

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of the Members of Arihant Superstructures Limited will be held on Thursday, 25th September, 2014 at 12.00 noon at Hotel The Regenza by Tunga, Plot No 37, Sector 30A, Vashi, Navi Mumbai, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Nimish Shah (DIN: 03036904), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regards to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under and pursuant to the recommendation of the Audit Committee, M/s Kailash Chand Jain & Co, Chartered Accountants, Mumbai (Firm Registration No. 112318W) the retiring Auditors of the Company, be reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”), until the conclusion of the fourth consecutive AGM of the Company to be held in the year 2018 (subject to ratification of the appointment by the Members at every AGM held after this AGM), at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), as an ORDINARY RESOLUTION, the following:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any Statutory modification(s) or re-enactment thereof for the time being in force), Mr. Virendra Mital (DIN 00376830), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956, being so eligible, be appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from 1st April, 2014.”

6. To consider and if thought fit, to pass, with or without modification(s), as an ORDINARY RESOLUTION, the following:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any Statutory modification(s) or re-enactment thereof for the time being in force), Mr. Dinesh Babel (DIN 03042254), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956, being so eligible, be appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from 1st April, 2014.”

7. To consider and if thought fit, to pass, with or without modification(s), as an ORDINARY RESOLUTION, the following:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any Statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vinayak Vaman Nalavde (DIN 02047436), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956, being so eligible, be appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from 1st April, 2014.”

8. To consider and if thought fit, to pass, with or without modification, the following resolution as an **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded for the increase in the remuneration of Mr. Dinkar Samant (DIN: 00023459), Whole-time Executive Director of the Company to ₹ 40,00,000/- (Rupees Forty Lacs) per annum for a period of one year with effect from 1st April, 2014 with other terms and conditions remaining unchanged as per the agreement entered into between him and the Company and with the power to the Board of Directors to alter and modify the same, in consonance with the provisions of the Act.

FURTHER RESOLVED THAT the approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Mr. Dinkar Samant, Whole-time Executive Director (hereinafter referred to as "the appointee") within the above mentioned scale of salary.

FURTHER RESOLVED THAT the remuneration payable to the appointee (including the salary, commission, perquisites, benefits and amenities) shall not exceed the limits laid down in section 197 of the Act including any statutory modification(s) or re-enactment thereof.

FURTHER RESOLVED THAT subject to the provisions of the Companies Act, 2013, in the event of loss or inadequacy of profits, the remuneration payable to Mr. Dinkar Samant will be as per the applicable Schedule V of the Companies Act, 2013.

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board be authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

9. To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded for the increase in the remuneration of Mr. Nimish Shah (DIN: 03036904), Whole-time Executive Director of the Company to ₹ 36,00,000/- (Rupees Thirty Six Lacs) per annum for a period of one year with effect from 1st April, 2014 with other terms and conditions remaining unchanged as per the agreement entered into between him and the Company and with the power to the Board of Directors to alter and modify the same, in consonance with the provisions of the Act.

FURTHER RESOLVED THAT the approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) to revise the basic salary payable to Mr. Nimish Shah, Whole-time Executive Director (hereinafter referred to as "the appointee") within the above mentioned scale of salary.

FURTHER RESOLVED THAT the remuneration payable to the appointee (including the salary, commission, perquisites, benefits and amenities) shall not exceed the limits laid down in section 197 of the Act including any statutory modification(s) or re-enactment thereof.

FURTHER RESOLVED THAT subject to the provisions of the Companies Act, 2013, in the event of loss or inadequacy of profits, the remuneration payable to Mr. Nimish Shah will be as per the applicable Schedule V of the Companies Act, 2013.

