7.8-9% and repayable at the end of Sept-2021. Interest is reviewed by the lender on a half yearly basis and any change is communicated to the company.
Bajaj Finance Limited	During the year company has availed loan of ₹ 5,000.00 lacs (31st March, 2017 : Nil 1st April, 2016 : Nil) which is at the rate of 10.25% repayable at the end of March-2021.

14 Trade payables

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-
For goods and services	**515.00**	359.03	163.71	**1,456.75**	2,443.72	1,666.92
For land	**1,359.77**	1,736.36	1,736.36	**3,307.58**	6,571.62	5,670.00
	1,874.77	**2,095.39**	**1,900.07**	**4,764.33**	**9,015.34**	**7,336.92**

1. Trade payables for goods and services are non-interest bearing and are normally settled on 45-day terms
2. Based on information available with company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till 31st March, 2018. Accordingly no disclosures are required to be made under said Act.

15 Other financial liabilities

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Security deposits	**3.16**	7.87	7.87	**-**	-	-
Current maturities of non-current borrowings (note 13)	**-**	-	-	**6,058.38**	3,937.06	4,115.75
Interest accrued but not due on borrowings	**-**	-	-	**-**	61.19	133.66
Advances against capital contribution	**-**	-	-	**946.40**	149.96	140.50
	3.16	**7.87**	**7.87**	**7,004.78**	**4,148.21**	**4,389.91**

16 Provisions

Particulars	Non current portion			Current portion		
	31st March, 2018	31st March, 2017	1st April, 2016	**31st March, 2018**	31st March, 2017	1st April, 2016
Provision for employee benefits						
Provision for gratuity (refer note 29)	**63.50**	42.22	30.25	**6.68**	3.94	1.60
Provision for leave encashment	**47.23**	27.71	13.31	**7.66**	4.10	0.81
	110.73	**69.93**	**43.56**	**14.34**	**8.04**	**2.41**

17 Other current liabilities

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
Advances from customers	**3,634.51**	908.89	3,381.46
Statutory dues	**145.90**	152.03	105.17
Other payables	**7.05**	1.17	1.34
	3,787.46	**1,062.09**	**3,487.97**

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

18 Revenue from operations

Particulars	For the year 2017-18	For the year 2016-17
Sale of products		
Commercial and residential units	18,544.51	14,558.44
Transferrable development rights	1,130.94	1,156.81
Other operating revenue		
Plot cancellation and transfer fees	16.34	17.27
Project consultancy income	-	117.50
Miscellaneous	132.84	9.19
	19,824.63	**15,859.21**

19 Other income

Particulars	For the year 2017-18	For the year 2016-17
Interest income	275.63	12.31
Others	123.81	2.61
	399.44	**14.92**

20 Cost of construction materials and components consumed

Particulars	For the year 2017-18	For the year 2016-17
Inventory at the beginning of the year	303.13	225.89
Add : Purchases	1,902.18	1,211.89
Less : Inventory at the end of the year	(355.00)	(303.13)
Cost of construction materials and components consumed	**1,850.31**	**1,134.65**

21 Changes in inventories

Particulars	For the year 2017-18	For the year 2016-17
Closing Stock		
Unsold developed plots of land and units	935.76	2,191.36
Construction work-in-progress	33,799.72	24,317.95
	34,735.48	**26,509.31**
Opening Stock		
Unsold developed plots of land and units	2,191.36	1,789.43
Construction work-in-progress	24,317.95	16,607.78
	26,509.31	**18,397.21**
Less : Development rights renounced back to sellers at cost	1,538.37	-
Less: Expenses recovered	294.48	-
(Increase) in inventories	**(10,059.02)**	**(8,112.10)**

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

22 Employee benefit expenses

Particulars	For the year 2017-18	For the year 2016-17
Salaries, allowances & bonus	1,520.79	1,340.73
Contribution to provident & other funds	59.87	59.32
Share based payment to employees (Refer note 30)	-	107.54
Gratuity (Refer note 29)	14.62	15.97
Staff welfare expenses	51.35	28.97
	1,646.63	1,552.53

23 Finance costs*

Particulars	For the year 2017-18	For the year 2016-17
Interest on		
Inter-corporate deposits	-	244.35
Term loan from NBFC	233.15	241.44
Line of credit facility from NBFC	1,198.38	624.89
Vehicle loans from banks	11.22	8.49
Others	79.63	-
	1,522.38	1,119.17
Other borrowing costs	16.91	38.86
	1,539.29	1,158.03

*Gross of interest amounting to ₹ 1,509.86 lacs (P.Y. ₹ 1,094.44 lacs) inventorised to qualifying construction work-in-progress.

24 Other expenses

Particulars	For the year 2017-18	For the year 2016-17
Repairs and maintenance		
Buildings	3.13	0.33
Others	28.47	14.17
Rates and taxes	65.77	152.29
Travelling expenses	63.47	56.00
Power and fuel	84.53	46.17
Advertisement	299.22	259.20
Brokerage and commission charges	77.20	61.35
Legal and professional charges	1,422.23	927.97
Secretarial expenses	91.71	87.03
Information Technology expenses	11.45	10.57
Auditors' remuneration (Refer note a)	25.13	13.85
Insurance charges	30.93	13.87
CSR expenses (Refer note b)	43.00	37.00
Loss on sale of property, plant and equipment	4.28	2.88
Rent	28.61	68.67
Miscellaneous expenses	219.88	205.75
	2,499.01	1,957.10

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

a. Payment to Auditors

Particulars	For the year 2017-18	For the year 2016-17
Statutory audit fees	13.59	10.00
Limited review fees	5.15	3.50
Other services	6.00	-
Reimbursement of cess	-	0.31
Reimbursement of expenses	0.39	0.04
	25.13	13.85

b. Details of CSR expenditure

Particulars	For the year 2017-18			For the year 2016-17		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent during the year			25.74			37.00
Amount spent during the year						
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than above	43.00	-	43.00	37.00	-	37.00
Total	43.00	-	43.00	37.00	-	37.00

25 Income Tax

(a) Tax expenses

The major components of income tax expenses for the years ended 31st March, 2018 and 31st March, 2017 are :

Statement of Profit and Loss :

