

C O R P O R A T E S T R U C T U R E

BOARD OF DIRECTORS

Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	CFO and Whole time Director
Mr. Bharatkumar Jain	Whole time Director
Mr. A Damodaran	Director
Mr. A.L Jayabhanu	Director
Mr. Ravikant Choudhary	Director
Mr. Harish Trivedi*	Director
Mr. Karan Bhasin	Director
Mrs. Ann Gonsalvez**	Director

*Resigned from the Board with effect from 25.03.2015

**Appointed on 25.03.2015

COMPANY SECRETARY

Mrs. J. Meenakshi Company Secretary

AUDITORS

M/s. B.P Jain & Co., Chartered Accountants
No.2, Gee Gee Minar, 23, College Road, Chennai- 600006

BANKERS

HDFC Limited
ICICI Bank Ltd
Kotak Mahindra Bank
Standard Chartered Bank
Vijaya Bank

LEGAL ADVISOR

K Venkatasubramanian

Old No. 23, New No. 36, 2nd Floor, Thambaiah Reddy Street Extn.,
West Mambalam, Chennai.

REGISTERED OFFICE

271, (Old no.182), Poonamallee High Road,
"Ankur Manor", 1st Floor, Off. McNichols Road, Kilpauk, Chennai- 600010

CORPORATE OFFICE

No.3, Ganapathy Colony, Off. Cenotaph Road, Teynampet, Chennai- 600018

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited
V Floor, Subramanian Building,
No.1, Club House Road,
Anna Salai, Chennai- 600002

INTERENAL AUDITORS

M/s. Ernst & Young LLP

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NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Shareholders of Arihant Foundations and Housing Limited will be held on Friday the 30th day of September, 2016 at "Arihant Escapade", Devaraj Nagar, No. 48, Okkiyum, Thoraipakkam, Chennai- 600097 at 9.30 A.M. to transact with or without modifications, as may be permissible the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the standalone Financial Statements for the period ended 31.03.2016 and the consolidated financial statements for the period ended 31.03.2016 together with the Directors' Report and the Auditor' Report.
2. To appoint a Director in place of Mr. Bharatkumar Jain (DIN: 00083236), who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of M/s. B.P. Jain & Co., Chartered Accountants, Chennai as Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of 24th Annual General Meeting and to authorise the Directors to fix their remuneration by passing the following resolution as a Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules/orders framed there under, as amended from time to time, the appointment of M/s. B.P. Jain & Co., Chartered Accountants, (Firm Regn No. 050105S) Chennai, as Statutory Auditors of the Company for the Financial year ending on 31st March 2017 be and is hereby ratified to hold office till the conclusion of the 24th Annual General Meeting, at remuneration and reimbursement of out of pocket expenses to be decided by the Board of Directors."

SPECIAL BUSINESS:

4. To consider, and if thought fit, pass with or without modification, the following resolution as on Ordinary Resolution.

"RESOLVED THAT pursuant to Section 20(2) of the Companies Act, 2013 authority be and is hereby granted to anyone of the Directors of the Company to charge the actual cost incurred by the Company as fee from any share holder for delivery of any document required to be served on him by any preferred mode of delivery."

5. Re-appointment of Mr Kamal Lunawath as Managing Director and to fix the remuneration

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

"RESOLVED THAT pursuant to Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and all the applicable Rules or any statutory modification(s) or re enactment thereof approval of the Share holders be and is hereby granted for re-appointment of Mr. Kamal Lunawath (DIN: 00087324) as the Managing Director of the Company for a period of five years with effect from 01-11-2015 as per the terms and conditions recommended by the Nomination and Remuneration Committee of Directors (NRC) and the Board of Directors

RESOLVED FURTHER THAT Mr. Kamal Lunawath shall not retire by rotation in terms of article 146 of the Articles of Association of the company, while he continues as Managing Director;

RESOLVED FURTHER that as per the recommendations of the NRC and the Board of Directors of the Company, the approval of the shareholders be and is hereby accorded under Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and the applicable Rules or any statutory modification(s) or re enactment thereof, for payment of remuneration to Mr. Kamal Lunawath, Managing Director of the Company, by way of salary, perquisites and allowances totalling up to a maximum of Rs.1,00,000/- (Rupees One lakh only) per month for a period of three years from 01-11-2015 to 31-10-2018, with an authority to the Board of Directors to decide on the quantum of remuneration payable under each head, viz., salary, allowances and perquisites as may be agreed mutually between the Board of Directors and Mr Kamal Lunawath, Managing Director.