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board be authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

10. To consider and if thought fit, to pass, with or without modification(s), as an ORDINARY RESOLUTION, the following:

"RESOLVED THAT pursuant to the provisions of section 148 of the Companies Act, 2013 ("the Act"), the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Act and the Rules framed there under (including any statutory modification or re-enactment thereof for the time being in force), Mr. Vinod Subramanium, Cost Accountants, appointed by the Board of Directors of the Company as Cost Auditors for conducting the audit of the Cost Records of the Company, if required, for the Financial Year ending 31st March, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

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

**By Order of the Board
Arihant Superstructures Ltd**

Sd/-
Ashok B. Chhajer
Chairman & Managing Director

Vashi, 5th August 2014

Registered Office:
302, Persipolis, Plot No. 74, Sector 17,
Vashi, Navi Mumbai 400 704
Website: www.asl.net.in
CIN No. L51900MH1983PLC029643

NOTES:

- I. The information required to be provided under the Listing Agreement entered into with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed and the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under items 4 , 5, 6, 7, 8, 9, 10 is set out above are annexed hereto and form a part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THAT A PROXY NEED NOT BE A MEMBER.** Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 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 act as a proxy for any other person or shareholder.

Proxies, in order to be effective, must be received at the Registered office of the Company at 302, Persipolis, Plot No. 74, Sector 17, Vashi, Navi Mumbai 400703, not less than forty-eight hours before the commencement of the AGM i.e. by 12.00 noon on 23rd September, 2014.

Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Adroit Corporation Services Pvt. Ltd., 19, Jaferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059.
4. The Register of Members and Transfer Books of the Company will be closed **from Friday 19th September, 2014 to Thursday, 25th September, 2014** (both days inclusive)
5. Members are requested to furnish bank details, Email address, change of address etc. to the Company's Registrar and Share Transfer Agents so as to reach them latest, in order to take note of the same. In respect of members holding shares in electronic mode, the details as would be furnished by the Depositories as at the close of the aforesaid date will be considered by the Company. Hence, Members holding shares in demat mode should update their records at the earliest.
6. The dividend, if declared at the Annual General Meeting, would be paid/despatched on or after Thursday, 25th September 2014 to those persons or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on 18th September, 2014 (last trading day before book closure) in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic mode; and
 - (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before 18th September, 2014
7. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
8. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Adroit Corporation Services Pvt. Ltd at the above mentioned address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
9. Under the Companies Act, 1956 dividends that are unclaimed/unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government. As there is no unpaid or unclaimed Dividend lying with the Company that need to be transferred to IEPF, there is no information under this head.
10. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend through Electronic Clearing Service ("ECS") to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participants about such change, with complete details of bank account.
11. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2013-14 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with the RTA (in case of Shares held in physical form).
12. The Company has designated an exclusive e-mail id viz. investor@asl.net.in to enable Investors to register their complaints, if any

13. Members are requested to:

- a. intimate to the Company's Registrar and Transfer Agents, Adroit Corporation Services Private Limited changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;
- b. intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialised form;
- c. quote their folio numbers/Client ID/DP ID in all correspondence; and
- d. consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names
- e. Bring their copy of the Annual Report to the Annual General Meeting.

14. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting

15. IMPORTANT – E-Voting Instructions:

- (i) The voting period begins on Friday, 19th September 2014 at 10:00 a.m.(IST) and ends on Monday, 22nd September 2014 10:00 a.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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> <ul style="list-style-type: none"> • 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. • 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.
DOB	<p>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.</p>
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> <ul style="list-style-type: none"> • 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 (v).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN (140826040) for the relevant Arihant Superstructures Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders& Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - 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 they have to create 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.
 - 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.
- (xix) 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.

The Company has appointed CS D. A. Kamat, Practicing Company Secretary (FCS 3843) as a Scrutinizer for the e-Voting and the Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s Website www.asl.net.in and on the website of CDSL <https://www.evotingindia.com> within 2 (two) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.

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

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under items 4 to 10 of the accompanying Notice dated August 5, 2014

Item No. 4:

This explanatory statement is provided though strictly not required as per the Section 102 of the Act.

M/s Kailash Chand Jain & Co., Chartered Accountants, Mumbai were appointed as the Statutory Auditors of the Company for the financial year 2013-2014 at the Annual General Meeting held on 26th September, 2013.