Particulars	For the year 2017-18	For the year 2016-17
Profit or loss section :		
Current income tax		
Current income tax charge	1,679.47	1,133.73
Adjustment of tax pertaining to earlier years	-	(37.74)
Deferred tax		
Relating to origination and reversal of temporary differences	10.44	(31.34)
Income tax expense reported in the statement of profit or loss	1,689.91	1,064.65
OCI section :		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(3.41)	(0.79)
Income tax effect recognised in OCI	(3.41)	(0.79)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2018 and 31st March 2017:

Particulars	For the year 2017-18	For the year 2016-17
Accounting profit before income tax	4,833.99	3,229.67
Tax on accounting profit at statutory income tax rate 34.61% (31st March, 2017: 34.61%]	1,673.04	1,117.79
Adjustment in respect of current income tax of previous years	-	(37.74)
Expenses disallowed	4.68	7.20
Others	12.19	(22.60)
Tax expense at an effective tax rate of 34.96% (31st March, 2017: 32.96%)	1,689.91	1,064.65

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

(c) Deferred tax

Particulars	Consolidated balance sheet			Consolidated statement of profit and loss	
	31st March, 2018	31st March, 2017	1st April, 2016	**For the year 2017-18**	For the year 2016-17
a) Deferred Tax Liabilities					
Impact of difference between tax depreciation and depreciation charged for the financial reporting	**17.06**	48.56	58.88	**31.50**	10.32
Gross deferred tax liabilities	**17.06**	**48.56**	**58.88**	**31.50**	**10.32**
b) Deferred Tax Assets					
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	**28.02**	10.05	25.46	**(17.97)**	15.41
Share based payments	**-**	56.50	19.28	**56.50**	(37.22)
Gross deferred tax assets	**28.02**	**66.55**	**44.74**	**38.53**	**(21.81)**
Deferred tax expense/(income)				**7.03**	**(32.13)**
Deferred tax assets/(liabilities)	**(10.96)**	**(17.99)**	**14.14**		

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

Particulars	**31st March, 2018**	31st March, 2017
Opening balance as at 1st April	**17.99**	(14.14)
Deferred tax credit/(charge) during the period recognised in profit or loss	**(10.44)**	31.34
Deferred tax credit/(charge) during the period recognised in OCI	**3.41**	0.79
Closing balance as at 31st March	**10.96**	**17.99**

26 Earnings per share

Particulars	**For the year 2017-18**	For the year 2016-17
Earnings per share (Basic and Diluted)		
Profit after tax attributable to equity holders of the parent	**3,017.50**	2,028.06
Total number of equity shares at the end of the year	**3,18,67,550**	2,84,09,307
Weighted average number of equity shares		
For basic EPS	**3,01,48,813**	2,58,95,923
For diluted EPS	**3,11,02,096**	2,70,64,558
Nominal value of equity shares	**10.00**	10.00
Basic earnings per share	**10.01**	7.83
Diluted earnings per share	**9.70**	7.49
Weighted average number of equity shares for basic EPS	**3,01,48,813**	**2,58,95,923**
Effect of dilution: stock options granted under ESOP	**3,69,717**	5,33,590
Effect of dilution: share warrants	**5,85,900**	6,35,045
Weighted average number of equity shares adjusted for the effect of dilution	**3,11,04,430**	**2,70,64,558**

27 Commitments and Contingencies

a. Commitments

As at 31st March, 2018 the Group has given ₹ 1577.59 lacs (31st March, 2017: ₹ 3178.92 lacs 1st April, 2016 : ₹ 4293.88 lacs) as advances for purchase of land, under the agreements executed with the land owners. The Group is required to make further payments based on the agreed terms. As at 31st March, 2018, one of the subsidiaries has ₹ 3,369.46 lacs (31st March, 2017 : ₹ 4,157.32 lacs (1st April, 2016 : ₹ 4,270.94 lacs) outstanding as interest free loan given to its Land Managing Partners.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

b. Contingent liabilities

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Disputed demands in respect of -			
Income Tax (Refer note a)	**460.02**	460.02	90.84
Karnataka VAT	**-**	71.42	71.42
Gujarat VAT	**3.10**	3.10	3.10
Excise (Refer note b)	**4.90**	4.90	4.90
Service Tax (Refer note b)	**6.80**	6.80	6.80
Others	**0.72**	0.72	0.72

Notes:

a. The Group has not recognized and acknowledged the claims as liability in the books of account amounting to ₹ 460.02 lacs (31st March, 2017: ₹ 460.02 lacs; 1st April, 2016 ₹ 90.84 lacs) which have been made against the Group by Department of Income Tax since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The final outcome of such lawsuits filed against the Group is not presently ascertained and accordingly no provision in respect thereof has been made in the books of account of the Group.

b. The Group has not recognized and acknowledged the claims as liability in the books of account amounting to ₹ 11.70 lacs (31st March, 2017: ₹ 11.70 lacs; 1st April, 2016 ₹ 11.70 lacs) which have been made against the Group by Department of Central Board of Excise and Customs since such claims have been disputed and pending before the appropriate authorities for final adjudication and accordingly sub-judice. The final outcome of such lawsuits filed against the Group is not presently ascertained and accordingly no provision in respect thereof has been made in the books of account of the Group.

28 Segment Reporting

The Group is primarily engaged in the development of real estate comprising of residential, commercial and industrial projects. Group's performance for operation as defined in Ind AS 108 are evaluated as a whole by chief operating decision maker ('CODM') of the Group based on which development of real estate activities are considered as a single operating segment. The Group reports geographical segment which is based on the areas in which major operating divisions of the Group operate and the entire operations are based only in India. During the year 2016-17 and 2017-18 , no single external customer has generated revenue of 10% or more of the Group's total revenue.

29 Disclosure pursuant to employee benefits

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

The Group makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Group is required to contribute a specified percentage of payroll costs. The Group during the year recognized ₹ 59.87 lacs (31st March,2017: ₹ 59.32 lacs) 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.

