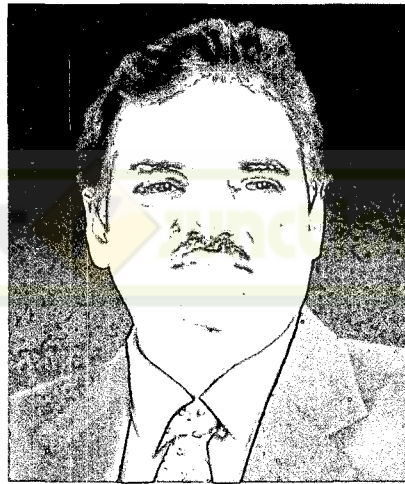




Arihant
Annual Report 2006-07



(Late) Shri. Navratan Lunawath
Founder Chairman

An inimitable mix of world-class resources,
innovation, ethics and transparency.

Excellence that spells true value for money
and considerably enhanced quality of life
for customers.

That is Arthant. Powered by an unwavering
focus on the priceless asset that is relationships.
Powered to be the real estate brand of choice.
From every perspective.



CORPORATE STRUCTURE

Board of Directors

Kamal Lunawath

Vimal Lunawath

Jagdish R Bhatt

Col. A L Jayabhanu

Alex Jacob

A Damodaran

Harisharanlal Trivedi

G Dillip Surana

Ravikant M Choudhary

Bharat M Jain

Priti Venkatesan

Bankers

Indian Overseas Bank

IDBI Limited

ICICI Bank Limited

Corporation Bank

Auditors

M/s. B.P Jain & Co.,

Chartered Accountants

No.2, Gee Gee Minar, 23 College Road,

Chennai-600006

Legal Advisor

K. Venkatasubramanian

25, Singarachariar Street

Triplieane, Chennai- 600005

Registered Office

271 (Old 182), Poonamallee High Road

"Ankur Manor", 1st Floor, Off. McNichols Road

Kilpauk, Chennai- 600010.

Registrar And Share Transfer Agents

M/s. Cameo Corporate Services Limited.,

Vth Floor, Subramanian Building,

No.1, Club House Road

Anna Salai, Chennai- 600002.

