

INDEPENDENT AUDITOR'S REPORT

To

The Members of
ARSS Developers Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of ARSS Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 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 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 there under.

We conducted our audit in accordance with the Standards on Auditing 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 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 financial statements.

Basis for Qualified Opinion

- a. *Provision for Retirement Benefits has not been made in the annual accounts as required by "Accounting Standard 15- Employee Benefits" issued by the Institute of Chartered Accountants of India, whose impact on the Company's profit is not ascertainable.*
- b. *Recoverability of Sundry Debtors to the tune of Rs. 20.39 Crores is not ascertainable. Moreover, no provision has been made in this regard.*
- c. *Recoverability of Advances for purchase of Land to the tune of Rs. 1.62 Crores is not ascertainable. Moreover, no provision has been made in this regard.*
- d. *In absence of filing of Service Tax and TDS Returns, the statutory liabilities in this regard are not ascertainable*
- e. *In the absence of accounts of ARSS KGN JV, the balances of the said JV as appearing in the financial statements of the Company cannot be confirmed*
- f. *In absence of account statement of loan taken from IFCI Ltd, the transactions appearing in the final statements cannot be confirmed. Further, unapplied interest from the date of NPA has neither been ascertained nor provided for.*

Opinion

Except for the effects of the matter described in the Basis of Qualified Opinion Paragraph, in our opinion and to the best of our information and according to the explanations given to us, the 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:

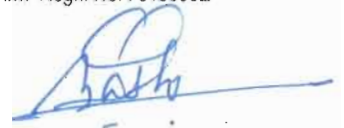
- (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2015; and
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of sub section 11 of Section 143 of the Act, we give in the Annexure 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 purposes of our audit.
 - (b) In our opinion, proper books of accounts 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, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
 - (f) 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 did not have any pending litigation having any impact on the financial position in its 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. The company had no amount that is required to be transferred to the Investor Education and Protection Fund.

For P. A. & Associates
Chartered Accountants
Firm Regn. No. : 313085E



(CA. B. N. Dash)
Partner
(M. No.: 062142)

Place : Bhubaneswar
Dated : 01st September, 2015



Annexure to the Auditor's Report

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements)

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed asset, which however is not complete.
- b) As explained to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals in a phased manner. In our opinion, the frequency of such verification is reasonable having regard to size of the company and nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (ii) a) As explained to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and nature of its business.
- b) In our opinion and according to the information and explanations provided to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanations provided to us, the Company has maintained proper records of its inventories. The discrepancies between physical stocks and the book records arising out of physical verification, which were not material, have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations provided to us, the Company has granted unsecured loans seven parties listed in the Register maintained under Section 189 of the Companies Act, 2013. The balance outstanding is Rs. 102.31 Crores and maximum amount involved is Rs. 103.76 Crores.
- (iv) In our opinion and according to the information and explanations provided to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) The Company has not accepted any public deposits during the year.
- (vi) To the best of our knowledge and according to the information and explanation provided to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act 2013 for any of the products of the Company.



(vii) According to the information and explanations provided to us in respect of statutory dues:

- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Value Added Taxes, Cess and other Statutory Dues with the appropriate authorities.
- b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, , Value Added Taxes, Cess and other Statutory Dues outstanding as at 31.03.2015 for a period of more than six months from the date they became payable except the following.

<u>Sl No.</u>	<u>Undisputed Dues</u>	<u>Amount (Rs. In Lacs)</u>
1	Income Tax	47.80
2	TDS	43.25
3	Service Tax	52.11
4	VAT	1.50

- c) According to the information and explanations provided to us, the company has no dues pending disputes as on 31st March, 2015.
 - d) The company has no amount due under clause 3(vii) (c) of the Order relating to transfer of amount to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company has accumulated loss of Rs. 10.92 Crores as at the end of the financial year. The Company has not incurred cash loss during the financial year covered by our audit, but in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation provided to us, the Company has defaulted in repayment of dues to a financial institution to the tune of Rs. 90.14 Crores.
 - (x) According to the information and explanation provided to us, the company has not given any guarantee for loans taken by others from banks or financial Institutions
 - (xi) According to the information and explanation provided to us, the Company has not raised any term loans during the year.
 - (xii) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