31st March, 2018 : Changes in defined benefit obligation

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

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Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

31st March, 2017 : Changes in defined benefit obligation

Particulars	1st April, 2016	Gratuity cost charged to statement of profit and loss			Benefit paid	Re-measurement (gains)/losses in other comprehensive income					Contributions by employer	31st March, 2017
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	31.85	11.16	2.54	13.70	(1.67)	-	-	2.26	0.02	2.28	-	46.16
Benefit liability	**31.85**	**11.16**	**2.54**	**13.70**	**(1.67)**	**-**	**-**	**2.26**	**0.02**	**2.28**	**-**	**46.16**

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

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Discount rate	**7.78%**	7.57%	7.96%
Future salary increase	**5%**	4%	4%
Attrition rate	**5%**	2%	2%
Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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

Gratuity

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		31st March, 2018	31st March, 2017
Gratuity			
Discount rate	1% increase	**(5.34)**	(4.40)
	1% decrease	**6.12**	5.13
Salary increase	1% increase	**6.23**	5.27
	1% decrease	**(5.53)**	(4.58)
Attrition rate	1% increase	**0.73**	1.13
	1% decrease	**(0.88)**	(1.33)

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

Particulars	31st March, 2018	31st March, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	**6.68**	3.94
2 to 5 years	**17.98**	7.48
Beyond 5 years	**29.11**	11.39
Total expected payments	**53.77**	**22.81**

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

Particulars	Years	
	31st March, 2018	31st March, 2017
Gratuity	**13**	11

30 Share-based payments

The Group provides share-based payment schemes to its employees. During the year ended 31st March, 2018, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

The Group instituted an Employees Stock Option Scheme ('ESOP 2013') pursuant to the approval of the shareholders of the Group at their Extraordinary General Meeting held on 8th March, 2013. As per ESOP 2013, the Group granted 10,32,972 (till 31st March, 2017: 10,32,972) options comprising equal number of equity shares in one or more tranches to the eligible employees of the Group. The options under this grant would vest to the employees over a minimum period of 1 year and maximum 5 years based on continued service and certain performance parameters, with an exercise period of maximum five years from the date of respective vesting. The other relevant terms of the grant are as below:

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

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

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

Particulars	For the year 2017-18	For the year 2016-17
Expense arising from equity-settled share-based payment transactions	-	107.54
Total	**-**	**107.54**

* There were no cancellations or modifications to the plan during the year ended 31st March, 2018 or 31st March, 2017.

Movement during the year:

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

Particulars	31st March, 2018		31st March, 2017	
	No. of options	Weighted Avg. Ex Price (₹)	No. of options	Weighted Avg. Ex Price (₹)
Options				
Outstanding at the beginning of the year	**10,22,972**	**41.50**	10,32,972	41.50
Exercised during the year	**2,83,243**	**41.50**	10,000	41.50
Outstanding at the end of the year	**7,39,729**	**41.50**	10,22,972	41.50
Exercisable at the end of the year	**7,39,729**	**41.50**	7,80,870	41.50

For options exercised during the period, the weighted average share price at the exercise date was ₹ 164.59 per share (31st March, 2017: ₹ 70.78 per share). The weighted average remaining contractual life for the stock options outstanding as at 31st March, 2018 is 1.96 years (31st March, 2017: 2.96 years)

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

Particulars	31st March, 2018
Risk-free interest rate (%)	**7.27%**
Expected life (years)	**1.96**
Expected volatility	**57.78%**
Dividend yield	**-**
Share price	**68.13**

31 Fair value disclosures for financial assets and financial liabilities

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

Particulars	Carrying amount			Fair value		
	31st March, 2018	31st March, 2017	1st April, 2016	31st March, 2018	31st March, 2017	1st April, 2016
Financial assets measured at amortised cost						
Other financial assets	**353.18**	206.14	114.74	**353.18**	206.14	114.74
Total	**353.18**	**206.14**	**114.74**	**353.18**	**206.14**	**114.74**
Financial liabilities measured at amortised cost						
Borrowings	**10,014.17**	8,468.62	8,412.73	**10,014.17**	8,468.62	8,412.73
Trade payables	**1,874.77**	2,095.39	1,900.07	**1,874.77**	2,095.39	1,900.07
Security deposits	**3.16**	7.87	7.87	**3.16**	7.87	7.87
Total	**11,892.10**	**10,571.88**	**10,320.67**	**11,892.10**	**10,571.88**	**10,320.67**

The management assessed that the fair values of cash and cash equivalents, loans, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

(Amount in INR Lacs unless stated otherwise)

32 Fair value measurement hierarchy

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

Particulars	Level	31st March, 2018	31st March, 2017	1st April, 2016
Assets disclosed at fair value				
Other financial assets	Level - 2	**353.18**	206.14	114.74
Liabilities disclosed at fair value				
Borrowings	Level - 2	**10,014.17**	8,468.62	8,412.73
Trade payables	Level - 2	**1,874.77**	2,095.39	1,900.07
Security deposits	Level - 2	**3.16**	7.87	7.87

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

33 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the 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 Group monitors capital using a net debt to equity ratio, which is as follows:

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

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Borrowings	**16,072.55**	9,342.62	9,054.96
Less: Cash and cash equivalents	**607.73**	1,313.54	343.33
Net Debt (A)	**15,464.82**	**8,029.08**	**8,711.63**
Equity share capital	**3,186.76**	2,840.93	2,582.43
Other equity	**26,313.22**	16,629.66	11,785.44
Non-controlling interests	**1,908.39**	1,654.74	813.87
Total Equity (B)	**31,408.37**	**21,125.33**	**15,181.74**
Net Debt to Equity Ratio (C=A/B)	**0.49**	**0.38**	**0.57**

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

34 Financial risk management objectives and policies

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

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

1. Market Risk

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

The sensitivity analysis in the following sections relate to the position as at 31st March, 2018 and 31st March, 2017. The sensitivity analysis has been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2018 and 31st March, 2017.

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.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Interest rate sensitivity

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

Particulars	Changes in interest rate	Effect of profit before tax
31st March, 2018	+1% -1%	(159.03) 159.03
31st March, 2017	+1% -1%	(83.62) 83.62

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.

Receivables resulting from other than sale of properties:

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security. The Group's credit period generally ranges from 30-60 days.

The ageing of trade receivables is as follows:

Particulars	**31st March, 2018**	31st March, 2017	1st April, 2016
More than 6 months	**6,999.43**	630.56	33.22
Others	**4,686.11**	3,406.52	3,382.73
Total receivables	**11,685.54**	**4,037.08**	**3,415.95**

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Group's maximum exposure to credit risk for the components of the statement of financial position at 31st March, 2018 and 31st March, 2017 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 Group's reputation.