REMUNERATION DETAILS:

Salary/Special Allowance	Not to exceed Rs.1,00,000/- per month for the period of three years (i.e., 01-11-2015 to 31-10-2018)
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RESOLVED FURTHER that Mr. Kamal Lunawath, Managing Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- Provision of car with driver for business use.
- Provision of telephone at residence and mobile phone for business use
- Reimbursement of entertainment expenses and travelling expenses actually incurred for the conduct of the business of the Company, subject to a reasonable ceiling as may be fixed by the Board from time to time.
- Other expenses incurred by him in relation to the discharge of his duties in relation to the business of the Company .

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration payable to Mr. Kamal Lunawath (DIN: 00087324).

6. Re-appointment of Mr Vimal Lunawath as Whole Time Director and to fix the remuneration

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

"**RESOLVED THAT** pursuant to Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and all the applicable Rules or any statutory modification(s) or re enactment thereof approval of the Share Holders be and is hereby granted for re-appointment of Mr. Vimal Lunawath (DIN: 00586269) as the Whole-Time Director of the Company for a period of five years with effect from 01-11-2015 as per the terms and conditions recommended by the Nomination and Remuneration Committee of Directors (NRC) and the Board of Directors."

RESOLVED FURTHER that as per the recommendations of the NRC and the Board of Directors of the Company, the approval of the shareholders be and is hereby accorded under Sections 196,197, 203 of the Companies Act, 2013, ("the Act"), Schedule V thereto and the applicable Rules or any statutory modification(s) or re enactment thereof, for payment of remuneration to Mr. Vimal Lunawath, Whole-Time Director of the Company, by way of salary, perquisites and allowances totalling up to a maximum of Rs.1,00,000/- (Rupees One lakh only) per month for a period of three years from 01-11-2015 to 31-10-2018, with an authority to the Board of Directors to decide on the quantum of remuneration payable under each head, viz., salary, allowances and perquisites as may be agreed mutually between the Board of Directors and Mr Vimal Lunawath, Whole-Time Director.

REMUNERATION DETAILS:

Salary/Special	Not to exceed Rs.1,00,000/- per month for the period of three years (i.e., 01-11-2015 to 31-10-2018)
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RESOLVED FURTHER that Mr. Vimal Lunawath, Whole-Time Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- Provision of car with driver for business use.
- Provision of telephone at residence and mobile phone for business use.
- Reimbursement of entertainment expenses and travelling expenses actually incurred for the conduct of the business of the Company, subject to a reasonable ceiling as may be fixed by the Board from time to time.
- Other expenses incurred by him in relation to the discharge of his duties in relation to the business of the Company

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration payable to Mr. Vimal Lunawath (DIN: 00586269).

7. Approval for making Investments in Securities

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

“RESOLVED THAT pursuant to the provisions of Section 186 of the Act and other applicable provisions, if any, the consent of the share holders of the company be and is hereby granted to make further investments of a sum not exceeding Rs. 100 Crores by way of subscription and/or purchase of securities either in Wholly owned subsidiaries, Joint Ventures, Associates and or any other company as may be required for the purpose of the business of the Company, notwithstanding that such investment or such investment together with the company's existing loans and investment in all other bodies corporate shall be in excess of the limits prescribed under section 186 of the Act.

RESOLVED FURTHER THAT the Board of directors of the company or any other committee duly constituted for this purpose be and is hereby

authorized to do all such acts, deeds, matters and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of directors to be in the interest of the company.”

8. Approval of Material Related Party Transactions

To consider, and if thought fit, pass with or without modification, the following resolution as an ordinary Resolution:

“RESOLVED THAT approval be and is hereby accorded pursuant to Regulation 23 of SEBI (Listing Regulations and Disclosure Requirements) Regulation, 2015 and applicable provisions of Companies Act, 2013 if any, for the transactions entered into by the Company with the related parties during the period ended 31st March 2016 and for the period ended August 2016, as mentioned below, and considered material under the said Regulation,-

Name of the Related Party	Nature of Transactions as per the Listing Agreement / the Companies Act, 2013	Amount (Rs . in crores)	Nature of relationship
Varenva Constructions Limited	Sale / Purchase of goods, services and availing and rendering services / availing of loan/ providing Guarantee	45.84 crs	Wholly-owned subsidiary
Escapade Real Estate Private Limited	Sale/Unsecured Loan	23.63 crs	Joint Venture
Arihant Unitech Realty Projects Limited	Guarantee given & services rendered	61.53 crs	Joint Venture
Northtown Estates Private Limited	Guarantee given	110.67 crs	Joint Venture
Mr.Kamal Lunawath	Loan Provided to company/Loan repaid & Remuneration	8.27 crs	Managing Director
Mr.Vimal Lunawath	Loan Provided to company/Loan repaid & Remuneration	3.69 crs	CFO & Whole-Time Director