For P. A. & Associates
Chartered Accountants
Firm Regn. No. : 313085E



(CA. B. N. Dash)
Partner
(M. No.: 062142)

Place : Bhubaneswar
Dated : 01st September, 2015



ARSS Developers Limited

Balance Sheet as at 31st March

	Notes	2015 ₹	2014 ₹
EQUITY AND LIABILITIES			
I Shareholders' Funds			
a Share Capital	1	6,50,84,160	6,50,84,160
b Reserves and Surplus	2	9,79,58,350	10,04,54,816
		<u>16,30,42,510</u>	<u>16,55,38,976</u>
II Non-Current Liabilities			
a Long Term borrowings	3	73,993	74,52,59,373
b Deferred Tax Liability	4	10,82,290	5,01,370
		<u>11,56,283</u>	<u>74,57,60,743</u>
III Current Liabilities			
a Trade Payables	5	2,28,91,213	58,28,787
b Short Term Borrowings	6	36,33,21,027	33,85,81,083
c Other Current Liabilities	7	92,81,04,175	29,27,03,697
		<u>1,31,43,16,415</u>	<u>63,71,13,567</u>
TOTAL		<u><u>1,47,85,15,208</u></u>	<u><u>1,54,84,13,287</u></u>
ASSETS			
IV Non-current Assets			
a Fixed Assets			
i Tangible Assets	8	2,64,23,860	1,42,42,574
b Non-Current Investments	9	1,72,53,181	1,71,96,902
		<u>4,36,77,041</u>	<u>3,14,39,476</u>
V Current Assets			
a Inventories	10	15,88,51,598	16,77,07,304
b Trade Receivables	11	20,39,20,899	20,39,20,899
c Cash and Cash Equivalents	12	15,25,004	18,08,418
d Short term loans and advances	13	1,07,05,40,667	1,14,33,67,276
e Other current assets	14	-	1,69,914
		<u>1,43,48,38,167</u>	<u>1,51,69,73,811</u>
TOTAL		<u><u>1,47,85,15,208</u></u>	<u><u>1,54,84,13,287</u></u>
VI Significant accounting policies	A		
VII Notes on Financial Statements	B		

As per our report of even date

For P. A. & Associates
Chartered Accountants
Firm Regn. No. 313085E



(CA. B. N. Dash)

Partner

M. No. 062142

Bhubaneswar

The 01st day of September, 2015

For and on behalf of the Board of Directors



(Anil Agarwal)

Director



(Sunil Agarwal)

Director



ARSS Developers Limited

Profit and Loss Statement for the Period ended on 31st March

	Notes	2015 ₹	2014 ₹
I Income			
a Revenue from operations	15	7,23,67,345	41,05,40,113
b Other Income	16	7,29,690	1,35,268
		<u>7,30,97,035</u>	<u>41,06,75,381</u>
II Expenses			
a Cost of materials consumed	17	79,07,847	5,74,99,546
b (increase)/decrease in inventories of work-in-progress	18	77,09,186	19,05,11,083
c Employee benefits expense	19	45,96,351	62,59,153
d Depreciation and amortization expense	20	19,86,218	5,62,874
e Finance costs	21	1,55,807	12,85,12,830
f Other expenses	22	5,26,57,172	8,60,92,564
		<u>7,50,12,581</u>	<u>46,94,38,050</u>
III Profit/(loss) before tax		(19,15,546)	(5,87,62,669)
Tax expenses			
Current tax		-	-
Deferred tax		5,80,920	2,67,240
Total tax expenses		5,80,920	2,67,240
IV Profit/(loss) for the year from continuing operations		(24,96,466)	(5,90,29,909)
V Earnings per equity share	23		
Basic			
Computed on the basis of profit from continuing operations			
Computed on the basis of total profit for the year		(0.38)	(9.07)
Diluted			
Computed on the basis of profit from continuing operations		(0.38)	(9.07)
Computed on the basis of total profit for the year			
VI Significant accounting policies	A		
VII Notes on Financial Statements	B		