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

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31st March, 2018					
Borrowings*	-	146.08	6,442.30	10,429.18	17,017.56
Trade payables	-	1,456.75	3,307.58	1,874.77	6,639.10
Other financial liabilities	946.40	-	-	3.16	949.56
	946.40	**1,602.83**	**9,749.88**	**12,307.11**	**24,606.22**

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31st March, 2017					
Borrowings*	874.00	8.48	3,937.90	4,544.39	9,364.77
Trade payables	-	2,443.72	6,571.62	2,095.39	11,110.73
Other financial liabilities	149.96	-	-	7.87	157.83
	1,023.96	**2,452.20**	**10,509.52**	**6,647.65**	**20,633.33**
Year ended 1st April, 2016					
Borrowings*	642.23	66.13	4,301.95	4,409.82	9,420.13
Trade payables	-	1,666.92	5,670.00	1,900.07	9,236.99
Other financial liabilities	140.50	-	-	7.87	148.37
	782.73	**1,733.05**	**9,971.95**	**6,317.76**	**18,805.49**

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

35 Construction contracts

Particulars	31st March, 2018	31st March, 2017
(i) Amount of contract revenue recognised as revenue for the year	**18,544.51**	14,679.11
(ii) Amounts in respect of contracts in progress at the reporting date:		
a. Aggregate amount of costs incurred and recognised profits/(losses)	**61,423.08**	37,359.89
b. Amount of advances received (gross)	**3,634.51**	908.89
c. Gross amount due from customers	**11,684.96**	3,999.14
d. Amount of work-in-progress and value of inventories	**35,029.47**	26,189.10

36 Investment in subsidiaries

(a) List of subsidiaries

Sr No.	Name of subsidiary	Country of incorporation	Percentage of holding		
			31st March, 2018	31st March, 2017	1st April, 2016
(i)	**Companies**				
1	Arvind Hebbal Homes Pvt. Ltd.	India	**100%**	100%	100%
(ii)	**LLPs**				
1	Arvind Alcove LLP	India	100%	100%	100%
2	Arvind Altura LLP	India	100%	100%	100%
3	Changodar Industrial Infrastructure (One) LLP	India	100%	100%	100%
4	Ahmedabad Industrial Infrastructure (One) LLP	India	100%	100%	100%
5	Ahmedabad East Infrastructure LLP (Refer Note)	India	51%	51%	51%
6	Arvind Five Homes LLP	India	100%	100%	100%
7	Arvind Infracon LLP	India	100%	100%	100%
8	Arvind Beyond Five Club LLP	India	100%	100%	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 investment in Ahmedabad East Infrastucture LLP where share of profit of company is 94% and remaining profit is shared among other co-partners namely Sharad Govindbhai Patel, Dinesh Jasraj Jain and Arvind Infrabuild LLP.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Summarised financial information of subsidiaries having material non-controlling interests:

Management has determined that Ahmedabad East Infrastructure LLP (AEILLP) has material non controlling interests. The summarised financial information of AEILLP is provided below. This information is based on amounts before inter-company eliminations.

a. Summarised balance sheet information:

Particulars	31st March 2018	31st March 2017	1st April 2016
Current assets	**13,980.54**	10,251.22	4,057.62
Non - current assets	**1,426.52**	1,249.46	5,189.59
Current liabilities	**6,804.26**	3,939.07	4,308.31
Non - current liabilities	**159.56**	104.06	17.88
Total equity	**8,443.24**	**7,457.55**	**4,921.02**
Attributable to:			
Equity holders of the parent	**6,534.85**	5,802.81	4,107.16
Non controlling interests	**1,908.39**	1,654.74	813.87

b. Summarised statement of profit and loss information:

Particulars	31st March, 2018	31st March, 2017
Revenue	**8,647.46**	9,072.98
Project development expenses	**2,347.10**	3,288.14
Depreciation and amortization expense	**17.20**	14.42
Other expense (including finance cost)	**3,048.72**	2,357.60
Profit before tax	**3,234.44**	**3,412.82**
Tax expenses	**1,124.77**	1,130.21
Total comprehensive income	**2,109.67**	**2,282.61**
Attributable to:		
Equity holders of the parent	**1,983.09**	2,145.65
Non controlling interests	**126.58**	136.96

c. Summarised cash flow information:

Particulars	31st March, 2018	31st March, 2017
Operating activities	**1,621.12**	201.61
Investing activities	**(165.36)**	(377.78)
Financing activities	**(1,187.34)**	253.96
Net increase in cash and cash equivalents	**268.42**	77.79

37 Investment in joint ventures

List of joint ventures

Sr No.	Name of Joint Ventures	Country of incorporation	Percentage of holding		
			31st March 2018	31st March 2017	1st April 2016
	LLPs				
1	Arvind Bsafal Homes LLP*	India	**50%**	50%	50%
2	Arvind Integrated Projects LLP	India	**50%**	Nil	Nil

* Profit sharing of Arvind SmartSpaces Limited in Arvind Bsafal Homes LLP is 41% during 31st March, 2018, 31st March 2017 and 1st April, 2016.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Management has determined its investments in joint ventures are individually immaterial. Aggregate information of the above joint ventures are as follows:

Particulars	**31st March 2018**	31st March 2017	1st April 2016
Group's share in:			
Net profit/(loss)	**(12.74)**	69.79	113.09
Other comprehensive income	**-**	-	-
Total comprehensive income	**(12.74)**	69.79	113.09
Aggregate carrying value of the investments (refer Note 4)	**182.89**	235.12	665.25

38 Disclosures as per Schedule III of Companies Act, 2013

Name of the enterprise	2017-18							
	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
Parent company								
Arvind SmartSpaces Limited (formerly Arvind Infrastructure Limited)	100%	29,500.66	99%	2,978.01	100%	(6.45)	99%	2,971.56
Subsidiaries								
Arvind Hebbal Homes Pvt. Ltd.	0%	46.06	0%	(1.00)	0%	-	0%	(1.00)
Ahmedabad East Infrastructure LLP	29%	8,443.23	70%	2,109.67	0%	-	70%	2,109.67
Ahmedabad Industrial Infrastructure (One) LLP	2%	468.16	2%	59.60	0%	-	2%	59.60
Arvind Alcove LLP	0%	26.37	0%	0.02	0%	-	0%	0.02
Arvind Altura LLP	0%	0.17	0%	(0.20)	0%	-	0%	(0.20)
Arvind Beyond Five Club LLP	1%	327.56	0%	(0.82)	0%	-	0%	(0.82)
Arvind Five Homes LLP	9%	2,633.86	0%	(2.12)	0%	-	0%	(2.12)
Arvind Infracon LLP	22%	6,621.56	-1%	(15.79)	0%	-	-1%	(15.79)
Changodar Industrial Infrastructure (One) LLP	0%	0.33	0%	(0.20)	0%	-	0%	(0.20)
Joint Ventures (investment accounted for using equity method)								
Arvind Bsafal Homes LLP	0%	(12.63)	0%	(12.63)	0%	-	0%	(12.63)
Arvind Integrated Projects LLP	0%	(0.10)	0%	(0.10)	0%	-	0%	(0.10)
Non controlling interests								
Ahmedabad East Infrastructure LLP	-6%	(1,908.39)	-4%	(126.58)	0%	-	-4%	(126.58)
Intercompany elimination	-56%	(16,646.86)	-65%	(1,970.36)	0%	-	-65%	(1,970.36)
Total	**100%**	**29,499.98**	**100%**	**3,017.50**	**100%**	**(6.45)**	**100%**	**3,011.05**