Managing Director

Whole time Director

Whole time Director

Whole time Director

Director

Director

Director

Director

Director

Director

Company Secretary

Corporate Office

#3, Ganapathy Colony, 3rd St

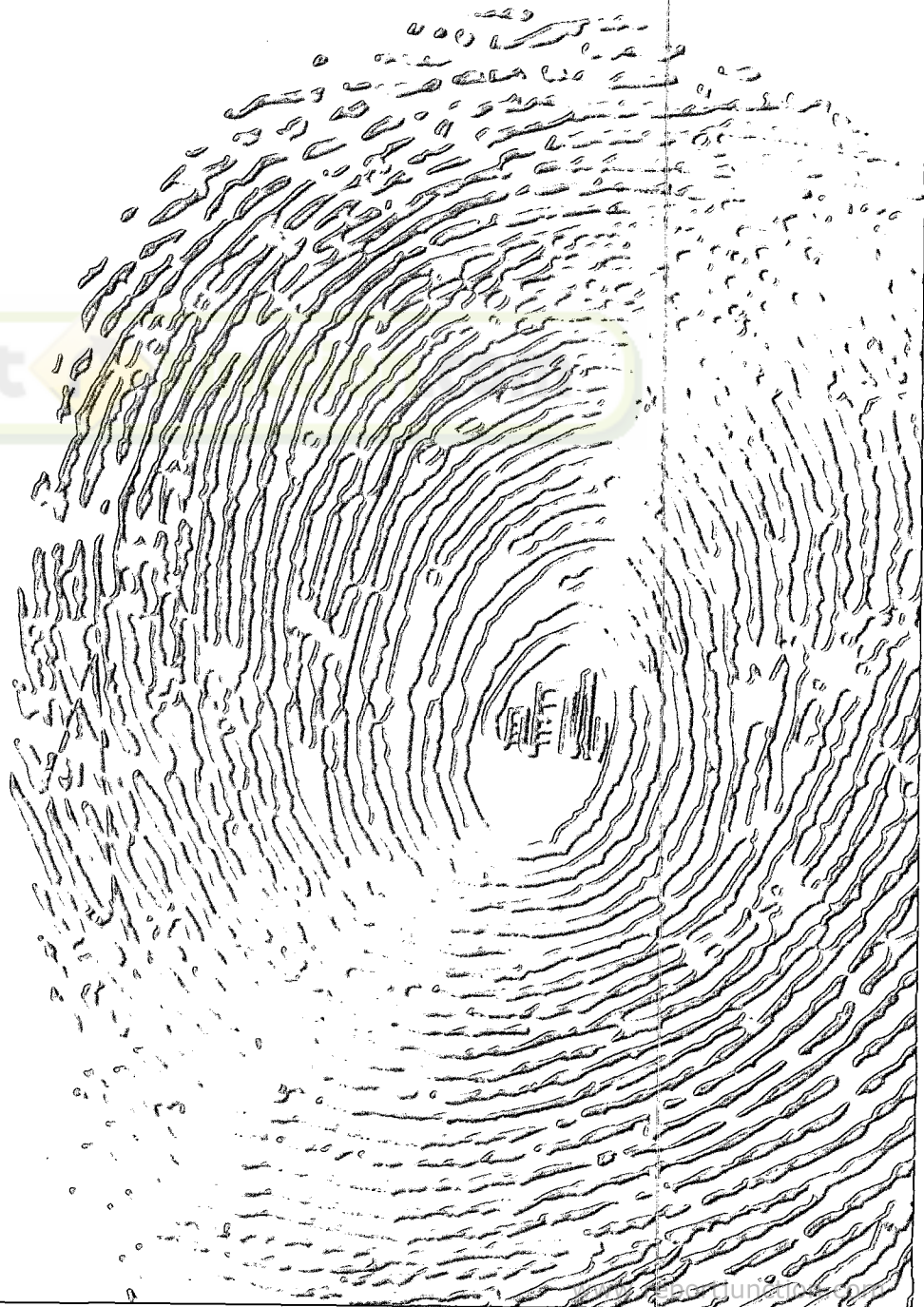
Off. Cenotaph Road, Teynampet

Chennai- 600018

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Report



Report

From MD's Desk

Villa Viviana
GST Road





Dear Shareholders,

Year 2006-07 has been a prosperous year for your Company. I am indeed enthused to inform you that this fiscal year, with the blessing of our founder Chairman, Late Sri. Navratan Lunawath, we have had a record turnover and profit. During this fiscal year, the Company's securities got listed on National Stock Exchange of India Limited, a nation wide trading terminal, where the securities of the Company actively traded. Various prospective investors viz. FII's, NRI's, MF's have shown their interest in investing.

At Arihant we measure our achievements and value to our shareholders and Customers against our own performance with added emphasis on impartial and untainted introspection. Public recognition of our success has over the time served as a motivating factor, inspiring us to aim higher and adhere to the high standards of integrity we have set for ourselves.

As you all know that the Real Estate, Construction and Infrastructure have a strong relationship with overall economic growth. We at Arihant foresee a phenomenal growth in this sector. Your Company is well positioned to utilize this opportunity and to exploit the benefit from this growth.

Presently Your Company is focusing its attention on the following areas:

- To acquire large tracks of land to create land bank
- To spread its operation in other cities
- To cater to the needs of Customers according to their demand
- To create innovative and novel structures meeting international standards.

More over, the brand image your Company enjoys gives us a greater confidence in achieving excellent growth and also better profits in future.

COMPANY'S PERFORMANCE FOR THE YEAR

In this competitive environment, your Company's performance during the financial year has been substantial across all the facets of the Company thus contributing to the overall profitability. Total income from operations of the Company was Rs.236 crores. The Company has succeeded in posting a net profit of Rs.28 crores and earning per share of Rs.40. Your Directors have recommended a 40% final dividend for the financial year, 2006-07, if approved by the members. During this financial year your Company has completed several projects.

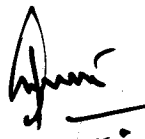
Another breakthrough during the year, has been key joint venture agreements signed with major Real Estate Developer, Unitech Limited, Foreign Investors, J.P Morgan India Property Fund Mauritius Company II and Samsara Capital for development of certain projects.

CONCLUSION

I take this opportunity to convey our sincere appreciation to Indian Overseas Bank, ICICI Bank Limited, IDBI Bank Limited, Corporation Bank and Bank of India for the trust they have reposed in us by sanctioning financial assistance. We are also grateful to Chennai Metropolitan Development Authority, Corporation of Chennai and related departments of Government of Tamil Nadu for having extended full support in all our endeavours.

I would also like to take this opportunity to express my gratitude to the staff as well as the shareholders for their continued faith and confidence on our Board of Directors.

Thank you,
Sincerely



Kamal Lunawath
Managing Director