As per our report of even date

For P. A. & Associates
Chartered Accountants

Firm Regn. No. 310085E



(CA. B. N. Dash)
Partner
M. No. 062142

For and on behalf of the Board of Directors



(Anil Agarwal)
Director



(Sunil Agarwal)
Director

Bhubaneswar
The 01st day of September, 2015



ARSS Developers Limited

Cash Flow Statement for the year ended on 31st March

	2015	2014
	₹	₹
Cash flow from operating activities		
Profit before tax from continuing operations	(19,15,546)	(5,87,62,669)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	19,86,218	5,62,874
Interest expense	1,55,807	12,85,12,830
Operating profit before working capital changes	2,26,479	7,03,13,034
Movements in working capital:		
Increase/(decrease) in Short term Borrowings	2,47,39,944	5,70,87,512
Increase/(decrease) in other current liabilities	65,24,62,904	(11,44,173)
Decrease/(increase) in trade receivables	-	(20,05,244)
Decrease/(increase) in inventories	88,55,706	23,46,07,088
Decrease/(increase) in short-term loans and advances	7,28,26,609	(9,48,59,726)
Decrease/(increase) in other current assets	1,69,914	(1,69,914)
Cash generated from / (used in) operations	75,92,81,556	26,38,08,577
Direct taxes paid (net of refunds) & Deferred Tax	5,80,920	2,67,240
Net cash flow from/(used in) operating activities (A)	75,87,00,636	26,35,41,337
Cash flows from investing activities		
Purchase of fixed assets, including intangible Assets,CWIP	(1,41,67,504)	(1,17,50,351)
Increase / (Decrease) in Deferred Tax Liability	5,80,920	2,67,240
Proceeds of non-current investments	(56,279)	-
Net cash flow from/(used in) investing activities (B)	(1,36,42,863)	(1,14,83,111)
Cash flows from financing activities		
Proceeds from long-term borrowings	(74,51,85,378)	(12,49,39,936)
Interest paid	(1,55,807)	(12,85,12,829)
Net cash flow from / (used in) in financing activities (C)	(74,53,41,185)	(25,34,52,765)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,83,412)	(13,94,538)
Cash and cash equivalents at the beginning of the year	18,08,418	32,02,956
Cash and cash equivalents at the end of the year	15,25,004	18,08,418
Components of cash and cash equivalents		
Cash on hand	1,71,850	2,26,805
With banks on current account	13,53,153	15,81,613
on deposit account	-	-
Total Cash and Cash equivalents	15,25,004	18,08,418

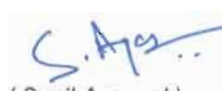
As per our report of even date

For P. A. & Associates
Chartered Accountants
Firm Regn. No. 313085E


(CA. B. N. Dash)
Partner
M. No. 062142

For and on behalf of the Board of Directors


(Anil Agarwal)
Director


(Sunil Agarwal)
Director

Bhubaneswar
The 01st day of September, 2015



A. SIGNIFICANT ACCOUNTING POLICIES.

1. Corporate Information

ARSS Developers Limited (the company) is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

2. Basis of Preparation

The financial statements are prepared on an accrual basis and under the historical cost convention in accordance with generally accepted accounting principles in India [Indian GAAP]. The Company has prepared these financial statements to comply in all material respects with the accounting standards issued by the Institute of Chartered Accountants of India, as applicable and notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The accounting policies adopted in the preparation of financials statements are consistent with those of previous year.