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Name of the enterprise	2016-17							
	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
Parent company								
Arvind SmartSpaces Limited (formerly Arvind Infrastructure Limited)	100%	19,510.76	102%	2,058.94	100%	(1.49)	102%	2,057.45
Subsidiaries								
Arvind Hebbal Homes Pvt. Ltd.	0%	47.07	0%	(0.67)	0%	-	0%	(0.67)
Ahmedabad East Infrastructure LLP	38%	7,457.55	113%	2,282.61	0%	-	113%	2,282.61
Ahmedabad Industrial Infrastructure (One) LLP	0%	(9.47)	0%	(7.02)	0%	-	0%	(7.02)
Arvind Alcove LLP	0%	(0.17)	0%	(0.17)	0%	-	0%	(0.17)
Arvind Altura LLP	0%	(0.77)	0%	(0.37)	0%	-	0%	(0.37)
Arvind Beyond Five Club LLP	0%	(1.47)	0%	(0.80)	0%	-	0%	(0.80)
Arvind Five Homes LLP	0%	(72.82)	-1%	(21.12)	0%	-	-1%	(21.12)
Arvind Infracon LLP	0%	(0.77)	0%	(0.38)	0%	-	0%	(0.38)
Changodar Industrial Infrastructure (One) LLP	0%	(0.76)	0%	(0.36)	0%	-	0%	(0.36)
Joint Ventures (investment accounted for using equity method)								
Arvind Bsafal Homes LLP	0%	69.79	3%	69.79	0%	-	3%	69.79
Non controlling interests								
Ahmedabad East Infrastructure LLP	-8%	(1,654.74)	-7%	(136.96)	0%	-	-7%	(136.96)
Intercompany elimination	-30%	(5,873.61)	-109%	(2,215.43)	0%	-	-109%	(2,215.43)
Total	**100%**	**19,470.59**	**100%**	**2,028.06**	**100%**	**(1.49)**	**100%**	**2,026.57**

39 Issue of equity shares

The Company at its Extraordinary General Meeting held on 25th January, 2018, approved increase in authorised share capital of the Company from ₹ 35,00,00,000 to ₹ 50,00,00,000 by creation of additional 1,50,00,000 (One Crore Fifty lacs) equity shares of ₹ 10/- (Rupees Ten) each and consequent amendments in the capital clause of Memorandum of Association of the Company.

During the year 2017-18, the Company has allotted 2,83,243 equity shares of ₹ 10/- each to the eligible employee/s pursuant to the exercise of stock options granted to them under Employees Stock Option Scheme - 2013 (AIL ESOP 2013) and 31,75,000 equity shares of ₹ 10/- each to the warrant holders being promoter and promoter group entities pursuant to exercise of option of conversion of warrants by them under Tranche II of the Preferential issue made in April 2016. Consequently, the paid up equity share capital of the Company as at 31st March, 2018 stood at ₹ 31,86,75,500/- consisting of 3,18,67,550 equity shares of ₹ 10/- each.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

40 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
Mr. Sanjay Lalbhai	Chairman & Non-Executive Director
Mr. Kamal Singal	Managing Director and Chief Executive Officer- Key Managerial Personnel
Mr. Kulin Lalbhai	Non-Executive Director
Mr. Prem Prakash Pangotra	Non-Executive Director
Mr. Pratul Shroff	Non-Executive Director
Ms. Indira Parikh	Non-Executive Director
Mr. Nirav Kalyanbhai Shah	Non-Executive Director
Mr. Mehul Shah	Chief Financial Officer - Key Managerial Personnel
Mr. Prakash Makwana	Company Secretary - Key Managerial Personnel
Mrs. Divya M. Shah	Relative of Key Managerial Personnel
Mr. Dinesh Jasraj Jain	Land Managing Partner
Mr. Sharad Govindbhai Patel	Land Managing Partner
Mrs. Kavita Dinesh Jain	Relative of Land Managing Partner
Mr. Neel Dinesh Jain	Relative of Land Managing Partner
Mrs. Rashmi Sharadbhai Patel	Relative of Land Managing Partner
Mrs. Jignesh Govindbhai Patel	Relative of Land Managing Partner
Aura Securities Private limited	Entity exercising significant influence in the Group
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

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

Particulars	31st March, 2018	31st March, 2017
Remuneration		
Mr. Kamal Singal	**201.84**	216.94
Mr. Mehul Shah	**30.88**	25.28
Mr. Prakash Makwana	**26.18**	21.98
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**1,518.11**	1,307.07
Director's Sitting Fees & Commission		
Mr. Prem Prakash Pangotra	**6.70**	6.30
Mr. Pratul Shroff	**5.40**	5.70
Ms. Indira Parikh	**6.20**	6.10
Mr. Nirav Kalyanbhai Shah	**5.80**	-
Revenue from operations		
Mr. Kamal Singal	**155.12**	2.63
Mr. Mehul Shah	**-**	3.13
Mrs. Divya Mehul Shah	**39.15**	-
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**818.85**	1,658.07
Aura Securities Private Limited	**128.16**	-