By Order of the Board
For Arihant Foundations & Housing Limited

Place: Chennai
Date: 26.05.2016

Sd/-
(J Meenakshi)
Company Secretary

I. Notes:

1. The explanatory statements pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business under item No. 4 to 8 as set out above are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxy to valid should be deposited with the company not later than forty eight hours before the time for holding the meeting. No Person can act as a Proxy on behalf of a member not exceeding fifty and holding in the aggregate not more than the 10% of the total Share Capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such proxy shall not be act as a proxy for any other person or shareholder.
4. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature on the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 30.09.2016 (Both days inclusive).
6. Members holding shares in physical form are requested to intimate immediately, changes, if any, in their registered addresses, Bank Mandate and Status, quoting their Folio Numbers, to the Share Transfer Agents of the Company M/s Cameo Corporate Services Limited, "Subramanian Building", No.1, Club House Road, Chennai – 600 002.
7. Details under Reg. 36(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.
8. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained and The Register of Contracts or Arrangements in which Directors are interested maintained will be available for inspection of the members at the Annual General Meeting.
9. Members are requested to bring their copies of Annual Report to the meeting. The Attendance slips duly completed should be handed over at the entrance of the meeting hall.
10. Electronic copy of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any 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 23rd Annual General Meeting 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. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website www.arihantfoundations.com for their download.
11. Members desiring any clarification on Accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
12. Pursuant to the provisions of sections 107 and 108, read with Companies(Management and Administration) Rules 2014, and in accordance with the requirements of listing agreement the company is pleased to offer e –voting facility to all the members of the company. The company has entered into an agreement with Central Depository services Limited(CDSL) for facilitating e –voting. The Board of Directors has appointed Mrs. G. Subhasree, Practising Company Secretary, Chennai, as the Scrutinizer for conducting the e-voting process for the Twenty Third Annual General Meeting in a fair and transparent manner

• The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

• The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again

• The voting period begins on 27th September, 2016 at 9 AM and ends on 29th September, 2016 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

13. The Procedure and instructions for members for voting through electronic means are as under:

- i) The shareholders should log on to the e-voting website www.evotingindia.com.
- ii) Click on Shareholders.
- iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

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

viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the

demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- x) Click on the EVSN: 160830082 or the relevant ARIHANT FOUNDATIONS AND HOUSING LIMITED on which you choose to vote.
- xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile
- xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- xix) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and 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 shall make, not later than Forty Eight hours from the 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 and declare the result of the voting forthwith.
- xx) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.arihantfoundations.com and on the website of CSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
- ## II. DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER Regulation 36(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015:
- a) Brief Resume
Mr. Bharatkumar Jain, 40 is an undergraduate and associated with the Company for the past 10 years.
- b) Nature of expertise
He specializes in Project execution. He possess 14 years of experience in execution of Township Project, large residential complex and industrial projects
- c) Listed cos’ directorship and committee membership
Mr. Bharatkumar Jain does not hold any Directorship or committee membership in any other listed Company.

- d) Relationship between the directors interse Mr. Bharatkumar Jain is not related to any of the Directors.
- e) Re-appointment of retiring Director: (item no. 2) Mr. Bharatkumar Jain is a Whole Time Director. He holds 16300 shares in the Company.

Except Mr. Bharatkumar Jain, none of the Directors and the Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise in the resolution set out at Item no. 2.

By Order of the Board
For Arihant Foundations & Housing
Limited
Sd/-
(J Meenakshi)
Company Secretary

Place: Chennai
Date: 26.05.2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4

As per the proviso to Section 20(2) of the Companies Act, 2013, a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting. The Company shall charge the actual cost incurred for delivery of document to be served on a member through a preferred mode.

The Board recommends the ordinary resolution seeking consent of the members as set out in ITEM NO.4 of the notice for approving the delivery of any document through preferred mode by charging actual cost incurred

ITEM NO. 5

Mr. Kamal Lunawath was appointed as the Managing Director of the Company in the year 2005 and reappointed in the year 2010.