3. Summary of Significant Accounting Policies

a. Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, Management is required to make estimates and assumption that affect the reported amounts of assets and liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period the same is determined.

b. Tangible Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of taxes, duties, freight and other incidental expenses related to acquisition and installation less accumulated depreciation.

Self constructed assets are capitalized at cost including an appropriate share of overhead.

c. Depreciation on Tangible Fixed Assets

- i. Depreciation is provided on Straight Line Method at the rates specified in Schedule -XIV to the Companies Act, 1956.
- ii. Depreciation on addition / deletion of fixed assets during the year is provided on pro-rata basis with reference to the date of addition / deletion.

d. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the



asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

e. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

f. Inventories

Raw Materials and Work in Progress are valued at the lower of cost and net realizable value.

g. 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.

h. Taxes on Income

The Tax expenses comprise of current tax and deferred tax charged or credited to the profit and loss account for the year. Current tax is calculated in accordance with the tax laws applicable to the current financial year. The deferred tax charge or credit is recognized using the tax rates and tax laws that have been enacted by the Balance Sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. At each Balance Sheet date, recognized and unrecognized deferred tax assets are reviewed.

i. Employee Benefits

- i. Employees benefits are accrued in the year services are rendered by the employees.
- ii. Contribution to Provident Fund are recognized as and when they become due.

k. Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



Contingent Liabilities are not recognized but are disclosed in the notes to accounts. Disputed demands in respect of Central Excise, VAT, Income Tax and Sales Tax are disclosed as Contingent Liabilities. Payment in respect of such demands, if any, is shown as advance, till the final outcome of the matter. Contingent Assets are neither recognized nor disclosed in the financial statements..

l. Earning per share :

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average no. of equity shares outstanding during the period. The weighted average no. of equity shares outstanding during the period is adjusted for events of shares split.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity share holders and weighted average no. of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

m. Overdue Charges in Respect of Loans

Overdue charges if any levied by financial institutions / banks/NBFC are not considered during the currency of the loan. The same is considered as a financial expense in the year of final settlement of loan amount.



B. Notes to financial statements for the year ended

1. Share Capital

Authorized shares :

1,00,00,000 (P.Y. 1,00,00,000)

equity shares of Rs.10/- each

2015	2014
₹	₹

10,00,00,000	10,00,00,000
--------------	--------------

Issued , Subscribed & Paid up

65,08,416 equity shares(P. Y.65,08,416)

of Rs.10/- each fully paid up

6,50,84,160	6,50,84,160
-------------	-------------

6,50,84,160	6,50,84,160
-------------	-------------

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	No. of Shares
At the beginning of the Period	65,08,416	65,08,416
Issued during the year	-	-
Outstanding at the end of the period	65,08,416	65,08,416

b. Terms/right attached to equity shares

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive 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 the shareholders.

c. Details of shareholders holding more than 5% shares in the company

Name of the shareholders	31st March 2015		31st March 2014	
	No. of Shares	%	No. of Shares	%
ARSS Infrastructure Projects Limited	25,00,000	38.41%	25,00,000	38.82%
Rajesh Agarwal	8,87,500	13.64%	8,87,500	13.78%
Subash Agarwal	8,35,000	12.91%	8,35,000	12.97%
Sunil Agarwal	5,17,500	7.95%	5,17,500	8.04%
Anil Agarwal	5,07,500	7.95%	5,07,500	7.88%
Prateek Agarwal	3,50,000	5.38%	3,50,000	5.43%
	55,97,500	86.24%	55,97,500	86.92%

As per records of the company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