As per the Section 139 of the Companies Act, 2013 no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of 5 consecutive years. The Section 139 of the Act has also provided a period of 3 years from the date of commencement of the Act to comply with this requirement.

In the view of the above, M/s Kailash Chand Jain & co, Chartered Accountants, being eligible for re-appointment and based on the recommendations of the Audit Committee, the Board of Directors has at its meeting held on 05th August, 2014 proposed the appointment of M/s Kailash Chand Jain & Co, as the Statutory Auditors of the Company for a period of 4 years to hold the office from the conclusion of this AGM till the conclusion of the AGM to be held in the year 2018 (subject to the ratification of their appointment at every AGM)

The Board recommends the Resolution in Item No. 4 for the approval of the Shareholders.

None of the Directors or Key Managerial Personnel (KMP) or relatives of the Directors and KMP is concerned or interested in the Resolution at Item No. 4 of accompanying Notice.

Item Nos. 5 to 7:

Mr. Virendra Mital, Mr. Dinesh Babel and Mr. Vinayak Nalavde are the Independent Directors on the Board of Directors of the Company. They were appointed on the Board on 23/04/2010, 23/04/2010 ,and 11/02/2012 respectively, and were appointed as Non-Executive Independent Directors liable to retire by rotation.

As per section 149 of the Companies Act, 2013 ("the Act"), the Company should have at least one third of the total number of Directors as Independent Directors on the Board of the Company. An Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company and no Independent Director shall hold office for more than two consecutive terms.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules under the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mr. Virendra Mital, Mr. Dinesh Babel and Mr. Vinayak Nalavde are proposed to be appointed as an Independent Directors up to March 31, 2019, for a period of 5 years from the date of commencement of the Companies Act, 2013.

Mr. Virendra Mital, Mr. Dinesh Babel and Mr. Vinayak Nalavde are already Independent Directors of the Company under Clause 49 and also satisfy the conditions of being an Independent Director under the Companies Act, 2013. The above proposed resolution is for regularizing their appointment as an Independent Director under Companies Act, 2013.

As per the Companies Act, 2013, the Independent Director need not retire by rotation. While under the Companies Act, 2013 an Independent Director can be appointed for 2 terms of 5 years, under revised Clause 49 of the Listing Agreement, if a person has completed more than 5 years, he can be appointed for one term of 5 years from October 1, 2014.

As per their original terms of appointment and resolutions passed under Companies Act, 1956, and the Clause 49 of the Listing Agreement, Mr. Virendra Mital, Mr. Dinesh Babel and Mr. Vinayak Nalavde would have retired in an Annual General Meeting of the Company. But, this provision no longer applies as per new Companies Act, 2013. Therefore, it is not a case of appointment of a new Independent Director. In view of the above, special notice and deposit of requisite amount is not required to be paid.

All the above mention Directors are persons of integrity and possess appropriate skills, experience, knowledge and qualifications in their respective field which are beneficial to the interests of the Company.

In the opinion of the Board, the above mentioned Independent Directors fulfill the conditions for appointment as Independent Directors as specified in the Act and the Rules framed thereunder.

Keeping in view the vast experience and knowledge which these Directors possess, the Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

The said appointments have been recommended by the "Nomination Remuneration Committee". A brief resume of the above mentioned Directors, nature of their expertise in specific functional areas and name of the Companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, Shareholding and relationship between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchanges.

Copy of the draft letter for appointment of the Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company. The Board considers that this continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Virendra Mital, Mr. Dinesh Babel and Mr. Vinayak Nalavde as Independent Directors.

The above Independent Directors are interested in the Resolutions as set out at Item Nos. 5 to 7 of the Notice to the extent of their respective appointments and shareholding interest, if any, in the Company.

The relatives of the above mentioned Independent Directors viz. Mr. Virendra Mital, Mr. Dinesh Babel and Mr. Vinayak Nalavde may be deemed to be interested in the Resolutions set out at Item Nos. 5 to 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these Resolutions except to the extent of their shareholding interest, if any, in the Company.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 to 7 of the Notice for the approval by the Members.