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

Particulars	31st March, 2018	31st March, 2017
Land Managing Partner's contribution received		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**1,964.88**	186.92
Land Managing Partner's contribution paid		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**700.00**	790.00
Share of profit		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**42.19**	45.65
Land development rights given back		
Arvind Limited	**1,538.36**	-
Acquisition of development rights		
Arvind Limited	**4,292.40**	-
Reimbursement of construction and labour cost		
Arvind Limited	**-**	32.15
Reimbursement of expenses received (Net)		
Arvind Limited	**31.25**	-
Advance for land (given)		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**-**	209.53
Others - Relatives of Land managing partners	**-**	82.32
Advance for land (received back)		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**787.86**	119.95
Others - Relatives of Land Managing Partners	**5.54**	36.50
Land purchased		
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**-**	216.02
Others - Relatives of Land Managing Partners	**30.04**	160.77
Expenses incurred		
Arvind Lifestyle Brands Ltd	**4.31**	-
Purchase of materials		
Arvind Limited	**10.15**	-
Short term borrowings repaid		
Arvind Limited	**-**	90.93
Aura Securities Private limited	**-**	6,500.00
Short term borrowings taken		
Aura Securities Private limited	**-**	6,500.00
Withdrawal of additional capital contribution in joint venture		
Arvind Bsafal Homes LLP	40.00	500.00
Preferential allotment of equity shares		
Aura Securities Pvt. Ltd.	**2,609.20**	240.50
Money received against share warrants		
Aura Securities Pvt. Ltd.	**6,442.50**	2,768.70
Exercise of share options under ESOS / ESOP		
Mr. Kamal Singal	**59.81**	-
Issue of shares under ESOP scheme		
Arvind Limited	**-**	6.02
Aura Securities Private limited	**-**	114.05

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

C. Disclosure in respect of outstanding balance :

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Advance for Land			
Others - Relatives of Land managing partners	**1.09**	1.09	2.30
Loans Given			
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**3,369.46**	4,157.32	-
Trade Receivable			
Aura Securities Private limited	**-**	765.25	-
Mr. Mehul Shah	**-**	51.63	49.49
Mr. Kamal Singal	**92.75**	-	34.39
Mrs. Divya Mehul Shah	**6.88**	-	-
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**575.01**	-	-
Capital Contributions (Initial and Additional)			
Arvind Bsafal Homes LLP	**182.49**	235.12	665.25
Arvind Integrated Projects LLP	**0.40**	-	-
Trade payables			
Mr. Sharad Govindbhai Patel & Mr. Dinesh Jasraj Jain	**-**	12.82	-
Others - Relatives of Land managing partners	**49.88**	117.43	9.06
Arvind Limited	**1,203.86**	11.29	10.96
Arvind Lifestyle Brands Limited	**5.63**	5.63	5.63
Arvind and Smartvalue Homes LLP	**54.00**	54.00	54.00
Mr. Prem Prakash Pangotra	**4.50**	4.50	5.00
Mr. Pratul Shroff	**4.50**	4.50	5.00
Ms. Indira Parikh	**4.50**	4.50	5.00
Mr. Nirav Kalyanbhai Shah	**4.50**	-	-
Mr. Kamal Singal	**130.46**	-	-
Mr. Mehul Shah	**6.05**	-	-
Advance to suppliers			
Arvind Limited	**10.36**	-	-
Money received against share warrants			
Aura Securities Pvt. Limited	**4,485.60**	652.30	-
Advance from customers			
Mr. Kamal Singal	**-**	68.43	-
Mrs. Divya Mehul Shah	**-**	8.84	4.62
Aura Securities Private limited	**219.70**	-	212.13
Short term loans and advances			
Arvind Limited	**10.15**	10.15	-
Safal Homes LLP	**-**	-	333.13

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 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.

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

E. Transactions with key management personnel :

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.

41 First time adoption of Ind AS

These consolidated financial statements, for the year ended 31st March, 2018, are the first time the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2017, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP' or 'IGAAP').

Accordingly, the Group has prepared the consolidated financial statements which comply with Ind AS applicable for year ending on 31st March, 2018 together with the comparative period data as at and for the year ended 31st March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1st April, 2016, the Group's date of transition to Ind AS.

i. Exemptions availed:

a. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

b. Share based payments

Ind AS 101 provides an option to not apply Ind AS 102 to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS. The Group has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under the ESOP plan, which are not settled as at the date of transition to Ind AS.

ii. Exceptions applied:

a. Estimates

Estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2016 and 31st March, 2017 are consistent with the estimates as at the same date made in the conformity with previous GAAP .

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliations between previous GAAP and Ind AS

1. Reconciliation of equity as at 31st March 2017 and 1st April 2016

The Group has prepared a reconciliation of equity as at 31st March, 2017 and 1st April, 2016 under the previous GAAP with the equity as reported in these consolidated financial statements under Ind AS, that reflect the impact of Ind AS which is presented below:

Particulars	Note	As at 31st March, 2017	As at 1st April, 2016
Equity as per previous GAAP		**21,068.83**	**15,162.46**
Impact of fair valuation of Employee Stock Option Plan ("ESOP"), net of tax	1,3	56.50	19.28
Equity as per Ind AS		**21,125.33**	**15,181.74**

Notes to consolidated financial statements for the year ended 31st March, 2018

(Amount in INR Lacs unless stated otherwise)

2. Reconciliation of total comprehensive income for the year ended 31st March 2017

The Group has prepared a reconciliation of the net profit for the previous year ended 31st March, 2017 under the Previous GAAP with the total comprehensive income as reported in these consolidated financial statements under Ind AS, that reflect the impact of Ind AS which is presented below:

Particulars	Note	Year ended on 31st March, 2017
Net profit as per Previous GAAP		**2,233.84**
(i) Impact of recognising cost of employee stock option scheme at fair value (net of tax)	1,3	(70.31)
(ii) Remeasurement of net defined benefit liability (net of tax)	2,3	1.49
Net profit as per before OCI as per Ind AS		**2,165.02**
Other comprehensive income (net of tax)	2,3	(1.49)
Total comprehensive income after tax		**2,163.53**

Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and total comprehensive income for the year ended 31st March, 2017 :

1. Share-based payments

Under Ind-AS, employee share-based payments should be accounted for using the fair value method. In contrast, existing Indian GAAP permits an option of using either the intrinsic value method or the fair value method.

2. Defined benefit liabilities

Under Previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.

3. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

4. Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/ loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

5. Joint venture accounting

Under Indian GAAP, joint venture entities were consolidated using the proportionate consolidation method whereby Group's share of each of the assets, liabilities, income and expenses of a joint venture entity is consolidated basis line-by-line consolidation. Under Ind AS, these entities have been accounted for using the equity method whereby the share of net assets / results of joint venture are shown as a single line item. For the application of equity method, the initial investment, as at the date of transition, has been measured as the aggregate of the Ind AS carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated.