2. Reserves and Surplus

Securities Premium Account

Balance as per last financial statements

20,71,83,740	20,71,83,740
--------------	--------------

Closing Balance

20,71,83,740	20,71,83,740
--------------	--------------

Surplus in the statement of profit and loss

Balance as per last financial statements

(10,67,28,923)	(4,76,99,015)
----------------	---------------

Profit/(loss) for the year

(24,96,466)	(5,90,29,909)
-------------	---------------

Net surplus in the statement of profit and loss

(10,92,25,390)	(10,67,28,924)
----------------	----------------

Total reserves and surplus

9,79,58,350	10,04,54,816
-------------	--------------



3. Long-term borrowings

	Non-Current Portion		Current Maturities	
	31st March 2015	31st March 2014	31st March 2015	31st March 2014
	₹	₹	₹	₹
Indian Rupee Loan from banks(Secured)	73,993	3,49,281	2,75,261	2,44,854
Indian Rupee Loan from NBFCs (Un-Secured)	-	74,49,10,092	90,14,15,370	26,82,56,348
	<u>73,993</u>	<u>74,52,59,373</u>	<u>90,16,90,631</u>	<u>26,85,01,202</u>

- a. Indian Rupee loan from bank carries interest @11.75% p.a. The loan is repayable in 60 monthly instalments from the date of disbursement of loan. The above loan is secured by hypothecation of vehicle.
- b. Term Loan from IFCL Ltd. is unsecured and carries interest rate ranging from 14.5% to 16% p.a. repayable in quarterly instalments. The loan has been classified as NPA with effect from 19.06.2012. Unapplied interest from the date of NPA has not been provided for.

4. Deferred Tax liability

Related to Fixed Assets

Opening Balance	5,01,370	2,34,130
Addition during the year	5,80,920	2,67,240
	<u>10,82,290</u>	<u>5,01,370</u>

5. Short-term borrowings

a. From Related Parties	23,18,62,083	28,30,22,083
b. From Others	13,14,58,944	5,55,59,000
	<u>36,33,21,027</u>	<u>33,85,81,083</u>

6. Trade Payables

Sundry Creditors for Trade	2,28,91,213	58,28,787
	<u>2,28,91,213</u>	<u>58,28,787</u>

7. Other current liabilities**Other liabilities**

Current maturities of long-term borrowings	90,16,90,631	26,85,01,202
Others		
Creditors for Expenses	68,26,648	17,41,275
Advance from Customers	-	2,18,700
Security Deposit from Sub-Contractor	39,91,012	46,08,458
Statutory dues payable	1,55,95,884	1,76,34,062
	<u>92,81,04,175</u>	<u>29,27,03,697</u>



8. Tangible assets

	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Total
Cost or valuation					
At 31s March 2013	9,17,459	6,09,906	15,08,716	7,01,542	37,37,623
Additions	1,17,50,351	-	-	-	1,17,50,351
Disposals	-	-	-	-	-
At 31st March 2014	1,26,67,810	6,09,906	15,08,716	7,01,542	1,54,87,974
Additions	1,41,56,247	-	-	11,257	1,41,67,504
Disposals	-	-	-	-	-
At 31st March 2015	2,68,24,057	6,09,906	15,08,716	7,12,799	2,96,55,478
Depreciation					
At 31s March 2013	86,254	82,607	2,74,535	2,39,130	6,82,526
Charge for the year	2,67,219	38,607	1,43,328	1,13,720	5,62,874
Disposals	-	-	-	-	-
At 31st March 2014	3,53,473	1,21,214	4,17,863	3,52,850	12,45,400
Charge for the year	16,24,031	51,939	2,00,111	1,10,137	19,86,218
Disposals	-	-	-	-	-
At 31st March 2015	19,77,504	1,73,153	6,17,974	4,62,987	32,31,618
Net Block					
At 31st March 2014	1,23,14,337	4,88,692	10,90,853	3,48,692	1,42,42,574
At 31st March 2015	2,48,46,553	4,36,753	8,90,742	2,49,812	2,64,23,860



9. Non-current investments**Trade Investments****(a) Investment in subsidiaries**

Investment in North West sales & Marketing Limited
 2,70,700 Equity Shares of Rs. 10/- with a premium of Rs. 2/- each fully paid up
 2,28,500 Equity Shares of Rs. 10/- with a premium of Rs. 10/- each fully paid up