Item No 8

Mr. Dinkar Samant was appointed as a Whole-time Executive Director of the Company, on 04/08/2012 and his appointment was approved by the Shareholders in the AGM held on 22/09/2012 for a period of five years. The remuneration paid for the financial year 2013-2014 was ₹ 37,00,000/- as approved by the members of the Company through Postal Ballot. Mr. Dinkar Samant has, during his tenure, contributed immensely for the business activities of the company and to guide the company in its expansion activities. Considering the increased scope of work being handled by Mr. Dinkar Samant and the prevalent standards in the industry for payment of professional Directors of such experience, the Board, on the recommendation of the Nomination and Remuneration Committee would propose to increase the remuneration payable to Mr. Dinkar Samant as stated in the Resolution.

Pursuant to sections 196, 197 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Act, the increase in remuneration payable to Mr. Dinkar Samant is now being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution.

Your Directors recommend passing of the Resolutions at Item No. 8 of the Notice as a Special Resolution.

Apart from Mr. Dinkar Samant, who would be interested in his appointment and remuneration, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise, in these items of businesses, except to the extent of their shareholding interest, if any, in the Company.

The statement of additional information required to be disclosed as per Schedule V of the Act is attached at the end of this Explanatory Statement.

Item No. 9

Mr. Nimish Shah was appointed as a Whole-time Executive Director of the Company, on 13/04/2010 and his appointment was approved by the Shareholders in the AGM held on 03/08/2011 for a period of five years . Mr. Nimish Shah has, during his tenure, contributed immensely for the business activities of the company and to guide the company in its expansion activities. Considering the increased scope of work being handled by Mr. Nimish Shah and the prevalent standards in the industry for payment of professional Directors of such experience, the Board, on the recommendation of the Nomination and Remuneration Committee would propose to increase the remuneration payable to Mr. Nimish Shah as stated in the Resolution.

Pursuant to sections 196, 197 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Act, the increase in remuneration payable to Mr. Nimish Shah is now being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution.

Your Directors recommend passing of the Resolutions at Item No. 9 of the Notice as a Special Resolution.

Apart from Mr. Nimish Shah, who would be interested in his appointment and remuneration, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise, in these items of businesses, except to the extent of their shareholding interest, if any, in the Company.

The statement of additional information required to be disclosed as per Schedule V of the Act is attached at the end of this Explanatory Statement.

Item No. 10

The Board of Directors, at its Meeting held on 05th August, 2014, on the recommendation of the Audit Committee, approved the appointment of Mr. Vinod Subramanium, Cost Accountants, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, if required, for the year ending 31st March, 2015 at a remuneration of Rs. 20,000 (Rupees Twenty Thousand only) (excluding all taxes and reimbursement of out of pocket expenses).

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of a company are required to ratify the remuneration to be paid to the cost auditors of that company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 17 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company, if required, for the financial year ending 31st March, 2015.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution except to the extent of their shareholding, if any, in the Company.

The Resolution at Item No. 10 of the Notice is recommended by the Directors to be passed as an Ordinary Resolution.

**By Order of the Board
Arihant Superstructures Ltd**

Sd/-
Ashok B. Chhajer
Chairman & Managing Director

Vashi, 5th August 2014

Registered Office:
302, Persipolis, Plot No. 74, Sector 17,
Vashi, Navi Mumbai 400 704
Website: www.asl.net.in
CIN No. L51900MH1983PLC029643

STATEMENT OF ADDITIONAL INFORMATION TO BE ATTACHED TO THE NOTICE OF THE 3¹ST AGM AS PER SCHEDULE V TO THE ACT [FOR ITEM NO. 8 AND ITEM NO. 9] AND FORMING A PART OF THE NOTICE AND EXPLANATORY STATEMENT