6. The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

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

Per Sukrut Mehta
Partner
Membership No. : 101974

Place : Ahmedabad
Date : 1st May, 2018

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

Sanjay Lalbhai Chairman

Kamal Singal MD & CEO

Mehul Shah Chief Financial Officer

Prakash Makwana Company Secretary

Place : Ahmedabad
Date : 1st May, 2018

FORM AOC-1

(Pursuant to first proviso to Sub - Section (3) of Section 129 read with Rules 5 of Companies (Accounts) Rules, 2014)

Statement containing sailent features of the financial statement of statement of subsidiaries or associates or joint ventures

Part "A": Subsidiaries

(Amount in INR Lacs unless stated otherwise)

Sr. No	Name of Subsidiary	Reporting Period	Exchange Rate	Share Capita/ Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investment	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of share-holding/ capital contribution
1.	Arvind Hebbal Homes Pvt. Ltd.	31st March, 2018	INR	1.00	45.06	47.01	0.95	0.07	-	(1.00)	-	(1.00)	Nil	100%
2.	Arvind Infracon LLP	31st March, 2018	INR	1.00	(16.56)	7343.58	7359.14	-	-	(15.78)	-	(15.78)	Nil	100%
3.	Arvind Five Homes LLP	31st March, 2018	INR	1.00	(74.95)	5160.51	2526.65	-	-	(2.12)	-	(2.12)	Nil	100%
4.	Changodar Industrial Infrastructure (one) LLP	31st March, 2018	INR	1.00	(0.96)	0.51	0.47	-	-	(0.20)	-	(0.20)	Nil	100%
5.	Arvind Beyond Five Club LLP	31st March, 2018	INR	1.00	(2.29)	890.45	562.89	-	-	(0.82)	-	(0.82)	Nil	100%
6.	Arvind Altura LLP	31st March, 2018	INR	1.00	(0.97)	0.35	0.32	-	-	(0.20)	-	(0.20)	Nil	100%
7.	Arvind Alcove LLP	31st March, 2018	INR	1.00	(0.16)	27.62	26.79	-	-	0.01	-	0.01	Nil	100%
8.	Ahmedabad Industrial Infrastructure (one) LLP	31st March, 2018	INR	1.00	50.13	1759.18	1291.02	-	453.11	84.24	24.64	59.60	Nil	100%
9.	Ahmedabad East Infrastructure LLP	31st March, 2018	INR	1.00	0.00	15407.06	15406.06	-	8533.69	3234.44	1124.77	2109.67	Nil	51%

Notes: The following information shall be furnished at the end of the statement:

1. Name of subsidiaries which are yet to commence the operations • Arvind Altura LLP • Changodar Industrial Infrastructure (one) LLP
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Joint Venture

(Amount in INR Lacs unless stated otherwise)

Sr. No.	Particulars	Arvind Bsafal Homes LLP	Arvind Integrated Projects LLP
1.	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018
2.	Share Joint Ventures Held By company on the year end		
	i) Number	Not applicable	Not applicable
	ii) Amount of Investment in joint Ventures	0.50	0.50
	iii) Extend of Holding%	Capital Contribution Ratio : 50% Profit Sharing Ratio : 41%	Capital Contribution Ratio : 50% Profit Sharing Ratio : 50%
3.	Description of how there is significant influence	LLP Agreement allows the Company to exercise significant influence in the operating and financial decision making	LLP Agreement allows the Company to exercise significant influence in the operating and financial decision making
4.	Reason why the joint venture is not consolidated	Not Applicable as accounts are consolidated	Not Applicable as accounts are consolidated
5.	Net worth attributable to shareholding as per latest Audited Balance sheet	135.07	0.40
6.	Profit/(Loss) for the year		
	i) Considered in Consolidation	(12.63)	(0.11)
	ii) Not Considered in Consolidation	(18.18)	(0.11)

Name of joint venture which is yet to commence the operations - Arvind Integrated Projects LLP.

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

Sanjay Lalbhai	**Kamal Singal**	**Mehul Shah**	**Prakash Makwana**
Director	**MD & CEO**	**Chief Financial Officer**	**Company Secretary**
Ahmedabad	**Ahmedabad**	**Ahmedabad**	**Ahmedabad**
1st May, 2018	**1st May, 2018**	**1st May, 2018**	**1st May, 2018**

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ATTENDANCE SLIP

ARVIND SMARTSPACES LIMITED

(CIN: L45201GJ2008PLC055771)
(Incorporated under the Indian Companies Act, 1956)
Registered Office: 24, Government Servant's Society, Near Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad -38000p, Gujarat, India.
Phone: +91 79 30137000 Fax: +91 79 30137021 Email: investor@arvindinfra.com Website: arvindsmartspaces.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 10th **Annual General Meeting** of the Company held on Friday, the 31st August, 2018 at 10:00 a.m. at J. B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. V S Marg, Ahmedabad - 380015

* Applicable for investors holding shares in electronic form.

____
Signature of Shareholder / proxy

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

ARVIND SMARTSPACES LIMITED

(CIN: L45201GJ2008PLC055771)
(Incorporated under the Indian Companies Act, 1956)
Registered Office: 24, Government Servant's Society, Near Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad -38000p, Gujarat, India.
Phone: +91 79 30137000 Fax: +91 79 30137021 Email: investor@arvindinfra.com Website: arvindsmartspaces.com

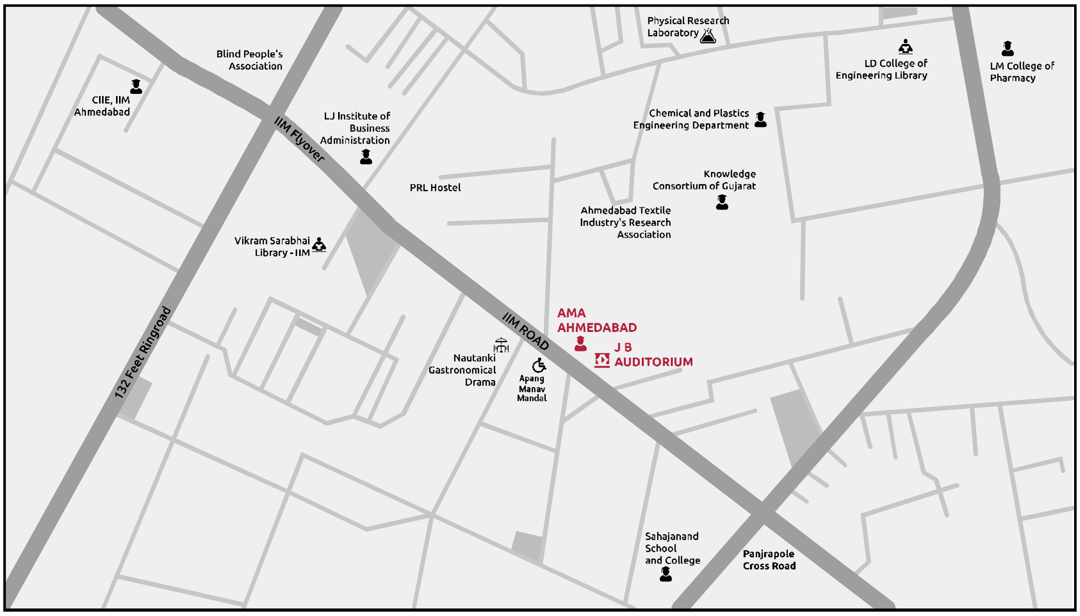
Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No/ DP ID - Client ID	

