

12th November 2022

Corporate Relations Department	Listing Compliance Department
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 506194 Class of Security: Equity	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: ARIHANTSUP Series: EQ

Sub: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 in respect of land transaction between subsidiary companies of Arihant Superstructures Limited – Arihant Vatika Realty Private Limited and Arihant Abode Limited

Dear Sir/Madam,

With reference to the above captioned subject, and pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, we would like to hereby inform the stakeholders, that the Audit Committee and Board of Directors of the Company have, in their respective meetings held on 12th November 2022, approved the following related party transaction between Arihant Abode Limited and Arihant Vatika Realty Private Limited.

The said transaction has also been approved by the Board of Directors of Arihant Abode Limited and Arihant Vatika Realty Private Limited, respectively, the details of which are as follows:

No	Particulars	Remarks
1.	Type of Transaction	Sale of land admeasuring area of ~48,380 sq mtrs of land owned by Arihant Abode Limited situated at Palaspe, Taluka-Panvel, District-Raigad to Arihant Vatika Realty Private Limited

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CIN: L51900MH1983PLC029643

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Tel No.- 022-62493333/62493344

Website: www.asl.net.in, Email: info@asl.net.in



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2.	Relation between the parties	<ul style="list-style-type: none">• Arihant Superstructures Ltd holds 60% shareholding in both the companies. AAL and AVRPL are fellow subsidiaries.• Arihant Abode Limited (AAL) is a non-material subsidiary of Arihant Superstructures Limited• Arihant Vatika Realty Private Limited (AVRPL) is a material subsidiary of Arihant Superstructures Limited
3.	Terms and Conditions of the proposed transaction (in brief)	<ul style="list-style-type: none">• Consideration of the Transaction: Rs. 69 Crores• The transaction shall be treated as complete, and possession shall be handed over only after completion of 100% payment.• Till the entire 100% payment is complete, the amounts paid shall be treated as advances and not sales consideration.• In case of non-completion of payment, the Seller reserves the right to terminate/cancel the transaction and refund the advances received to the Purchaser without any interest after deduction of 5% of the total consideration.
4.	Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of contract	Valuation Report issued by Independent Valuer has been obtained to determine the pricing of the transaction on an arm's length basis.
5.	Rationale for granting approval for the transaction	Arihant Superstructures Limited holds 60% of the shareholding in both AAL and AVRPL and hence its economic interest remains unchanged and protected w.r.t this transaction.

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		<p>The benefits of this transaction for the parties are as follows:</p> <ul style="list-style-type: none">• For AAL:<ol style="list-style-type: none">a) AAL is executing a mega project "Arihant Aspire" which would require approx. Rs 900 Crores for the project. Thus, the land has long visibility for development to hold for the company.b) It will help AAL generate suitable cash flows from its non-core assets, while ensuring that the debt burden on the company is suitable reduced.c) It will help AAL have more funds available for its working capital requirements resulting in faster completion of existing projects.• For AVRPL:<ol style="list-style-type: none">a) It will help AVRPL to deploy its cash surplus in viable land parcels and for new revenue generating projects in the Panvel area and improve its profits in the future.• For ASL:<ol style="list-style-type: none">a) AAL will be able to continue to focus on completion of the mega housing project Arihant Aspire rather than utilizing its financial resources in new projects/opportunities.b) AAL will reduce its debt liabilities and improve its debt to equity and other financial parameters by reducing the interest outgo.c) AVRPL will be able to utilize its surplus cashflow in value accretive project thus improving its capital efficiency.d) Since AVRPL is in a better position to provide funds for new projects resulting in faster development of the said Land.e) In summary, there is a good reason to believe that preponement of the cashflows from Arihant Aspire and the development of the
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		<p>said land will accrue time value benefit to ASL.</p> <p>The said transaction will ensure that the assets available with the subsidiaries are utilized by the entity most suitable to undertake effective utilization of the available asset</p>
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You are requested to please take the above on record and intimate to the Stakeholders accordingly.

Thanking you,

Yours faithfully,

**For & on behalf of the Board of Directors
Arihant Superstructures Limited**

**Ashok Chhajer
Chairman & Managing Director
DIN: 01965094**

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