I. GENERAL INFORMATION {Common to both Appointees}

[1] Nature of Industry	Construction and Infrastructure Industry												
[2] Date or expected date of commencement of commercial production	The company is in business since 1983. The company has commenced its construction and infrastructure business since 2009.												
[3] In case of new companies, expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus	Not Applicable												
[4] Financial Performance based on given indicators	<p>As per the audited financial statements as on 31st March 2014:</p> <table> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">Rupees (in lakhs)</th> </tr> </thead> <tbody> <tr> <td>Gross Turnover & Other Income</td> <td style="text-align: right;">5634.26</td> </tr> <tr> <td>Net Profit as per Profit & Loss Statement (After Tax)</td> <td style="text-align: right;">279.54</td> </tr> <tr> <td>Net Worth</td> <td style="text-align: right;">6574.30</td> </tr> <tr> <td>Book Value Per Share</td> <td style="text-align: right;">15.97/-</td> </tr> </tbody> </table>			Particulars	Rupees (in lakhs)	Gross Turnover & Other Income	5634.26	Net Profit as per Profit & Loss Statement (After Tax)	279.54	Net Worth	6574.30	Book Value Per Share	15.97/-
Particulars	Rupees (in lakhs)												
Gross Turnover & Other Income	5634.26												
Net Profit as per Profit & Loss Statement (After Tax)	279.54												
Net Worth	6574.30												
Book Value Per Share	15.97/-												
[5] Foreign Investments or collaborations, if any	Nil												

II. INFORMATION ABOUT THE APPOINTEE(S)

	Mr. Dinkar Samant	Mr. Nimish Shah
[1] Background Details	<p>Mr. Dinkar Samant is a Graduate from Sir J. J. College of Architecture with First Class Honors & Masters in Civil- Town Planning from Pune Engineering Institute.</p> <p>He is 57 years of age and has an expertise of over 25 years in Architecture and Town Development Planning. He has worked for a premier Public Sector Organisation and New Town Development Authority CIDCO for over 25 years.</p> <p>He is widely recognised in his field of expertise.</p>	<p>Mr. Nimish Shah is a Bachelor of Engineering in the Civil Stream.</p> <p>He is one of the most experienced person in the Company having more than 17 years of experience in construction and related activities. He is actively involved in all the nuances of engineering including detailed Planning & Execution, Project Estimations, Infrastructure & Site organization of the projects. He was Involved in several turnkey projects of Water supply & Sewerage Scheme for Govt. of Maharashtra and successfully commissioned them.</p>
[2] Past Remuneration	₹ 37,00,000/- per annum	₹ 35,00,000/- per annum
[3] Recognition or awards	<ol style="list-style-type: none"> Received Prime Minister Award at Vidhyans Bhawan, New Delhi on behalf of CIDCO for excellence in Urban Planning Recently Nominated by CIDCO as an Technical member on two separate Steering Committee deciding with Nature Park of Navi Mumbai and Navi Mumbai as a Smart City 	NIL

[4] Job Profile & his suitability	Whole-time Executive Director. Taking into consideration his qualifications and expertise in relevant fields, the Executive Director is best suited for the responsibilities currently assigned to him by the Board of Directors.	Whole-time Executive Director & Chief Project Officer. Taking into consideration his qualifications and expertise in relevant fields, the Executive Director is best suited for the responsibilities currently assigned to him by the Board of Directors.
[5] Remuneration proposed	₹ 40,00,000/- per annum	₹ 36,00,000/- per annum
[6] Comparative Remuneration Profile w.r.t. industry, size of company, profile of the position & person	Taking into consideration the size of the Company, the profile of Mr. Dinkar Samant, the responsibilities shouldered by him and the industry bench marks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies	Taking into consideration the size of the Company, the profile of Mr. Nimish Shah, the responsibilities shouldered by him and the industry bench marks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies
[7] Pecuniary Relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration proposed to be paid to him, the Executive Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.	Besides the remuneration proposed to be paid to him, the Executive Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. OTHER INFORMATION {Common to both Appointees}