I/We, being the member(s) of the above named Company, hold ____________________ shares hereby appoint

1. Name ________________ Address: ________________
   E-mail Id: ________________ Signature: ________________ or failing him;
2. Name ________________ Address: ________________
   E-mail Id: ________________ Signature: ________________ or failing him;
3. Name ________________ Address: ________________
   E-mail Id: ________________ Signature: ________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Friday, the 31st August, 2018 at 10:00 a.m. at J. B. Auditorium, Ahmedabad Management Association, Opp. Apang Manav Mandal, IIM Road, Dr. V S Marg, Ahmedabad - 380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

ROUTE MAP



Resolution No.	RESOLUTIONS	Optional *	
Ordinary Business		For	Against
1	Ordinary Resolution for adoption of the audited financial statements (including consolidated financial statements) of the Company for the financial year ended 31st March, 2018 and the reports of the Directors and Auditors thereon.		
2	Ordinary Resolution for re-appointment of Mr. Sanjay S. Lalbhai (holding DIN 00008329), Director of the Company, liable to retire by rotation.		
3	Ordinary Resolution for ratification of appointment of M/s S R B C & Co LLP, Chartered Accountants as Statutory Auditors of the Company.		
Special Business			
4	Ordinary Resolution for Ratification of the remuneration of M/s. Kiran J. Mehta & Co., Cost Accountants for the financial year ending 31st March, 2019.		

Signed this _____ day of ____________, 2018

Signature of shareholder ________________________________

Signature of Proxy holder(s) ____________________________

Affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 10th Annual General Meeting.
3. * It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

UPCOMING PROJECTS

Arvind Oasis
SOOTHING AQUA HOMES

Arvind aavishkaar

OUR MAJOR DEVELOPMENTS

Arvind expansia

Arvind SPORCIA
STAY WHERE YOU PLAY

UPLANDS
GOLF • LIVING • LEISURE

beyond five
Where weekends come alive

Arvind | Citadel

Arvind MEGATRADE

Arvind MEGAESTATE

Arvind SKY LANDS

Trade square @ Khokhra
A JV with bSafal Homes

Arvind MEGAPARK

Arvind ALCOVE
your plan for second life

Parishkaar
2 & 3 BHK 700+ Lifestyle Apartments
A JV with bSafal

Arvind SmartSpaces
"Leading Luxury Brand of the Year" Real Estate By Globe Luxurie Decode Awards 2017 Dubai
27th August, 2017

Arvind SmartSpaces
"Excellence in Upgrading Lifestyle Standards" By My FM Ahmedabad - Food and Lifestyle awards
19th August, 2017

Arvind Expansia
"Luxury Project of the year" By Times Network Mumbai - National Awards for Marketing Excellence in Real Estate and Infrastructure
6th July, 2017

UPLANDS
"Design Project of the Year", 9th Realty Plus Conclave & Excellence Awards 2017
30th June, 2017

Mr. Kamal Singal
"Scroll of Honour" 9th Realty Plus Conclave & Excellence Awards 2017
30th June, 2017

If undelivered, please return to:

Arvind SmartSpaces Limited
CIN: L45201GJ2008PLC055771
24, Government Servant's Society,
Near Municipal Market, Off C.G. Road,
Navrangpura, Ahmedabad - 380009.
Phone No. 079-3013 7000 Fax No. 079-3013 7021
Website: www.arvindsmartspaces.com

ARVIND SMARTSPACES

ARVIND SMARTSPACES LIMITED

(Incorporated under the Indian Companies Act, 1956)
(CIN: L45201GJ2008PLC055771)
Registered Office: 24, Government Servant's Society, Near Municipal Market,
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Website: www.arvindsmartspaces.com, Phone No. : 079 - 30137000, Fax No. : 079 - 30137021

Sr. No.

Name of sole / first named Member	
Address	
Joint Holder(S) Name	
Registered Folio no. / DP ID No./Client ID No.:	
No. of shares held :	

Dear Member,

Subject: Process and manner for availing e-Voting facility

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The e-voting facility is available at the link https://www.evoting.nsdl.com/

The electronic voting particulars are set out below:

EVEN (Remote e-Voting Event Number)	USER ID	PASSWORD / PIN
108809		

The remote e-voting facility will be available during the following voting period:

Commencement of e-voting	**28th August, 2018 at 09:00 a.m. IST**
End of e-voting	**30th August, 2018 at 5:00 p.m. IST**

Please read the instructions printed below before exercising your vote.

These details and instructions form integral part of the Notice for the 10th Annual General Meeting to be held on 31st August, 2018.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the below instructions to cast their vote through e-voting:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:
How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Arvind SmartSpaces Limited to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcs.buchassociates@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions:

I. The e-voting period commences on Tuesday, 28th August, 2018 (9.00 a.m. IST) and ends on Thursday, 30th August, 2018 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 24th August, 2018, i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
II. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.
III. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
IV. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting, may exercise their right to vote at the AGM.
V. A Member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
VI. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.
VII. Mr. Hitesh Buch, Practicing Company Secretary (Membership No. FCS 3145/COP 8195) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
VIII. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
IX. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.arvindsmartspaces.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

Registered Office:
Arvind SmartSpaces Limited
24, Government Servent's Society, Nr. Municipal Market,
Off C. G. Road, Navrangpura, Ahmedabad – 380009

Date: 1st May, 2018

By Order of Board

Prakash Makwana
Company Secretary