In terms of Schedule V of the Companies Act, 2013, payment of remuneration to a managerial person during the financial year when the Company has inadequate profits in excess of the limits specified in the said Schedule requires the approvals of the

Nomination and Remuneration Committee, the Board of Directors and shareholders.

Considering the role and the important contributions made by Mr. Kamal Lunawath over the last ten years for the growth of the Company and also taking into account similar sized industries in India, the Nomination and Remuneration Committee and the Board of Directors unanimously approved payment of minimum remuneration as Rs.1,00,000/- per month (the said minimum remuneration) for a period of three years from 01-11-2015 to 31-10-2018 as detailed in the resolution.

The terms of remuneration contained in the resolution may also be treated as an Abstract/compliance under Section 196,197, 203 of the Companies Act, 2013.

Nature of concern/interest: - (as per Section 102 of the Companies Act, 2013)

PERSON	NATURE OF INTEREST IN THE TRANSACTIONS
Directors	Not interested, except Mr. Kamal Lunawath & Vimal Lunawath
Key Managerial Personnel	Not interested, except Mr. Kamal Lunawath and Mr. Vimal Lunawath, Whole-time Director
Relatives of Directors/Key Managerial Personnel	None

Statement containing required information as per the Schedule V (Part II) of the Companies Act, 2013 for Item No.5.

1. GENERAL INFORMATION: (i) Nature of Industry Construction: The Company is engaged in the Business of Construction and Providing Infrastructure Facility

(ii) Date of commencement
March 6, 1992

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Not applicable

- iv) Financial performance based on given indicators
(Rs. In lakhs)

Particulars	2011-12	2012-13	2013-14
Total Revenue	14392.54	6912.859	7341.98
Profit before tax	275.224	227.128	158.047
Profit after tax	213.253	167.128	128.855
Networth	16418.28	16585.41	16714.26
Dividend on Equity %	Nil	Nil	Nil

- (v) Foreign investments or collaborators, if any:
Not Applicable.

II. INFORMATION ABOUT THE APPOINTEE:

- (a) Background Details : Mr. Kamal Lunawath, 44 is commerce graduate and associated with the Company from past 12 years.
- (b) Past Remuneration : Mr. Kamal Lunawath was paid Rs.12 Lakhs as annual remuneration for the financial years 2013-14 and 2014-15 respectively.
- (c) Recognition or Awards : Nil.
- (d) Job Profile and his Suitability : Mr. Kamal Lunawath specializes in Strategic Planning and Management. He possesses commendable experience of 23 years in real estate and construction industry. He was appointed as Managing Director for a period of 5 years with effect from 01.11.2010. The terms of appointment was approved by the shareholders at the Annual General Meeting held on 31.03.2011. The tenure of his office expired on 01st November, 2015 and has been appointed by the board.

During his tenure he has performed in various areas including Projects, fund Management and planning etc.

- (e) Remuneration Proposed: The remuneration proposed is detailed in the resolution.
- (f) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person
- The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

- (g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

Mr. Kamal Lunawath has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his remuneration & certain other related party transactions which are disclosed elsewhere in this report in the capacity of a Managing Director. As on date he holds 7,49,100 shares in the Company in his personal capacity.

III. OTHER INFORMATION:

- (a) Reasons of loss or inadequate profits
- During the year your Company has filed a joint compromise memo with the DRAT contesting the disputed interest and settled the interest payable to HUDCO as a full and final settlement further to the settlement of principle amount made during the last financial year on the long pending claim filed against the Company by HUDCO before the Debt Recovery Tribunal (DRT), whereby the DRT vide its order dated 26/08/2011 ordered for payment of interest of 9% p.a. on Rs. 15,48,54,845/- with interest pendent lite and future thereon from 1.7.2004. This has significantly brought down the profits of your Company. Other reasons for losses are;
- General Economy slowdown of the country;
 - Slack in demand due to economical situation around the country;
 - Pressure on pricing;
 - High Interest rates.
- (b) Steps taken or proposed to be taken for improvement. The Company has taken several initiatives including Strategic Planning to reduce the break even point and to Enhance performance. The Company has also outsourced certain functions in order reduce the cost and to avail specialized skills. These measures are expected to result in substantial improvement in the functioning of the Company.
- (c) Expected increase in productivity and profit in measurable terms. Though the Infrastructure Industry is following a downturn, in anticipation of revival of the market in the near future, the above steps taken/proposed to be taken by the Company are expected to increase the productivity and profits of the Company.