Reasons for loss or inadequate profits	The Company has posted a net profit after tax of ₹ 2.80 Crores during the year ended 31 st March, 2014. Sales receipts were in line with the previous year, in fact Arihant Group has achieved record sales of 822 units in the financial year 2013-2014, however the construction cost and administration expenses have been increasing which has lowered the profits of the Company.
Steps taken or proposed to be taken for improvement	Company has launched big projects, the projects have been able to generate outstanding sales bookings, however the Construction in these Projects has just commenced and hence as per the principles Accounting standards revenues could not be recognized from the same as construction has not reached up to 25% However the construction activities are in full swing, hence looking at the response which these projects have witnessed we are very positive that in the coming years we will be able to show stronger results than ever
Expected increase in productivity and profits in measurable terms	Normal product cycle of the Real estate company is at least 3-4 years, since we have launched couple of good projects in the last one year and few other expected to be launched in this Financial year.

IV. DISCLOSURES:

The information and Disclosures of the remuneration package of the Whole-time Directors have been mentioned in the Annual Report in the Corporate Governance Report Section under the heading "Remuneration Paid/ Payable to the Managing Director and Executive (Whole-time) Directors for the year ended 31st March 2014.

Both, Mr. Dinkar Samant and Mr. Nimish Shah satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act and are not disqualified to act as Directors in terms of Section 164 of the Act.

Other details as required to be reported in terms of Clause 49 of the Listing Agreement is attached to this Notice and forms a part of the Annual Report.

ANNEXURE TO THE NOTICE

Details of the Directors seeking Appointment / Re-appointment at the 31st Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)

I. Independent Directors:

Particulars	Mr. Dinesh Babel	Mr. Virendra Mital	Mr. V. V. Nalavde
Date of Birth	23 rd July, 1943	29 th April, 1948	14 th July, 1943
Date of Appointment	23 rd April, 2010	23 rd April, 2010	11 th February, 2012
Qualifications	Chartered Accountant and Bachelor of Law	B.Tech (IIT Delhi)	Graduate of Commerce (B.com) and passed the intermediate level of ICWA
Expertise	Enriched experience in the field of Management Finance, Taxation, Audit and Costing	Civil Engineering and management	Finance, Accounts and Administration
Directorship in other Companies	i. Kusam Electrical Industries Ltd ii. Arihant Technoinfra Private Limited	i. Adonis Energy And Power Private Limited ii. Mukand Vini Mineral Limited iii. Behraband North Extension Mine Private Limited iv. Mukand Vijayanagar Steel Limited v. Arihant Aashiyana Private Limited vi. Adeshwar Realty Private Limited	i. Arihant Gruhnirman Private Limited ii. Arihant Abode Limited
Committee Positions in ASL	Chairman: Audit Committee Member: Nomination & Remuneration Committee Stakeholders Relationship Committee Business Planning & Development Committee	Chairman: Stakeholders Relationship Committee Member: Nomination & Remuneration Committee Audit Committee	Chairman: Nomination & Remuneration Committee Member: Audit Committee Stakeholders Relationship Committee Business Planning & Development Committee
Committee Positions in other Public Limited Companies	Kusam Electrical Industries Ltd.	NIL	NIL
Relation between Directors	NIL	NIL	NIL
Number of Shares held in the Company	NIL	NIL	NIL

II. Whole-time Executive Directors:

Particulars	Mr. Nimish Shah	Mr. Dinkar Samant
Date of Birth	11 th April, 1974	15th June, 1956
Date of Appointment	13 th April, 2010	04th August, 2012
Qualifications	B.E. (Civil)	Graduate from Sir J.J.College of Architecture with First Class Honors and Masters in Civil Town Planning from Pune
Expertise	Real Estate	Real Estate
Directorship in other Companies	NIL	NIL
Committee Positions in ASL	Member: Executive Committee Stakeholder Relationship Committee	
Committee Positions in other Public Limited Companies	NIL	NIL
Relation between Directors	NIL	NIL
Number of Shares held in the Company	NIL	NIL