(b) Investment in joint ventures

ARSS KGN JV

	2015	2014
	₹	₹
	78,18,400	78,18,400
	94,34,781	93,78,592
	<u>1,72,53,181</u>	<u>1,71,96,902</u>

10. Inventories

(valued at cost being lower of net realizable value)

(As certified by the management)

Raw materials and components

Work-in-progress

	0	11,46,520
	15,88,51,598	16,65,60,784
	<u>15,88,51,598</u>	<u>16,77,07,304</u>

11. Trade receivables

(Unsecured & Considered good)

Over Six Months

Others

	20,39,20,899	20,39,20,899
	-	-
	<u>20,39,20,899</u>	<u>20,39,20,899</u>

12. Cash and Cash equivalents

Cash in hand

Balances with banks:

in current accounts

	1,71,850	2,26,805
	13,53,153	15,81,813
	<u>15,25,004</u>	<u>18,08,418</u>

13. Short Term Loans and advances

(Unsecured, considered good)

Security deposit

Loan and advances to related Parties

Advance Against Land

Advance to Suppliers

Balances with statutory/government authorities

	7,22,576	8,05,138
	1,02,31,19,910	1,09,17,15,687
	1,61,51,000	1,61,51,000
	1,03,22,281	1,04,08,092
	2,02,24,900	2,42,87,359
	<u>1,07,05,40,667</u>	<u>1,14,33,67,276</u>

14. Other current assets

Interest Receivable

	-	1,69,914
	-	<u>1,69,914</u>



15. Revenue from operations

Sale of Products
 Chips Sales
 Sale of Land
 Contract Revenue

2015	2014
₹	₹
	4,72,45,524
	24,69,44,550
7,23,67,345	11,63,50,039
<u>7,23,67,345</u>	<u>41,05,40,113</u>

16. Other income

Interest on bank deposits
 Other Non-operating income

	1,35,268
7,29,690	-
<u>7,29,690</u>	<u>1,35,268</u>

17. Cost of material consumed

Inventory at the beginning of the year
 Add: Purchases
 Less: inventory at the end of the year

11,46,520	4,52,42,525
67,61,327	1,34,03,541
79,07,847	5,86,46,066
0	11,46,520
<u>79,07,847</u>	<u>5,74,99,546</u>

18. (Increase)/decrease in inventories**Inventories at the end of the year**

Work-in-progress

15,88,51,598	16,65,60,784
<u>15,88,51,598</u>	<u>16,65,60,784</u>

Inventories at the beginning of the year

Work-in-progress

16,65,60,784	35,70,71,867
<u>16,65,60,784</u>	<u>35,70,71,867</u>
<u>77,09,186</u>	<u>19,05,11,083</u>

19. Employee benefit expense

Salaries, wages and bonus
 Contribution to provident and other fund
 Staff welfare expenses

44,73,607	61,64,417
6,804	16,926
1,15,940	77,810
<u>45,96,351</u>	<u>62,59,153</u>

20. Depreciation and amortization expense

Depreciation of tangible assets

19,86,218	5,62,874
<u>19,86,218</u>	<u>5,62,874</u>

21. Finance costs

Interest
 Bank Charges

55,907	12,83,88,850
99,900	1,23,980
<u>1,55,807</u>	<u>12,85,12,830</u>



22. Other expenses

	2015	2014
	₹	₹
Operating Expenses		
Direct Expenses	4,67,71,170	7,54,13,061
	4,67,71,170	7,54,13,061
Selling & Distribution Expenses		
VAT Expenses	-	22,49,787
Business Promotion	-	63,447
	-	23,13,234
Establishment Expenses		
Rent	72,000	1,27,000
Rates & Taxes	-	20,552
Insurance	-	27,140
Travelling and conveyance	10,730	58,146
Printing and stationery	50,523	20,913
Legal and professional fees	15,13,125	19,64,130
Director's Remuneration	-	36,00,000
Payment to auditor	45,800	1,12,360
Miscellaneous expenses	41,93,824	24,36,028
	58,86,002	83,66,269
	5,26,57,172	8,60,92,564

23. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Total operations for the year	7,30,97,035	41,06,75,381
Profit/(loss) after tax	(24,96,466)	(5,90,29,909)
Net profit/ (loss) for calculation of basic EPS	(24,96,466)	(5,90,29,909)
Net profit/(loss) for calculation of diluted EPS	(24,96,466)	(5,90,29,909)
	In No.	In No.
weighted average number of equity shares in calculating basic/diluted EPS	65,08,416	65,08,416
Basic/Diluted EPS	(0.38)	(9.07)

24. Interest in a joint venture

The company discloses its investment in joint ventures at cost and recognises its share of profit/(loss) in the profit and loss account. The details of profit sharing ratio, investment as on 31.03.2015 and share of profit/(loss) in joint ventures are given below

Sl. N	Name of the Joint Venture	Profit sharing ratio(%)	Investment	Share of profit
1	ARSS - KGN JV	50%	94,34,781	-
			94,34,781	-



2015
₹2014
₹

25. Related party disclosures

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a. Sale/purchase of goods and services

	Year ended	Sale of Services
Associated Concerns		
ARSS Infrastructure Projects Limited	31.03.2015	62,85,713
Shivam Condev Pvt Ltd	31.03.2015	6,60,81,622

b. Loans given and repayment thereof

Enterprises owned or significantly
influenced by key management
personnel or their relatives

North West sales & Marketing Limited	75,66,91,126	77,11,26,903
Share Application in Anil Contractors Pvt Ltd	-	5,41,60,000
Subash Agarwal	-	-
ARSS Ravchi JV	1,80,00,000	1,80,00,000
Ramesh Agarwal	2,00,000	2,00,000
Loan to ARSS Infra.	24,19,44,550	24,19,44,550
Prateek Agarwal	60,00,000	60,00,000
Sarat Pathak	2,00,000	2,00,000
Mukunda ARSS Developers Partnership	84,234	84,234
	<u>1,02,31,19,910</u>	<u>1,09,17,15,687</u>

Loans given to related parties are interest free and repayable on demand.

c. Loans taken and repayment thereof

Enterprises owned or significantly
influenced by key management
personnel or their relatives

L.G Constructions	4,00,000	4,00,000
Anil Agarwal (Huf)	1,41,08,330	1,41,08,330
Anil Contractors P Ltd	1,45,78,559	6,58,38,559
Mohanlal Agarwal(Huf)	34,61,231	34,61,231
Rajesh Agarwal(Huf)	1,91,18,373	1,91,18,373
Ramdulari Agarwal	2,45,28,687	2,45,28,687
Sabita Agarwal	1,25,67,270	1,25,67,270
Sangeeta Agarwal	70,97,252	70,97,252
Sanju Agarwal	39,53,472	39,53,472
Seema Agarwal	1,59,60,121	1,59,60,121
Shivam Construction Pvt Ltd	30,00,000	30,00,000
Subash Agarwal(Huf)	94,34,429	94,34,429
Sunil Agarwal(Huf)	28,84,359	28,84,359
Rajesh Agarwal (U L)	2,20,000	2,20,000
Sidhant Financial Services Ltd	9,04,50,000	9,04,50,000
Vinod Brothers	1,00,00,000	1,00,00,000
	<u>23,18,62,083</u>	<u>28,30,22,083</u>

d. Remuneration to key managerial personnel

Subash Agarwal	36,00,000
----------------	-----------

26. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

- a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year : NIL
- b. Principal amount due to micro and small enterprises : NIL
- c. Interest due on above : NIL

27. Balances of Trade Receivables and Recoverables shown under 'Current Assets' and Trade and Other Payables under 'Current Liabilities', include balances subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis

